STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
SEPTEMBER 2010

Date: October 20, 2010

To: All Civil Service/Exempt Departments

From: State Controller's Office
Cindy Rounds, Manager
Debra Spellman, Manager
Personnel/Payroll Operations
(916) 324-6290/323-2539

Re: PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES

This recaps the September 9, 2010 Personnel/Payroll Review Committee (PPRC) meeting and provides information for the **November 4, 2010** meeting.

We would like to thank those department representatives that participated in the September meeting for their time and effort. There were 33 representatives from 21 departments that participated in this meeting.

Personnel/Payroll Review Committee
September 9, 2010 Meeting Notes

Debra Spellman called the meeting to order at 1:30.

Departments Represented:

Alcohol Beverage Control, Board of Equalization, Conservation, Corrections, Developmental Services, Department of Personnel Administration, Employment Development Department, Fish and Game, Food and Agriculture, Forestry and Fire Protection, Franchise Tax Board, Health Care Services, Industrial Relations, Justice, Mental Health, Rehabilitation, Secretary of State, State Controller's Office, Statewide Office of Health Planning, Transportation, and Water Resources,.
Old Business:

None.

New Business:

Agenda Items
Distribute Handout Materials

Approve Prior Meeting Notes
Guest Speakers
SCO Update

Department Issues/Concerns
Confirm Next Meeting Agenda, Time and Place

Discussion:

Approved July 2010 meeting notes.

Guest Speakers:

Allan Fong/DPA

The Department of Personnel Administration Savings Plus Unit will be having our First Financial Fitness Fair. It will be held in Los Angeles at the Kyoto Grand Hotel on October 14, 2010 and in Sacramento on October 19, 2010 at the Sacramento Community Center. Pre registration is recommended. You can pre register on our Savings Plus website at www.sppforu.com . This is a free event for all state employees and employers. We will have several guest speakers including an economist, Social Security Administration, CalPERS, and Nationwide Retirement. We will also be offering a lump sum training class, an ARP employer training class, along with our new class called the Savings Plus Overview. You can register for all of these classes on our SPP website. We have flyers and posters so if you can help us promote our Financial Fitness Fair we would really appreciate it.

ARP training is still going on but due to the new contracts that went into effect on September 1, 2010 the worksheet is being updated. If you are receiving new employees in your department please don't just copy the PAR. Please check the retirement codes if they are ARP, note that we have about ten to twelve new ARP codes. If you are having a problem indentifying what ARP code to use then give us a call on our hotline. Our ARP hotline is (916) 324-2909, leave a message and your call will be responded to within 24 hours.

We are still offering our lump sum training classes. For those of you that have taken my lump sum training class, I mentioned that we would be getting a lump sum interactive calculator. This is still in the works and we hope to have it ready sometime in November.

Debra Spellman/SCO

I would like to introduce Sheila Frampton. Sheila has been in the Benefits Unit for many years, but she recently replaced Jennifer Williams as the new supervisor in the Benefits area. With open enrollment coming up we thought it would be good to share some valuable information.

Guest Speaker:

Sheila Frampton/PPSD Benefits

I want to go over some areas that will help prevent delayed processing and returned documents.

The open enrollment PML is out; it is number 2010-020 it came out on September 8, 2010.
Here are some guidelines to keep in mind.

- Please make sure all documents have original signatures for both employees and personnel. We need both signatures or the document will be returned.
- If you have an employee that is changing dental plans and going to Delta Dental then please be specific; you must state Delta Premier or Delta PPO. Delta by itself will not work, the document will be returned.
- Some employees attempt to delete ex spouses and children over 23 during open enrollment. They need to be deleted at the time of the permitting event, documents will be returned for this.
- Make sure you complete section A2 with the name exactly as it appears on employment history.
- We need full social security numbers not partial.
- If you submit flex cash and dental as a package for the same employee, please staple all the documents together as a package. Documents that are clipped together get separated and if this happens they will be returned. We do not have the time to search for missing documents.
- When adding a domestic partner or same sex spouse if there is a DPA 680 on file the party code should be “2” or “3” , with a notation DPA 680 on file in remarks. If there is no DPA 680 form on file the party code should be “A” for two; or “B” for three. If it is not completed correctly it will be returned. Make sure to staple a carrier copy to the document. This is the only way the carriers get informed.
- Please do not call our unit asking us to search for documents that you want returned because something may have changed. Instead, make a copy of the original document and attach it with the new form, include a note specifying what action you want us to take.
- Follow dates on the PML. If documents are not sent or received timely, the documents will be returned for DPA approval.
- Children between 23 and 26 years old can be added back effective 01/01/2011.

Question:

Can employees delete dependents during open enrollment?

Answer:

Yes, but it cannot be a dependent that should have been deleted prior to open enrollment Twenty three year olds can be added back this year. If they turn twenty three in December you don't need to delete them, they will just roll over.

Question:

Do we need birth certificates or a social security card for that?

Answer:

You would need to ask DPA this question.
(Allan Fong/DPA answered with the following)
You need the social security card for your verification. You as the departments are certifying that you have verified the social security number and birth date for that child. They are for your records; you don't need to attach them for the documentation to State Controller's Office.

Question:

Is there going to be a place to add the dependent's social security number on the dental form?

Answer:

We have never had dependent's social security numbers on the dental form except for the spouse.

Question:

Can we send deletes for the 23 year olds for October, November, and December all at once in October?

Answer:

You have to send them during the permitting event month. For example; you can't send a November delete during October.

Question:

Is CalPERS redesigning the dental form?

Answer:

We have heard nothing about a redesign of the dental form.

Question:

On flex elect packages that have both health and dental attached, do you want us to delete the dental and attach a copy of AECS to it for flex?

Answer:

We don't need the ACES copy, we can verify that. We do need the cancel dental form.

Debra Spellman/SCO
(For Cindy Rounds)
Personnel/Payroll Update

Cindy Rounds is not here today, so I am going to give you some updates on her areas which are Personnel and Payroll Office I.

I would like to introduce a new supervisor in Cindy's area. Her name is Elda Ortiz; she is the new supervisor in the Civil Service Audits Personnel Unit. If you would like to contact Elda you can reach her at (916) 322-8121.

There are some significant backlogs in this office. The Retirement Unit is 28 days backlogged, the NDI Unit is 13 days backlogged, and the IDL Unit is 18 days backlogged. Please be patient with us, we are working really hard, and strategizing on how to get caught up on these workloads.

We ran mass updates to process 505 transactions effective September 1, 2010 for bargaining units 8,12,16,18,19 and also 350 transactions to add PLP for bargaining units 12,16,18, and 19. We processed most of the kick outs including all of the semi monthly records. We have about 80 records remaining that need updating and those should be completed tomorrow.

Cindy asked me to remind you that if you have outstanding 607's for positions that should not be on the final vacant report run October 1, 2010; you need to take action and get the necessary information to us no later than September 20, 2010.

That is all I have for Cindy's areas.

Debra Spellman/SCO
Payroll Update

I would like to introduce Matilda Cardona; Matilda is the new senior in the Benefits Unit.

In Payroll Offices II and IIII our workloads are mostly current. If you have documents that you think should have processed but have not, you should call. We expect to remain this way until retirements hit us.

Question:

Are you current on SZ Adjustments?

Answer:

We are currently working on January for these adjustments. We are making a big push to get caught up on the SZ adjustments as well as some other miscellaneous adjustments. The SZ adjustments are coming in as fast as we are pushing out the adjustments. This is probably the only area where we are not current.

We are preparing for upcoming December retirements again; we expect to receive a large number just as we did last year. We were buried with retirements last year. We were processing December retirements with savings plus deductions in January. This was only through special arrangements with DPA/Saving Plus. We are not supposed to do that and I have no expectation that they would allow us to do that again. We really need you to get your retirement documents to us as soon as you can. You can submit them right after cut off, for example you can submit December retirement documents after the November cut off, don't hold them.

We had a lot of retirements that were submitted on the deadline last year, even though the employees retired in early December. We are a small group working with the entire work force. We really need you to communicate with your employees, give them the timelines. In the handouts I have included a letter that was passed out to a department last year. I think it is a terrific tool that you could adapt for your employees. It has all the appropriate websites and phone numbers to assist your employees.

Another thing that was a big issue was the lack of legibility, please be legible and include the savings plus form 4074. If you include this form, it makes it very clear to us exactly what the employee wants. A lot of the processing delay was due to phone calls back and forth, we want to avoid this if possible.

We have a separation handbook on our website located in the Human Resource section that is very good. It gives detailed examples of different scenarios and what action you would need to take. DPA also does training; which has been excellent in answering your questions on retirements. They will come to your larger departments for training or if you are a smaller department you can get group of your colleagues together and they will come out and do a personalized class just for you. I really believe we are in an up bell curve of retirements due to the age of our workforce. The better prepared we can be the better off we will be. Please go back to your offices and share this information with your co workers.

Recently our W2 unit has been getting several phone calls asking for verification of social security wages. We think it is because people are working after retirement and wanting to make sure they are not making more than they should for social security purposes or maybe they have social security discrepancies. We would just ask that you refer them to the Social Security Administration (SSA) as it is very time consuming for our office to research this information for retired employees. If your employees work with SSA they will contact us for discrepancies they cannot resolve.

If you are signed up for the list serve on our website you may have noticed that there was a training assessment needs email that went out. I want to encourage you to take a few minutes to complete this form. It really does matter; if we get enough interest for specific training the more likely we will be able to schedule training to suit your needs.

You can sign up for the list serve by accessing the SCO website, select the Human Resource icon; at the bottom is a list serve link that you can access with instructions.

Question:

I have an employee who works for the state and for the private sector. He wants to know if there is some way we can lower his social security amount that is being deducted. The reason is that he is also paying into social security at his other job?

Answer:

No, we do not have any procedure in place that would allow us to do that. Each employer is required by law to deduct the correct amount and submit the funds to the Social Security Administration. The employee should be able to recoup any overage when he files his income tax.

Next Meeting:

The next meeting is **Thursday, <u>November 4, 2010</u>** from 1:30 to 3:00 at:

State Controller's Office
300 Capitol Mall, 6th Floor, Room 635
Sacramento, CA 95814

The PPRC encourages attendance by department representatives interested in improving the efficiency of personnel/payroll administration. However, if you are unable to attend these meetings and you have an issue or question you would like the committee to address; please contact Cindy Rounds or Debra Spellman with pertinent information.

Listed below are the PPRC meeting dates for the 2010 calendar year. All meetings are from 1:30 to 3:00 at the above location.

Please note: All meetings for 2010 will be the second Thursday of the specific month with the exception of November 2010 due to the Veteran's Day holiday.

November 04, 2010

Should you have any questions regarding the PPRC meeting or have additional information to provide, please contact either Cindy Rounds at (916) 324-6290 or Debra Spellman at (916) 323-2539. They can also be reached via email at crounds@sco.ca.gov and dspellman@sco.ca.gov, respectively.