

District Payroll Services Presentation

Presented by:
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Multi-Media Lab
September 9, 2015



Agenda

- CalSTRS Common Audit Findings
- HR/PR Employee Retirement Verification
- Retro EOY Schedule
- STRS Penalty and Interest Research

STRS Common Audit Findings

- * Misreporting of pay rates and earnings
- * Incorrect usage of payroll reporting codes
- * Extra-duty/extra assignment earnings incorrectly reported
- * Membership not timely established after permissive election
- * Employment of CalSTRS retired member(s)
- * Incorrect reporting of one-time off schedule pay

HR/PR Employee Retirement Verification

myCalPERS Employee Retirement Verification

- * Eligible employees must be enrolled into CalPERS membership within 90 days of hire. If not, your agency will be responsible for Arrears cost:
- * Mandatory Arrears – Failure to report earnings
 - * *Both the member and the employer will be liable for contributions*
- * Employer Paid Arrears - Failure to enroll
 - * *Employee and employer retirement contributions for the time in violation*
 - * *A \$500 administrative fee per person*

myCalSTRS Employee Retirement Verification

All new hires, verify membership in REAP

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REAP Single Person/Account

Search by ID (selected) | Search by DB Exception

Search: [] [Hide]

Tax ID (selected) | Client ID | LAUSD Number [] [Search] [Reset]

Person / Account | DB Contribution Lines | Service Credit Balance | Update

Person

History:

Change Date	Tax ID	Name	Birth Date
02/04/2015	[redacted]		11/11/1989

DB Account

RWP Indicator: [] Temporary: N

RWP Effective Date: [] AB1586: []

Account History:

Status	Status Date	Future	Permissive Election	Report Source/Unit
MEMBER	10/01/2013			07060

Retro EOY Schedule

Retro EOY Schedule

	District	Run Type	Check Date		District	Run Type	Check Date
1	Oakley	SUPP	May 10	10	Acalanes	MISC	June 30
2	Pittsburg	MISC	May 14	11	Lafayette	MISC	June 30
3	Moraga	Monthly	May 30	12	Lafayette	SUPP	July 10
4	Acalanes	SUPP	June 10	13	John Swett	SUPP	July 10
5	Oakley	SUPP	June 10	14	Antioch	MISC	July 31
6	Pittsburg	MISC	June 17	15	Pittsburg	MISC	July 31
7	Martinez	MISC	June 30	16	Martinez	Misc	July 31
8	Brentwood	MISC	June 30	17	Martinez	Misc	July 31
9	COE	MISC	June 30				

Retro Impact

- * Retro check date same as EOM payroll, STRS/PERS deduction amounts will combine
 - * PERS RSC (Retroactive Special Compensation) payroll records must be balanced and reported separately. Regular file for current month and Adjust file for retro.
 - * STRS extra balancing requires more time. Need to balance separately
 - * Possible Fix - Separate deduction codes.
- * If Step applied before generate, will create incorrect pay rate
 - * Service credit will be incorrect
 - * Penalties for adjustments will be assessed

Retro Impact (cont.)

- * Reporting of retroactive service must match original reporting service period
 - * Hourly/extra pay is processed through out year as service is performed and these records need additional research to identify original service period reporting.
- * Deleted pay types, job records will generate zero pay rate
 - * Require more research/contact district
- * Current period dock will reduce current period earnings
 - * Retro calculation MUST include dock.
 - * Retro reporting MUST match previous reporting and if dock was not included in retro calculation an MC refund will be needed.

Retro Impact (cont.)

- * Retroactive payroll will double the number of STRS (1-1) records and triple the number of PERS (1-2) records
 - * Extremely time consuming especially at quarter reporting where Federal and State reports are also due
- * If retroactive pay is included in regular month end payroll
 - * DPS must manually separate record to reflect correct reporting period and appropriate rates based on service period.
 - * One-time bonus – prorate the contributions and has to be manually separated.
 - * Payroll Start/Status dates for retroactive pay cannot overlap with retro pay service period.
 - * Example: Retroactive pay for June2015 cannot be reported to STRS/PERS in same month as current June2015 earnings. We cannot report retro on current earnings that have not been reported to STRS/PERS.

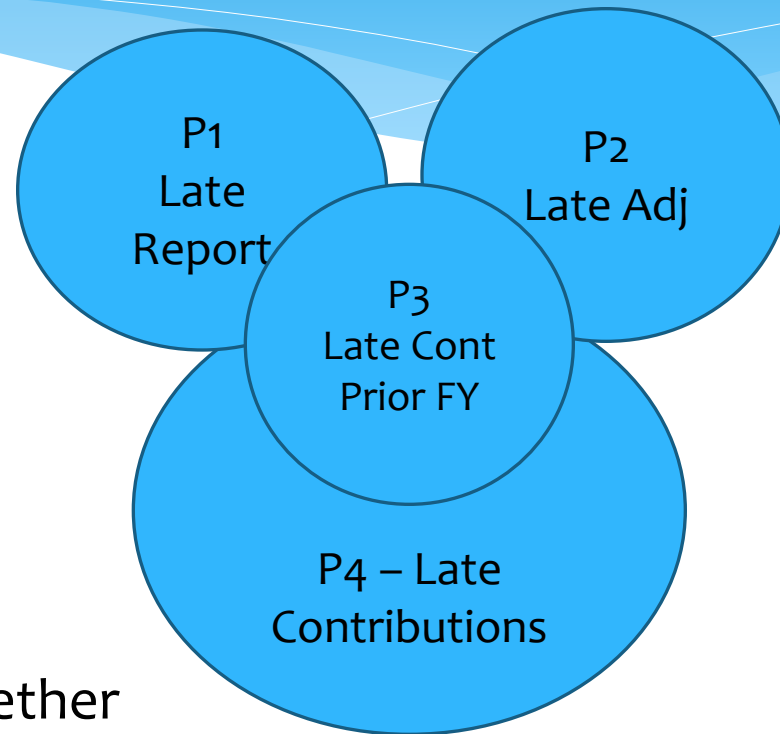
CalSTRS Penalty and Interest Research

Possible Reasons for Penalty

- Incorrect Set-up
 - Employee not in STRS maintenance
 - Membership status incorrect
- Employee qualified for membership with another district
- Educational units reported as prior period adjustment and should be retro.
- Negative reversal lines that change contributions.
- Stipends not paid timely.

How Penalties work together

- P2 & P4
- P3 & P4
 - Always occur together
- **P1, 3 & 4**
- P2, 3 & 4
- P1 and P2 Never occur together



Penalty 1 – Late Reporting

LATE REPORT - Contribution reported for the first time

Pen Line ID	Penalty Type	Report ID	Report Unit	EE SSN	Last Name	Asg Code	Split Line	Pay Rate	Pay Code	Earnings	Crd Earnings	Cntrb Code	Calc EECntrb	Net Due	Pos Cntrb Sum	SvcPerBeg	SvcPerEnd	AdjPerBeg	AdjPerEnd	Due Date	File Rcvd Date	Days Late	Amt Late	Penalty Amt	BDCalcE RCntrb
20733495	P1	10/31/2013			MEYER	55	X	38,430.00	0	3,861.77	3,861.77	3	308.94	0.00	0.00	10/01/2013	06/30/2014	10/1/2013	10/31/2013	1/14/2014	4/9/2015	450	627.54	61.67	318.60
20733500	P1	11/30/2013			MEYER	55	X	38,430.00	0	3,022.26	3,022.26	3	241.78	0.00	0.00	10/01/2013	06/30/2014	11/1/2013	11/30/2013	2/13/2014	4/9/2015	420	491.12	44.90	249.34
20733505	P1	12/31/2013			MEYER	55	X	38,430.00	0	3,525.97	3,525.97	3	282.08	0.00	0.00	10/01/2013	06/30/2014	12/1/2013	12/31/2013	3/16/2014	4/9/2015	389	572.97	48.36	290.89
20733511	P1	1/31/2014			MEYER	55	X	38,430.00	0	3,525.97	3,525.97	3	282.08	0.00	0.00	10/01/2013	06/30/2014	1/1/2014	1/31/2014	4/16/2014	4/9/2015	358	572.97	44.36	290.89
20733516	P1	2/28/2014			MEYER	55	X	38,430.00	0	3,190.16	3,190.16	3	255.21	0.00	0.00	10/01/2013	06/30/2014	2/1/2014	2/28/2014	5/14/2014	4/9/2015	330	518.40	36.89	263.19
20733522	P1	3/31/2014			MEYER	55	X	38,430.00	0	3,358.06	3,358.06	3	268.65	0.00	0.00	10/01/2013	06/30/2014	3/1/2014	3/31/2014	6/14/2014	4/9/2015	299	545.69	35.07	277.04
20733527	P1	4/30/2014			MEYER	55	X	38,430.00	0	3,693.87	3,693.87	3	295.51	0.00	0.00	10/01/2013	06/30/2014	4/1/2014	4/30/2014	7/14/2014	4/9/2015	269	600.25	34.60	304.74
20733532	P1	5/31/2014			MEYER	55	X	38,430.00	0	3,525.97	3,525.97	3	282.08	0.00	0.00	10/01/2013	06/30/2014	5/1/2014	5/31/2014	8/14/2014	4/9/2015	238	572.98	29.12	290.90

- Report Period 08 = February 2015 STRS Report
- Prior period adjustment Service Period Begin and End date 10/1/13 – 06/30/2014
- Based on service period file s/h/b received by 1/14/2014 (additional 30 days for PT EE's)
- File received 4/9/2015 based on Report Period file submitted within 45 days

RESEARCH

- * Employee Detail Check History

Run report for date range under ADJ PER BEGIN through FILE RCVD DATE. This will capture all checks issued to employee for adjustment period. Use only retirement deduction codes 7000 – 7199

- * As shown in example STRS was taken for first time in 2/27/2015 payroll for service period 10/2013-1/2015.
- * Based on number of Days Late column a late reporting penalty is assessed
- * Detail Check History shows 2/27/2015 payroll adjustment of PERS refund and STRS pick up for service period 10/2013-01/31/2015.

RESEARCH

2015 14:21

DETAIL CHECK HISTORY

P 4
prhisrpt

BY EMPLOYEE NAME
10/01/2013 to 03/31/2015

ACCOUNT	LOC	JOB	CHECK	PAY TYPE	HOURS	AMOUNT	DED	TYPE	EMPLOYEE	EMPLOYER
MEYER, [REDACTED] LOC: J05ACCT: 01-0000-1110-1000-053-0-000-1100										
Check Date: 01/30/2015										
01-0000-3300-1000-052-0-304-1160	J052	1060	001006883	526 PWRUNT	106.75	118.60				
01-0000-3300-1000-052-0-304-1180	J052	1060	001006883	118 TCH HR	87.00	2,727.45				
11-0050-4110-1000-070-0-388-1180	J052	1060	001006883	118 TCH HR	10.00	313.50				
01-0000-3300-1000-052-0-304-3201	J052		001006883					7021 PERSCE	199.22	335.01
11-0050-4110-1000-070-0-388-3201	J052		001006883					7021 PERSCE	21.95	36.90
CHECK 01/30/2015 TOTALS:			NET:	2,938.38	203.75	3,159.55			221.17	371.91
Check Date: 02/27/2015										
01-0000-3300-1000-052-0-304-1160	J052	1060	001016970	526 PWRUNT	106.75	118.60				
01-0000-3300-1000-052-0-304-1180	J052	1060	001016970	118 TCH HR	148.00	4,639.80				
11-0050-4110-1000-070-0-388-1180	J052	1060	001016970	118 TCH HR	18.00	564.30				
01-0000-3300-1000-052-0-304-3101	J052		001016970					7051 STRSCE	387.81	422.55
01-0000-3300-1000-052-0-304-3101	J052		001016970					7053 STRADJ	3,971.57	4,197.08
01-0000-3300-1000-052-0-304-3201	J052		001016970					7023 PRCEAD	-3,447.12	-5,704.73
11-0050-4110-1000-070-0-388-3101	J052		001016970					7051 STRSCE	45.99	50.11
11-0050-4110-1000-070-0-388-3101	J052		001016970					7053 STRADJ	470.99	497.73
11-0050-4110-1000-070-0-388-3201	J052		001016970					7023 PRCEAD	-408.80	-676.53
CHECK 02/27/2015 TOTALS:			NET:	4,302.26	272.75	5,322.70			1,020.44	-1,213.79
Check Date: 03/31/2015										
01-0000-3300-1000-052-0-304-1160	J052	1060	001026314	526 PWRUNT	106.75	118.60				
01-0000-3300-1000-052-0-304-1180	J052	1060	001026314	118 TCH HR	145.00	4,545.75				
11-0050-4110-1000-070-0-388-1180	J052	1060	001026314	118 TCH HR	17.00	532.95				
01-0000-3300-1000-052-0-304-3101	J052		001026314					7051 STRSCE	380.14	414.19
11-0050-4110-1000-070-0-388-3101	J052		001026314					7051 STRSCE	43.44	47.33
CHECK 03/31/2015 TOTALS:			NET:	4,773.72	268.75	5,197.30			423.58	461.52



Penalty 3 – FY Late Contributions

LATE CONTRIBUTION, PRIOR FY - contributions for prior fiscal year reported after March 1st

Pen Line ID	Penalty Type	Report ID	Report Unit	EE SSN	Last Name	Asg Code	Split Line	Pay Rate	Pay Code	Earnings	Crd Earnings	Cntrb Code	CalcEE Cntrb	SvcPerBeg	SvcPerEnd	AdiPerBeg	AdiPerEnd	Due Date	File Rcvd Date	Amt Late	Penalty Amt	BDCalcER Cntrb
20733496	P3	10/31/2013			MEYER	55	X	38,430.00	0	3,861.77	3,861.77	3	308.94	10/01/2013	06/30/2014	10/1/2013	10/31/2013	3/1/2015	4/9/2015	3,861.77	193.09	318.60
20733501	P3	11/30/2013			MEYER	55	X	38,430.00	0	3,022.26	3,022.26	3	241.78	10/01/2013	06/30/2014	11/1/2013	11/30/2013	3/1/2015	4/9/2015	3,022.26	151.11	249.34
20733506	P3	12/31/2013			MEYER	55	X	38,430.00	0	3,525.97	3,525.97	3	282.08	10/01/2013	06/30/2014	12/1/2013	12/31/2013	3/1/2015	4/9/2015	3,525.97	176.30	290.89
20733512	P3	1/31/2014			MEYER	55	X	38,430.00	0	3,525.97	3,525.97	3	282.08	10/01/2013	06/30/2014	1/1/2014	1/31/2014	3/1/2015	4/9/2015	3,525.97	176.30	290.89
20733517	P3	2/28/2014			MEYER	55	X	38,430.00	0	3,190.16	3,190.16	3	255.21	10/01/2013	06/30/2014	2/1/2014	2/28/2014	3/1/2015	4/9/2015	3,190.16	159.51	263.19
20733523	P3	3/31/2014			MEYER	55	X	38,430.00	0	3,358.06	3,358.06	3	268.65	10/01/2013	06/30/2014	3/1/2014	3/31/2014	3/1/2015	4/9/2015	3,358.06	167.90	277.04
20733528	P3	4/30/2014			MEYER	55	X	38,430.00	0	3,693.87	3,693.87	3	295.51	10/01/2013	06/30/2014	4/1/2014	4/30/2014	3/1/2015	4/9/2015	3,693.87	184.69	304.74
20733533	P3	5/31/2014			MEYER	55	X	38,430.00	0	3,525.97	3,525.97	3	282.08	10/01/2013	06/30/2014	5/1/2014	5/31/2014	3/1/2015	4/9/2015	3,525.97	176.30	290.90
20733538	P3	6/30/2014			MEYER	55	X	38,430.00	0	3,525.97	3,525.97	3	282.07	10/01/2013	06/30/2014	6/1/2014	6/30/2014	3/1/2015	4/9/2015	3,525.97	176.30	290.89
																						1,561.50

- A result of Penalty 1 - Late Reporting, STRS may also assess Penalty 3 - Late Contributions.
- Contributions included in February 2015 payroll are reported to CalSTRS for service covering 10/1/2013- 06/30/2014

Penalty 4 – Late Contribution

LATE CONTRIBUTION- Late receipt of contributions payment

Pen Line ID	Penalty Type	Report ID	Report Unit	Last Name	First Name	Asg Co	Pay Rat	Crdr Earnings	rb C	CalcEEC ntrb	SvcPerB	SvcPerE	CalcSvcF	Cntrb Due Dt1	Cntrb Due Dt2	Pos Cntrb Sum	Penalty Amt	BDCalcER Cntrb
20733579	P4	10/31/2013		MEYER		55	38,430.00	3,861.77	3	308.94	10/01/2013	06/30/2014	10/31/2013	12/6/2013	12/20/2013	627.54	62.84	318.60
20733582	P4	11/30/2013		MEYER		55	38,430.00	3,022.26	3	241.78	10/01/2013	06/30/2014	11/30/2013	1/8/2014	1/23/2014	491.12	45.44	249.34
20733585	P4	12/31/2013		MEYER		55	38,430.00	3,525.97	3	282.08	10/01/2013	06/30/2014	12/31/2013	2/7/2014	2/24/2014	572.97	49.06	290.89
20733588	P4	1/31/2014		MEYER		55	38,430.00	3,525.97	3	282.08	10/01/2013	06/30/2014	1/31/2014	3/10/2014	3/24/2014	572.97	45.05	290.89
20733592	P4	2/28/2014		MEYER		55	38,430.00	3,190.16	3	255.21	10/01/2013	06/30/2014	2/28/2014	4/7/2014	4/21/2014	518.40	37.49	263.19
20733596	P4	3/31/2014		MEYER		55	38,430.00	3,358.06	3	268.65	10/01/2013	06/30/2014	3/31/2014	5/8/2014	5/22/2014	545.69	35.66	277.04
20733602	P4	4/30/2014		MEYER		55	38,430.00	3,693.87	3	295.51	10/01/2013	06/30/2014	4/30/2014	6/6/2014	6/20/2014	600.25	35.34	304.74
20733603	P4	5/31/2014		MEYER		55	38,430.00	3,525.97	3	282.08	10/01/2013	06/30/2014	5/31/2014	7/9/2014	7/23/2014	572.98	29.56	290.90
20733608	P4	6/30/2014		MEYER		55	38,430.00	3,525.97	3	282.07	10/01/2013	06/30/2014	6/30/2014	8/7/2014	8/21/2014	572.96	25.88	290.89
20733633	P4	8/31/2014		MEYER		55	40,378.80	4,039.91	3	329.25	08/01/2014	01/31/2015	8/31/2014	10/8/2014	10/22/2014	687.99	21.77	358.74
20733682	P4	9/30/2014		MEYER		55	40,378.80	4,039.91	3	329.25	08/01/2014	01/31/2015	9/30/2014	11/7/2014	11/24/2014	688.00	17.30	358.75
20733737	P4	10/31/2014		MEYER		55	40,378.80	4,424.67	3	360.61	08/01/2014	01/31/2015	10/31/2014	12/8/2014	12/22/2014	753.52	13.95	392.91
20733810	P4	11/30/2014		MEYER		55	40,378.80	3,270.41	3	266.54	08/01/2014	01/31/2015	11/30/2014	1/8/2015	1/23/2015	556.95	6.62	290.41

- Late reporting for employee Meyer (see Penalty 1 and 3) created Penalty 4 above
- Earnings were reported in February 2015 for service period October 2013 - January 2015
- Effect of this late reporting is late payment to CalSTRS

Penalty 2 – Late Adjustment

LATE CONTRIBUTION ADJUSTMENT - contributions reported by the reporting unit, for an employee overlaps prior service by at least one day.

Pen Line ID	Penalty Type	Report ID	Report Unit	EE SSN	Last Name	Asg Code	Split Line	Pay Rate	Pay Code	Earnings	Crd Earnings	Cntrb Code	CalcEEC ntrb	CalcER Cntrb	Net Due	Pos Cntrb Sum	SvcPerBeg	SvcPerEnd	AdjPerBeg	AdjPerEnd	Notif Date	Due Date	File Rcvd Date	Days Late	Amt Late	Penalty Amt
9237355	P2	8/31/2012			AGOPIAN	57		5,484.82	2	5,484.82	5,484.82	3	438.79	452.50	0.00	0.00	08/01/2012	08/31/2012	8/1/2012	8/31/2012	10/23/2012	12/22/2012	12/14/2013	357	891.29	68.81
9237356	P2	9/12/2012			AGOPIAN	57		5,484.82	2	-5,484.82	-5,484.82	3	-438.79	-452.50	0.00	0.00	08/13/2012	09/12/2012	8/13/2012	9/12/2012	10/23/2012	12/22/2012	12/14/2013	357	891.29	68.81

- Example below FY 2012/2013 August service reported with period 8/13/2012-8/31/2012
- Service period corrected in FY 2013/2014 October 2013 report to 8/1/2012-8/31/2012
- This is a late contribution adjustment processed in subsequent fiscal year
- *Subject to dispute no affect on contributions*

Penalty 2 (cont.)

Lines reported in REAP

CALSTRS

DB Contribution Line Report

Person Name:
 Tax ID:
 Client ID:
 LAUSD Number:

Created Date: 9/4/2015 5:10:49 PM
 Fiscal Year: 2012/2013
 Lines for all report sources and units
 Lines reported this fiscal year for a prior year are included
 Exceptions and non Exceptions are included

Report Unit	Member Code	As Code	Pay		Earnings	Contribution			Service Period		Service Credit	Pre/Post	Period	Reported Fiscal Year	AB1586		Flags
			Rate	Code		Rate	Code	Amount	Begin	End					Class Code	Base Hours	
	1	55	36901.20	0	2943.79	0.0800	1	235.50	07/01/2012	07/31/2012	0.0797	Pre	MO01			0	A
	1	54	36901.20	0	1188.98	0.0800	1	95.12	08/13/2012	08/31/2012	0.0322	Pre	MO02			0	A, K
	1	57	64.65	0	64.65	0.0800	6	5.17	08/13/2012	08/31/2012	0.0000	Pre	MO02			0	A
	1	57	5484.82	2	5484.82	0.0800	1	438.79	08/13/2012	08/31/2012	0.0909	Pre	MO02			0	A, K, R
	1	57	5484.82	2	-5484.82	0.0800	3	-438.79	08/13/2012	08/31/2012	-0.0909	Pre	MO04	2013/2014		0	A, R
	1	57	5484.82	2	5484.82	0.0800	3	438.79	08/01/2012	08/31/2012	0.0909	Pre	MO04	2013/2014		0	A
	1	57	5733.55	2	5484.82	0.0800	1	438.78	09/01/2012	09/30/2012	0.0869	Pre	MO03			0	A
	1	57	57.44	0	57.44	0.0800	6	4.60	09/01/2012	09/30/2012	0.0000	Pre	MO03			0	A
	1	57	5733.55	2	497.46	0.0800	3	39.80	08/01/2012	09/30/2012	0.0076	Pre	MO04			0	A

Overlapping Prior Service



Penalty 2 (cont.)

EXEMPTIONS (No Penalty)

- 1) Adjustment to Earnings prior to July 1, 2012 (Line in the Sand)
- 2) Adjustments has net zero effect on Employer or Employee Contribution.
- 3) Retro Pay pursuant to Employment Contract or Collective Bargaining Agreement
- 4) Worker's Compensation pay
- 5) Adjustments as a result of state or federal statute or regulation

QUESTIONS

CCCOE-DPS Contact Information

If you have additional questions, please contact us for assistance.

You can also email us at dps@cccoe.org

DPS Team:

Ursula Taylor 942-3320

Josephine Capistrano 942-3446

Griselda Barraza 942-5370

Lina Gramatikova 942-3303

Felicia Hill 942-3321

Ofelia Roxas 942-3315



Thank you

