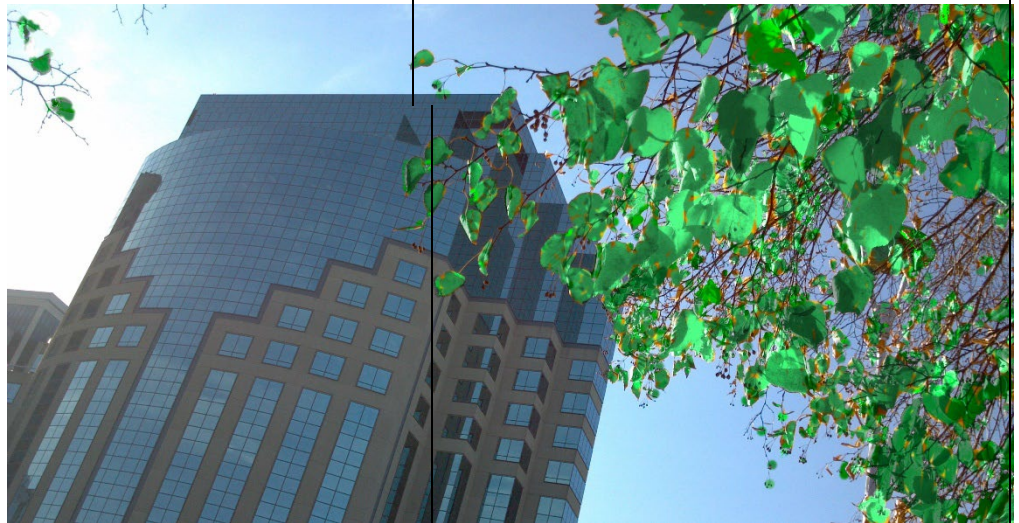# THE PPSD REGISTER

It is the mission of the Personnel and Payroll Services Division to provide accurate and timely personnel and payroll services through quality customer service.

Key Highlights This Month

- ✓ Controller Cohen Announces New Partnership to Help Reunite Californians with Unclaimed Property

- ✓ Statewide Training Update

- ✓ Form 1095-C Revision Process

- ✓ California State Payroll System Project Update

SCO KEY INITIATIVES

SCOCONNECT:
CAL EMPLOYEE CONNECT PROJECT/
CONNECTHR

CALIFORNIA STATE PAYROLL SYSTEM (CSPS) PROJECT

CONTACT US

(916) 372-7200

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Controller Cohen Announces New Partnership to Help Reunite Californians with Unclaimed Property

State Controller Malia M. Cohen announced that California has joined MissingMoney.com, a free, safe, and secure national website created to reunite people with unclaimed property. The website provides an easy way for people to search unclaimed property databases in 48 states, Washington, D.C., and Puerto Rico.

Californians can start their unclaimed property search through the State Controller's website at claimit.ca.gov, MissingMoney.com, or by calling (800) 992-4647. Anyone can search or download the unclaimed property database for free to see if friends and family also have items safeguarded by the state.

California's unclaimed property law protects consumers by requiring banks, insurance companies, and other businesses to transfer property to the State Controller after a period of no activity (generally three years). Savings or checking accounts, insurance benefits, uncashed checks, wages, stocks, bonds, and safe deposit box contents are common types of unclaimed property. Visit claimit.ca.gov for more information.

HELPFUL TOOLS

COVID-19 FAQ

Email Subscriptions

Civil Service Weekly Processing Dates

Decentralized Payroll Calendars

SCO Letters

Personnel Action Manual (PAM)

Payroll Procedures Manual (PPM)

Requesting Employment History

Requesting Pay History

Statewide Training

Payroll Flyers and Global Messages

Verification of Employment

Statewide Training Update

Addition of New Personnel Specialist Certificate Program

Working in personnel for the State of California is a commitment that no ordinary person could prepare for outside of state service. It means staying informed of ever-changing policies, learning new systems and manuals, and handling intense workloads on tight deadlines. To help new personnel specialists make sense of it all, the State Controller's Office Personnel and Payroll Services Division's (PPSD) Statewide Training Program has you covered. The New Personnel Specialist Certificate Program lays the foundation for employees taking their first steps down the personnel path.

Certificate Program Curriculum includes:

- Virtual Fundamentals of Personnel: Qualifying Pay Periods, Sick Leave, and Vacation
- Virtual PAR Documentation
- Payroll Procedures Virtual Training Series: Fundamentals of Payroll
- Payroll Procedures Virtual Training Series: Payroll Input Process

We made enrolling in the certificate program a snap. Signing up for just one of these courses automatically enrolls you in the certificate program and beginning your journey as a Personnel Specialist. Participants will receive system-generated emails reminding them of the completion requirements for remaining courses. Remember, you have one year from the completion date of the first course to complete the remaining three courses. Be on the lookout for open enrollment emails coming directly from PPSD Statewide Training to plan your training path.

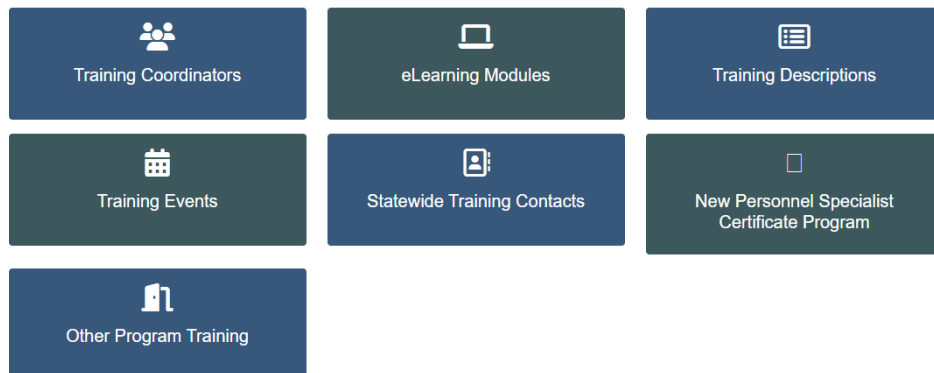You can find more information about the certificate program on our newly updated website. Speaking of our website…

Updated Training Website

We have listened to your feedback and generated a brand new look for our Statewide Training webpage that makes navigation a breeze.

The organized icons contain easy-to-follow links to important training information for both Training Coordinators and participants alike. Users now have the ability to view information on:

- Training coordinator resources
- eLearning modules
- Virtual training descriptions
- Live training events
- Statewide training contacts
- The new Personnel Specialist Certificate program
- Other program area training within SCO:
  - Affordable Care Act (ACA) Training
  - California Leave Accounting System (CLAS) Training
  - Management Information Retrieval System (MIRS) Training

Check it out for yourself [here](#).

Bittersweet Success

These changes at PPSD Statewide Training brought new opportunities for our team members. You may have noticed a few temporarily discontinued or canceled courses recently. In January, our beloved Fundamentals of Payroll and Payroll Input Process trainer, Cassandra Fine, hung up her SCO badge and called it a career after more than a decade of state service.

Also, our Salary Determination trainer, Craig Ortega, accepted a promotional opportunity with a personnel office. Craig joined our team in late 2019 and was tasked with converting the in-person Salary Determination training into a series of condensed virtual modules. Craig's personality in the classroom made his training unforgettable. His dad jokes and expertise will be missed.

Please be patient while we search for world-class candidates to fill the shoes of two truly talented trainers. **Fundamentals of Payroll, Payroll Input Process, Salary Determination: Basics, and Salary Determination: Advanced Concepts will be on-hold** until both trainer vacancies have been filled.

Finally, after 27 years with the state, (nearly 13 as manager of PPSD's Customer Support Section), Tim Ramsden is calling it a career. Tim is most proud of the way PPSD's training has expanded to meet state personnel needs in recent years. Congratulations on your retirement, Tim!

Form 1095-C Revision Process

Under the employer shared responsibility provisions of the Affordable Care Act (ACA), large employers (those with 50 or more federally defined full-time or full-time equivalent employees) are required to offer minimum essential health coverage to at least 95 percent of their full-time employees to avoid penalty. Additionally, large employers are required to report information about health coverage offered to full-time employees to the Internal Revenue Service (IRS). Information

reporting requirements are designed to help the IRS determine an employer's compliance with these provisions.

If a large employer fails to comply with ACA information reporting requirements, they may be subject to Information Reporting Penalties (IRP) imposed under Internal Revenue Code (IRC) sections 6721 and 6722.

Under IRC sections 6721 and 6722, a penalty may be imposed on employers for each failure to file a correct information return (1095-C). The penalty for each failure was $270 per statement for the 2019 reporting year.

The IRS has increased penalty amounts under IRC sections 6721 and 6722 on an annual basis.

Though the IRS has provided penalty relief for several years since the ACA's enactment, the Department of Human Resources (CalHR), the California State University (CSU) Chancellor's Office, and SCO have taken steps to prevent penalties. These include sharing resources, providing training to human resources offices, and monitoring statewide ACA compliance. It is important to note that this relief is not available beginning with the 2021 reporting year. Each erroneous 1095-C statement filed with the IRS can incur a penalty of up to $560 ($280 penalty under IRC section 6721 and $280 penalty under IRC section 6722).

For example, SCO reviewed 63 percent of the 6,221 corrected 1095-C statements for the 2019 reporting year. The numbers in the table below reflect the top five departments/campuses (obfuscated) with the greatest number of corrections to their 2019 1095-Cs and addendum 1095-C records, as well as the resulting penalty estimate based on the 2019 rate of $540 per corrected 1095-C.

2019 - Top 5 Penalty Resulting Human Resources Offices (obfuscated)

	Human Resources (HR) Office	Total Corrections	Penalty Total
1	HR Office A	321	$173,340
2	HR Office B	212	$114,480
3	HR Office C	172	$92,880
4	HR Office D	159	$85,860
5	HR Office E	154	$83,160

What can HR Offices Do to Reduce Future Penalties?

The State of California can proactively avoid IRPs by ensuring accurate and timely reporting of ACA data while allocating sufficient resources to monitor compliance. The state has been actively communicating this information to HR offices since 2014, and it is critical for HR offices to prioritize

ACA compliance to avoid penalties. By taking these measures, the state can minimize the need for IRPs and ensure a higher level of compliance with regulations.

This can be achieved by:

- Integrating ACA processes into the daily human resources workflow.
- Ensuring staff attend regular [training](#) and use the ACA support inbox for accurate and timely data entry.
- Allocating appropriate staff to key ACA transactions to prevent penalties due to late keying.
- Monitoring monthly and quarterly compliance reports produced by SCO, along with regular compliance communications by CalHR and the CSU Chancellor's Office.

CSPS Monthly Snapshot

February: Project Update

March: DART Update

April: Project Update

May: Learning Hub: Change Curve

March 20 marked the first day of the spring season and in true spring fashion, transformation abounds.

For CSPS Project team members, this transformation is also occurring within the walls of SCO. Project objectives are blooming and coming into alignment with our goals. We are experiencing success and positivity as we charge forward.

We are in Project Approval Lifecycle stage 4 -- Project Readiness.

We are evaluating the concepts that bidders submitted to prove they are capable of meeting our requirements. We are still in negotiations with potential vendors and will select the winning bidder by June.

As many of you know, we are actively engaged in meetings with Department Agency Readiness Teams (DARTs). Most departments have identified and reported all of their DART members at this point. Their roles include (but may vary depending on department need):

- DART Sponsor
- DART Liaison
- DART Coordinator
- DART Subject Matter Experts

We are pleased to announce that our full DART kickoff will happen very soon. This will be a great opportunity for all involved to ask questions, learn more about their role expectations, and get excited about the transformative process ahead.

Beginning in June, we plan to launch our Customer Relationship Management (CRM) tool, which will be a direct communication line to and from the project Agency Change Experts (ACE) and their assigned departments (DARTs). This will be an effective way to communicate and provide critical information, updates and assignments.

We are dedicated to keeping you updated on progress and milestones. If any questions or inquiries arise, please feel free to reach out to us at CSPShelp@sco.ca.gov. We also invite you to explore our website at California State Payroll System (CSPS) Project.