

Sonoma County Office of Education
Business Services

EXTERNAL PAYROLL AND FINANCE UPDATES

DEBUG MEETING: October 20,2022

Reminders

Juneteenth SCLS Update

- ❖ On September 29th, 2022 Governor Newsom signed Assembly Bill 1655, which adds Juneteenth (June 19th) to the list of state holidays in the Education code. This requires all community colleges and K -12 school districts to close on Juneteenth or pay classified employees who work that day 2.5 times their regular rate of pay.

- ❖ This law goes into effect on January 1, 2023. Please Note that this will be in effect for the 2022-23 school year, and districts are reminded to review their calendars in light of this change.
 - Please contact Helpdesk@scoe.org to update the calendar for your LEAs.
 - Please see **Legal Update** on September 30,2022

Supplemental Paid Sick Leave (SPSL) extended to 12/31/2022

- ❖ Governor Gavin Newsom signed Assembly Bill (AB) 152 on September 29,2022, extending the final date that current COVID -19 supplemental paid sick leave can be used. Previously, September 30,2022, would have been the end of the use of those hours; however, under AB 152, existing leave can be used until December 31, 2022.
 - Please note this is not a new bank of COVID leave. If an employee has already exhausted their leave they are not entitled to more. **(See attached)**

EDD SDI Online Reporting Instructions

- ❖ New instructions have been created for the State Disability Online Reporting on the EDD website
 - https://www.scoe.org/files/Quarterly_Return_-_EDD_-_How_to_file_SDI_online.pdf
 - Note: Do not file the Wage Report, SCOE does this on behalf of each LEA**
 - https://www.scoe.org/files/Quarterly_Return-EDD-How_to_create_an_online_account_for_SDI.pdf



Update to Errors in payroll

- ❖ **No active tax records**
 - When an employee is paid and the tax record is not opened in Employee Management it automatically populates State Disability Insurance taxable earnings. In order to avoid errors like this, the tax record field is now mandatory.

- If an employee does not have an open tax record, it will generate a labor error in pay 22 report. This error will need to be corrected before processing payroll.

❖ **Pay hold**

- If an employee does not have a valid credential, a “pay hold” error will come up. If you see the “pay hold” error show up on your error list, please note that this particular employee will receive a paper check instead of an ACH. If they have questions about this, they can contact SCOE credentials at credentials@scoe.org.

Electronic Transfers – please notify the exact amount you are expecting to receive

- ❖ When notifying the county about an electronic deposit the County Treasury needs to know the exact amount to verify who the funds belong to. Therefore, notify the exact amount of what will be transmitted to the County Treasury, so there is no confusion. https://www.scoe.org/files/ElecDepositRequest_08.16.22.pdf

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Juneteenth: New State Holiday



BY [DANYEL CONOLLEY](#)

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posted October 12, 2022

On Friday, September 30, 2022, Governor Gavin Newsom signed [Assembly Bill 1655](#) into law, making Juneteenth a state holiday and requiring K-12 schools and community colleges to close every June 19th. This legislation takes effect January 1, 2023, meaning that the first Juneteenth holiday affected by the bill will be in 2023 and after. Similar to other state holidays, if June 19th falls on a Saturday or Sunday, the following applies:

- When any of the holidays on which the schools would be closed falls on Sunday, the public schools shall close on the Monday following (Education Code Section [EC §] 37220[b]).
- When any of the holidays on which the schools would be closed falls on Saturday, the public schools shall close on the preceding Friday, and that Friday shall be declared a state holiday (EC § 37220[c]).

Local educational agencies (LEAs) are provided time to plan for Juneteenth 2023, unlike when President Joe Biden signed [S. 475, the “Juneteenth National Independence Day Act”](#) into law on June 17, 2021, designating Juneteenth as a federal holiday. At that time, there were many questions about how the new federal law would impact LEAs in California, and because the law was signed just days before Juneteenth, many employers were forced to make quick decisions about employee work schedules and instructional calendars, which had significant fiscal, operational, and instructional impacts. Of note is that decisions of this magnitude typically take place a year (or more) in advance, and many LEAs were challenged with dealing with the unknown implications related to instruction and operations with little time to evaluate the impacts of the calendar change on their local school community.

While many LEA instructional calendars are in summer recess on Juneteenth, there are also year-round schedules, and extended school year calendars that will be impacted by this new holiday, in addition to the work calendar for some classified employees. It is important that the business services, human resources, and educational services departments communicate about the instructional, fiscal, and employment implications of this new state holiday. In addition, depending on the language of an LEA's collective bargaining agreement provisions regarding employee holidays, there may be bargaining implications. It is critically important that LEAs review their current collective bargaining agreements and instructional schedules to determine how this change may impact employees and students.



SCHOOL & COLLEGE LEGAL SERVICES OF CALIFORNIA

*A Joint Powers Authority
serving school and college
districts throughout the
state.*

5350 Skylane Boulevard
Santa Rosa, CA 95403

Tel: (707) 524-2690
Fax: (707) 578-0517
santarosa@sclscal.org
www.sclscal.org

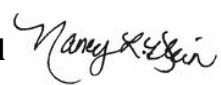
General Counsel
Jennifer E. Nix

Attorneys
Jennifer Henry
Nancy L. Klein
Damara L. Moore
Jessica E. Ozalp
Steven P. Reiner
Kaitlyn A. Schwendeman
Leah M. Smith
Loren W. Soukup
Erin E. Stagg

Of Counsel
Robert J. Henry
Frank Zotter, Jr.

LEGAL UPDATE

October 4, 2022

To: Superintendents, Member School Districts (K-12)
From: Nancy L. Klein, Senior Associate General Counsel 
Subject: Expiration date for Supplemental Paid Sick Leave extended to December 31, 2022 (AB 152)
Memo No. 23-2022

The expiration date for Supplemental Paid Sick Leave (“SPSL”) has been extended from September 30, 2022, to December 31, 2022. (Lab. Code sec. 248.6(f).) For the period from October 1 to December 31, 2022, an employer’s obligation to provide SPSL and an employee’s right to take SPSL remain the same,¹ except as follows:

1. If the Qualifying Reason for taking SPSL is the employee’s positive COVID-19 test, in addition to a diagnostic test on after the fifth day is positive, the employer may “require the employee to submit to a second diagnostic test within no less than 24 hours.” (Lab. Code sec. 248.6(b)(2)(ii)); and
2. If an employee refuses to submit to either of the diagnostic tests, the employer is not obligated to provide SPSL to the employee. (Lab. Code sec. 248.6(b)(2)(iv).)

Employers must make the diagnostic tests available at no cost to the employee.

Assembly Bill 152, the legislation extending the expiration date, does not increase the total allotment of SPSL² available to employees. Employees who have used some SPSL on or after January 1, 2022, are only entitled to take up to the remaining balance of their total allotment.

Please contact our office with questions regarding this Legal Update or any other legal matter.

The information in this Legal Update is provided as a summary of law and is not intended as legal advice. Application of the law may vary depending on the particular facts and circumstances at issue. We, therefore, recommend that you consult legal counsel to advise you on how the law applies to your specific situation.

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¹ See Legal Update 08-2022 Revised

² Up to two 40-hour banks of SPSL for full-time employees. See Footnote 1.

Instructions – How to create an online EDD account for SDI

- 1) Locate the SDI account number for your LEA
 - Escape → System → Setup → Organizations
 - **Note** – only Escape users who are Org Manager or above can see the Org Record, ask if you need assistance obtaining this account number
 - Click into your LEA
 - The tax account numbers are located under section #6 – HR/Payroll Setup
 - SDI = State Tax Id (DI)
- 2) Create a login with the Employment Development Department
 - <https://eddservices.edd.ca.gov/tap/secure/eservices>
 - **Choose** Enroll for a username and password to access Employer Services online
 - Once the login is created, click on **Add Access to Another Account**

The screenshot displays the EDD e-Service portal interface. At the top, the header includes the CA.GOV logo and the text 'State of California Employment Development Department'. Below the header is a navigation bar with links for 'e-Services FAQs', 'e-Services Tutorials', 'Contact Payroll Taxes', and 'Employer Services Online'. The main content area is titled 'e-Services for Business' and includes a 'Welcome, [redacted]' message, 'Settings', and 'Log Out' options. A 'Main' link is also visible. The user's account information is shown, including a 'Logon' section with a 'Balance: \$0.00' and an 'Alerts' section with a message 'There is 1 request saved to finish later'. The 'I Want To' section lists several options: 'Register a New Account (DE 1)', 'Add Access to Another Account', 'Upload a Bulk Payment File', 'Upload a Bulk Return File', 'Make Multiple Payments', and 'Manage Payment Sources'. A hand-drawn arrow points to the 'Add Access to Another Account' option.

3) Choose account type: Employment Tax

- Enter SDI account number gathered from Escape
- Enter Zip Code
- Choose one of the security questions to answer (*Recommended: Total Subject Wages Reported*)
 - Run a Pay91 in Escape to find the Subject Wages for SDI for prior quarters (SDI Wages)

Add Access to Another Account

To add access to an employer payroll tax account, you will need to answer one of the following security questions.

- **Total Subject Wages Reported:** from one of the last three *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) filed.
- **Reserve Account Balance:** from the most recent *Notice of Contribution Rates and Statement of UI Reserve Account* (DE 2088).
- **Payment Amount:** one of the last five payments received by the EDD.

1. Account Validation

Account Validation

Account Type: ▼

Account Number Required

Country ▼

ZIP Code Required

Security Question

Choose a security question to answer ▼ Required

Cancel

Next >

Instructions – How to file SDI online

- 1) Login to: <https://eddservices.edd.ca.gov/tap/secure/eservices>
- 2) Choose Employment Tax (Make sure to choose the correct one if you have both SDI and SUI online)

The screenshot displays the State of California Employment Development Department's e-Service portal. The header includes the CA.gov logo and the text 'State of California Employment Development Department'. Below the header is a navigation bar with links for 'e-Services FAQs', 'e-Services Tutorials', 'Contact Payroll Taxes', and 'Employer Services Online'. The main content area shows the user's account information, including a balance of \$0.00, and a list of accounts. An arrow points to the 'Employment Tax' account in the table.

Account	Account ID	Name	Balance
Employment Tax			\$0.00

- 3) Click on ***File Return*** under the correct period or click on the period(date) in blue
- 4) The quarterly return LEAs are required to file for SDI is the ***Tax Return*** (***Do not file the Wage Report***, SCOE does this on behalf of each LEA)
 - Click file now under ***Tax Return***
 - Do you have payroll to report? ***Click yes and hit next***

- 5) Go to Escape and *run* a Pay91A under: HR/Payroll → Reports → Payroll → Pay91
 - Choose the calendar year
 - Choose the tax quarter you are reporting
 - Print/Save this report
- 6) Enter Subject Wages from the Pay91 – Positive Wages (SDI Wages) under the Total Subject Wages Paid this Quarter
- 7) Enter the same Subject Wages from the Pay91 – under the SDI Wages box
 - This will calculate the SDI contributions for the current quarter

Main
Welcome, [redacted] [Settings](#) [Log Out](#)

Home > Account: [redacted] > Returns > Tax Return

1. Payroll Information: 30-Sep-2022 Tax Return for [redacted]
2. Wage Information: 30-Sep-2022 Tax Return for [redacted]

Wage Information: 30-Sep-2022 Tax Return for [redacted]

[Instructions](#)

Total Subject Wages Paid this Quarter				<input type="text" value="0.00"/>	← enter subject wages from the Pay91 (SDI Wages)	
Unemployment Insurance (UI) <small>Total employee wages up to \$7,000.00 per employee per calendar year.</small>	UI % 0.00	x	UI Wages <input type="text" value="0.00"/>	=	UI Contributions \$0.00	
Employment Training Tax (ETT) <small>Total employee wages up to \$7,000.00 per employee per calendar year.</small>	ETT % 0.00	x	ETT Wages \$0.00	=	ETT Contribution \$0.00	
State Disability Insurance (SDI) <small>Total employee wages up to \$145,600.00 per employee per calendar year.</small>	SDI % 1.10	x	SDI Wages <input type="text" value="0.00"/>	=	SDI Contribution <input type="text" value="0.00"/>	
enter the SDI wages from the Pay91 →						
Personal Income Tax (PIT) Withheld					<input type="text" value="0.00"/>	
Subtotal (Sum of UI, ETT, SDI and PIT)					\$0.00	← The subtotal here should match the Pay91 SDI Deducted (This is the payment amount due to EDD)
Less: Contributions and Withholdings Paid for the Quarter <small>Does not include Penalty & Interest payments.</small>					<input type="text" value="0.00"/>	
Total Taxes Due or Overpaid					\$0.00	

Save Draft
Cancel

← Previous
Next →

- 8) Hit next and finish filing the report for the current quarter for SDI

- 9) Make sure to check the Pay91 for negatives (If there are none – Make payment)
 - **To check for negatives** - Run Pay91 – Option B
 - This will show which employee wages need to be adjusted
 - If there are negatives, it is **necessary** to move these negative wages/deductions to a prior quarter
 - Run Pay91 for the prior quarter and deduct the negative wages and deductions from the specific employee’s prior quarter totals

- 10) **How to adjust for Negatives:** Go to EDD and click on the prior period quarter you need to adjust
 - **Click on View or Adjust return** (Please note you have to adjust both the Tax Return and the Wage Report when there are negatives)
 - **Print out** the Tax Return and the Wage Report for backup as to what was originally reported

- 11) **Tax Return Adjustment:** Click Adjust Return under Tax Return
 - Reduce the Tax Return - Total Subject Wages paid this quarter by the negative wages – See below:

1. Payroll Information: 30-Jun-2022 Tax Return for [redacted]

2. Wage Information: 30-Jun-2022 Tax Return for [redacted]

Wage Information: 30-Jun-2022 Tax Return for [redacted]

[Instructions](#)

Total Subject Wages Paid this Quarter				292,088.72	
Unemployment Insurance (UI) <small>Total employee wages up to \$7,000.00 per employee per calendar year.</small>	UI %	x	UI Wages	=	UI Contributions
	0.00		0.00		\$0.00
Employment Training Tax (ETT) <small>Total employee wages up to \$7,000.00 per employee per calendar year.</small>	ETT %	x	ETT Wages	=	ETT Contribution
	0.00		\$0.00		\$0.00
State Disability Insurance (SDI) <small>Total employee wages up to \$145,600.00 per employee per calendar year.</small>	SDI %	x	SDI Wages	=	SDI Contribution
	1.10		292,088.72		3,212.98
Personal Income Tax (PIT) Withheld					0.00
Subtotal (Sum of UI, ETT, SDI and PIT)					\$3,212.98
Less: Contributions and Withholdings Paid for the Quarter <small>Does not include Penalty & Interest payments.</small>					0.00
Total Taxes Due or Overpaid					\$3,212.98

The amount shown may not include all payments. Review and update, if needed.

This number should change to the negative contributions on the Pay91

Reduce this number by the negative wages →

→ **Enter the same subject wages above to calculate what the SDI contribution should be with the negative included**

→ **Fill in the contributions paid for the quarter - This would be the amount paid to EDD for the quarter you are correcting**

- 12) **Wage Report Adjustment:** Click Adjust Return under Wage Report
- Do you have payroll to report – yes
 - Do you want to import a file – no
 - Make sure to gather the SSN and full name of employee who needs the adjustment to enter into this adjustment report

Wage Information: 31-Mar-2022 Wage Report for [REDACTED]

Report only the wage lines being corrected in the wage detail table.

You may report multiple Wage Plan Codes on the same return if your account is subject to both Unemployment Insurance and Disability Insurance.

[Instructions](#)

Wage Detail

Filter

	SSN	First Name	M.I.	Last Name	Subject Wages	PIT Wages	PIT Withheld	Wage Plan Code

Complete Wage Information

Save Draft Cancel < Previous Next >

- Enter SSN, First Name, Last Name and Subject Wages – *This should be the original subject wages for this employee minus the negative wages that are being applied to this quarter*
- Hit next – The last page will ask for the total subject wages of all employees (*This is the original total subject wages of all employees for the quarter minus the negative wages being applied to this quarter*)
- Hit next and enter a reason and submit (Possible reason could be employee was overpaid) _

- 13) Make a payment to SDI electronically through your outside bank account, credit card or by check (*Payment should be positive contributions minus negative contributions on the Pay91 for current quarter*)
- In order to pay by check, make sure to fill out a waiver
 - https://edd.ca.gov/en/Payroll_Taxes/E-file_and_E-pay_Mandate_for_Employers

Note: Contact helpdesk@scoe.org for assistance in setting up SDI to automatically create a check to your LEA's outside bank account each month.

Any Questions: Carend@scoe.org, Jliu@scoe.org, helpdesk@scoe.org