

Sonoma County Office of Education  
Business Services

---

**EXTERNAL PAYROLL AND FINANCE UPDATES**

**DEBUG MEETING: *March 24, 2022***

**Quarterly Reminder:**

- March 31<sup>st</sup> is the due date for filing 1<sup>st</sup> Quarter taxes to EDD for 2022
- Delinquent if not filed by **April 30, 2022**
  - Reference the Quarterly Return helpful documents at:  
<https://www.scoe.org/pub/htdocs/fiscal-forms.html>
  - Forms below:
    - Quarterly Return Process, EDD
    - Quarterly Return Flowchart, EDD
    - Examples for Quarterly Return Filing with Negative Amounts
  - Reminder under AB 1245 – SDI must be filed and paid electronically either through the district/charter’s clearing account or by credit card (caution, there will be a fee associated with the credit card payment)
- Remember to complete the Multiple Worksite Report(BLS3020) if applicable
- Always submit a Report of New Employee(s) (DE 34) within 20 days of the start of work

**Check Status Request Form**

- Thank you to districts who pointed out that the check status request form was no longer fillable on the SCOE website
  - IT has fixed this issue

**Employee Payments vs. Vendor Payments**

- The employee payments function in Escape should only be used for reimbursing employees for out-of-pocket expenses, such as supplies, travel costs, mileage, etc.
- If an employee does work for your LEA that is outside of their regular work duties, the situation should be reviewed under Independent Contractor laws (*See Escape 1099 Reporting Documentation at the link below, independent contractor information starts on page 5*)
  - <https://www.scoe.org/pub/htdocs/fiscal-workshop.html>
  - If it is confirmed that these employees are doing independent contract work, then they need to be set up as a vendor in Escape for payment
    - Make sure to get a W-9 to enter the Tax ID for the payment
  - If the employee is **not** set up as a vendor, the system will **not** issue a 1099 to the employee for the independent contractor work completed

- NOTE: The employee payment function in Escape will never issue a 1099 as this is only to be used for reimbursing employees for out-of-pocket expenses
- If you have any questions about this process please feel free to email [helpdesk@scoe.org](mailto:helpdesk@scoe.org) or [carend@scoe.org](mailto:carend@scoe.org)

### Attachments sent to SCOE

- Attachments directly from printer/scanner to SCOE (Avoid if possible)
  - When attachments are sent directly from a printer/scanner these documents might be missed as they come in a strange format
- Please make sure to save attachments before sending them to SCOE
  - It's also helpful to include your charter/district name and org # in the attachment description

### CalSTRS Employer Directive 2022-02 – Reduced Workload Program

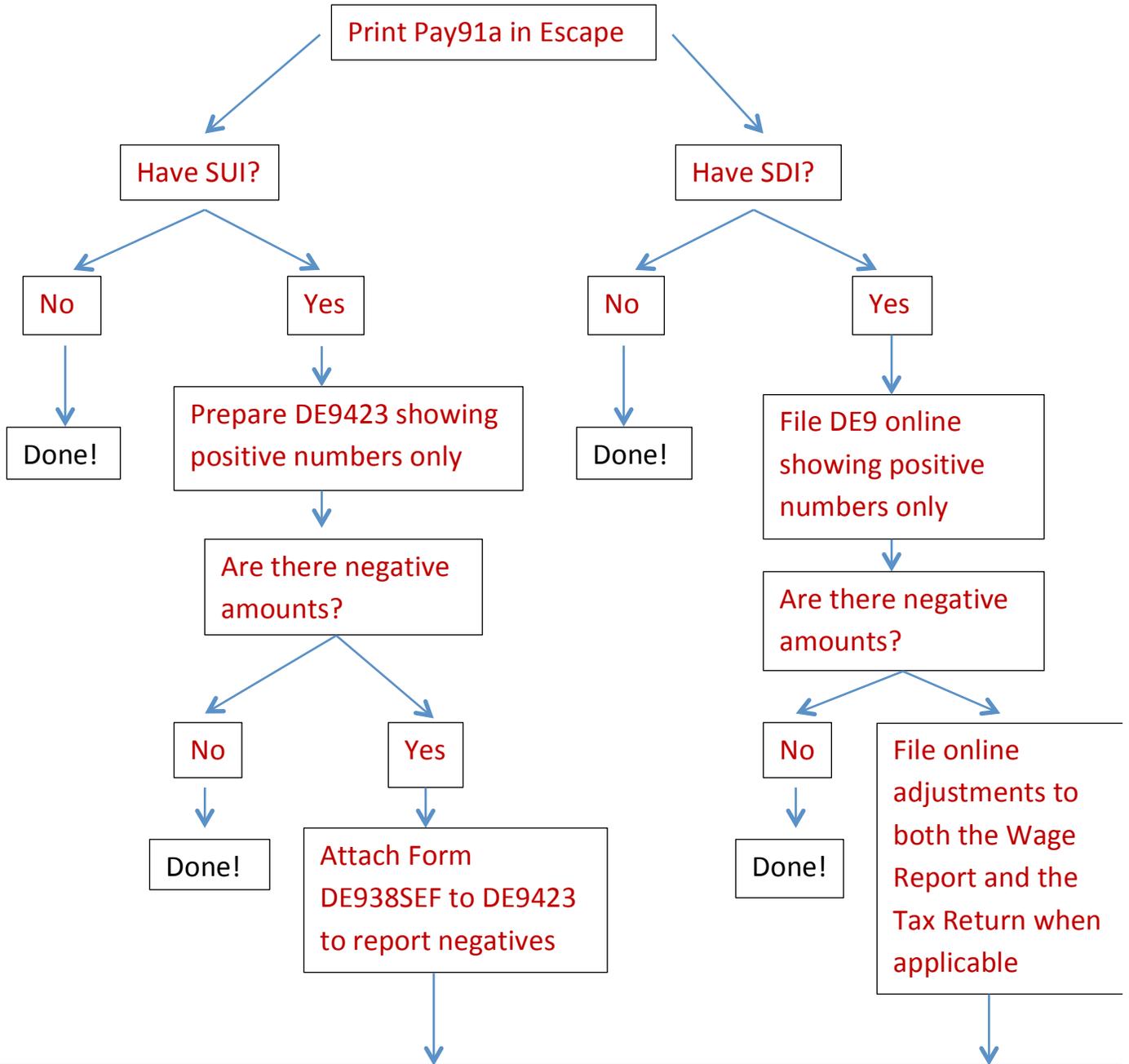
- Please read the attached CalSTRS Employer Directive 2022-02 and if you have any questions reach out to [Abritton@scoe.org](mailto:Abritton@scoe.org) or [Carend@scoe.org](mailto:Carend@scoe.org)

#### KEYPOINTS BELOW

- Eligibility for Reduced workload program:
  - Be age 55 or older prior to the start of the school term of the first school year the member participates in the program.
  - Have at least 10 years of CalSTRS service credit in the Defined Benefit Program prior to the start of the school term of the first school year the member participates in the program
  - Be employed by a county office of education, school district, charter school or community college district that offers the program
    - See restrictions in employer directive
  - Have been employed on a full-time basis to perform creditable service under the DBS program for each of the 5 school years immediately preceding the first school year in which the member's workload is reduced without having a break in service
    - More information in employer directive below
- Agreement to Reduce Workload:
  - Must be requested by the member and documented in a written agreement
- Certification requirements:
  - Certify the member's eligibility for participation in the Reduced Workload Program on the **Reduced Workload Program Eligibility Certification Application** (ES 1161)
  - CalSTRS will either approve or deny this request

- Reporting requirements:
  - 2% at 60 members must be reported with an assignment code: 36
  
- Termination of Participation in the RWL Program
  - Read attached for information on reasons for termination

# EDD QUARTERLY RETURN FLOWCHART



## Send to SCOE:

1. Copy of Pay91a (only the page with "There are no negative amounts for this Org" or the last page with the Negative Totals)
2. Copy of DE9423
3. Copy of DE9 (if applicable)

## EDD QUARTERLY RETURN PROCESS

1. Run Escape's Pay91a for the appropriate quarter
2. Report SUI Wages on Form DE9423
  - a. Complete Line A using the Number of Employees Paid found on the last page of the Pay91a
  - b. Line B is the Total SUI Wages on the last page of the Pay91a
    - i. When there are Negative Amounts, Line B is the *Positive* SUI Wages amount
  - c. Line C is the Total SUI Wages on Line B multiplied by the Employer SUI contribution rate (current Payroll Rates can be found on Escape's Home Page). This amount should be the same Total SUI Deducted amount found on the last page of the Pay91a
    - i. When there are Negative Amounts, Line C is the *Positive* SUI Deducted amount
  - d. Line D is left blank when *there are no negative amounts*
    - i. When there are Negative Amounts, Line D is the *Negative* SUI Deducted amount
  - e. Line E is the Total SUI Taxes Due and the amount you owe (Line C minus Line D)
  - f. When there are Negative Amounts, also complete Form DE938SEF to report adjustments to prior quarters
3. Report SDI Wages (if applicable) on EDD's website and make payment electronically either by scheduling EDD to pull the funds from the district's clearing account (after funds have been deposited to the account to cover the payment) or by credit card
  - a. Report the Total SDI Wages (SDI Capped Wages when applicable)
    - i. When there are Negative Amounts, use the *Positive* SDI Wages amount and *Positive* SDI Deducted amount
  - b. When there are Negative amounts also file online an adjustment to both the Wage Report and the Tax Return when applicable
4. Send to Janelle Sarsfield at SCOE through AV or email to [Jsarsfield@scoe.org](mailto:Jsarsfield@scoe.org)
  - a. Copy of the Pay91a – Only the page with “There are no negative amounts for this Org” or when there are negatives, the last page with the Negative Totals
  - b. Copy of the DE9423
  - c. Copy of the DE9 (if applicable)

| DE 9423 |           | Org Recap                    |                      | DE 9             |                      | gh 12/31/2013     |                     |                  |                           |
|---------|-----------|------------------------------|----------------------|------------------|----------------------|-------------------|---------------------|------------------|---------------------------|
| Org     | State EIN | Federal EIN                  | SUI Wages            | SUI Deducted     | SIT Wages            | SIT Withheld      | SDI Wages           | SDI Deducted     | Total Number of Employees |
| 086     | 8004219-5 | B 946002635                  | 24,056,309.12        | 12,030.16        | 21,718,523.08        | 832,892.30        | 3,559,957.83        | 35,599.34        | 2,051                     |
|         |           | Positive: 24,057,584.03      | 12,030.80            | C                | 21,719,699.00        | 832,892.30        | 3,561,039.86        | 35,610.16        |                           |
|         |           | Negative: 1,274.91           | .64                  | D                | 1,172.92             | .00               | 1,002.03            | 10.82            |                           |
|         |           | <b>Grand Total</b>           | <b>24,056,309.12</b> | <b>12,030.16</b> | <b>21,718,523.08</b> | <b>832,892.30</b> | <b>3,559,957.83</b> | <b>35,599.34</b> |                           |
|         |           | Number of Employees Paid in: |                      |                  |                      |                   |                     |                  |                           |
|         |           | Month 1 - Oct                | 1,838                |                  | 1,838                |                   | 469                 |                  |                           |
|         |           | Month 2 - Nov                | 1,945                |                  | 1,945                |                   | 471                 |                  |                           |
|         |           | Month 3 - Dec                | 1,919                |                  | 1,919                |                   | 471                 |                  |                           |
|         |           | Positive                     | 24,057,584.03        | 12,030.80        | 21,719,699.00        | 832,892.30        | 3,561,039.86        | 35,610.16        |                           |
|         |           | Negative                     | 1,274.91             | .64              | 1,172.92             | .00               | 1,002.03            | 10.82            |                           |

**QUARTERLY CONTRIBUTION RETURN FOR SCHOOL EMPLOYERS**  
PLEASE TYPE THIS FORM - DO NOT ALTER PREPRINTED INFORMATION

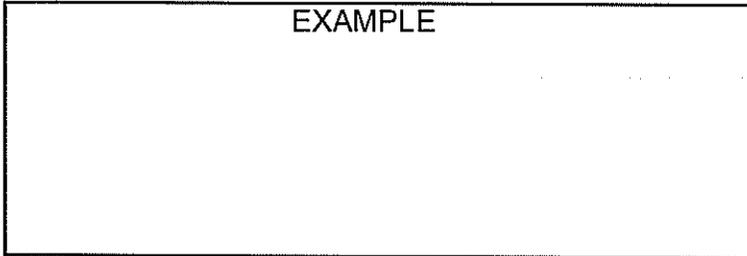
APPROVED EXTENSION TO: \_\_\_\_\_

QUARTER ENDED \_\_\_\_\_ DUE \_\_\_\_\_

DELINQUENT IF NOT POSTMARKED OR RECEIVED BY \_\_\_\_\_

|    |     |
|----|-----|
| YR | QTR |
| 13 | 4   |

Employer Account No. \_\_\_\_\_



**DO NOT ALTER THIS AREA**

DEPT. USE ONLY

|                |    |   |     |     |     |     |   |
|----------------|----|---|-----|-----|-----|-----|---|
| P1             | P2 | C | P   | U   | S   | W   | A |
| EFFECTIVE DATE |    |   | Mo. | Day | Yr. | WIC |   |
| =              |    |   | =   | =   | =   | =   |   |

|  |                 |           |           |
|--|-----------------|-----------|-----------|
| A. NUMBER OF EMPLOYEES earning wages during or receiving pay for the pay periods that include the 12th day of the calendar month (enter numerals only). Please complete all fields. Blank fields will be identified as missing data. | 1st Month       | 2nd Month | 3rd Month |
| B. TOTAL SUBJECT WAGES PAID THIS QUARTER (Same figure on line L on DE 9C)  | (B) 24057584 03 |           |           |
| C. EMPLOYER'S UI CONTRIBUTIONS _____ % Times B.  | (C) 12030 80    |           |           |
| D. ADJUSTMENT TO PRIOR QUARTERS<br>QUARTERLY RETURN ADJUSTMENT FORM FOR SCHOOL EMPLOYERS (DE 938SEF), MUST BE ATTACHED   | (D) -0 64       |           |           |
| E. TOTAL TAXES DUE (Add items C and D)   | (E) 12030 16    |           |           |

Make check payable to EMPLOYMENT DEVELOPMENT DEPARTMENT  
INCLUDE EMPLOYER ACCOUNT NUMBER ON CHECK. Do not staple check to return.

HELP US IMPROVE THE QUALITY OF OUR EMPLOYMENT TAX SERVICES. PLEASE RATE OUR CURRENT SERVICES BY ENTERING THE APPROPRIATE NUMBER IN THE BOX: 4 = EXCELLENT 3 = GOOD 2 = FAIR 1 = POOR

F. BE SURE TO SIGN THIS DECLARATION. I DECLARE that the information herein is true and correct to the best of my knowledge and belief.

Signature \_\_\_\_\_ Phone ( ) \_\_\_\_\_ Ext. \_\_\_\_\_  
Title (Administrator, Accountant, Preparer, etc.) \_\_\_\_\_ Fax ( ) \_\_\_\_\_ Date \_\_\_\_\_

NOTE: IMPORTANT Please check the appropriate box:

Individual employees wages that are subject to Unemployment Insurance (UI) are reported on:

No payroll. Enter "0" on line B.  Final return   
Attached Quarterly Contribution Return and Report of Wages (Continuation) (DE 9C)  Electronic Media

**INSTRUCTIONS**

Note: For Items A through D, if the amount is zero, enter 0.

ITEM A. Number of Employees - For each of the three months in the quarter, enter the number of employees earning wages during or receiving pay for the pay period(s) that includes the 12th day of each month. Please complete all fields. Blank fields will be identified as missing data.

ITEM B. Total Wages in Subject Employment - Enter the total of ALL UI Subject wages paid (refer to the California Employer's Guide [DE 44], The "Types of Employment" and "Types of Payments" tables).

ITEM C. Employer's UI Contributions - Multiply the amount entered in Item B by the employer's UI contribution rate, and enter this calculated amount in C.

ITEM D. Adjustment to Prior Quarters - Employers who are making an adjustment to a prior quarter must complete and attach a Quarterly Return Adjustment Form for School Employers (DE 938SEF). The total debit or credit amount indicated on the DE 938SEF must be entered on line D. If no adjustment is being made, enter "0." To expedite an adjustment to a prior DE 9423, use a DE 938SEF instead of an amended DE 9423.

ITEM E. Total Taxes Due - Add items C and D. Enter the sum in E. If the sum is zero, enter "0" in line E and check the box on the front of the return envelope. Make check payable to EMPLOYMENT DEVELOPMENT DEPARTMENT. If a DE 938SEF is attached, the amount remitted should reflect the adjustment.

(EXAMPLE: Line E shows \$500.00 due for the quarter. A DE 938SEF is attached for a credit of \$200.00. Remittance should be for \$300.00.)



ITEM F. Signature of preparer or responsible individual, including title, phone number, fax number, and date.  
Did you know you can file this form online using the EDD's e-Services for Business? Please visit the website at [www.edd.ca.gov](http://www.edd.ca.gov) for further instructions.

**INFORMATION**

Employer UI contributions are due and payable on the first day of the calendar month following the close of each calendar quarter. Payment shall be delinquent if not paid on or before the last day of such month.

FILING THE RETURN - This return must report all UI subject California wages paid (refer to Item B and the DE 44).

PENALTY of ten percent (10%) is added for failure to make payment by the delinquent date of the return. An additional ten percent (10%) is added if the return and report of wages is not filed within 60 days of the delinquent date of the return. Interest accrues from the delinquent date for the return.

NOTE: If you combine schools, you must file and pay the final return within 10 days of merging to avoid penalty and interest.

If your school was merged or if a change in district occurred during the period covered by this Quarterly Contribution Return, each district must file a separate return covering only that part of the quarter (or year for income tax forms) during which the particular district operated.

TOTAL WAGES - Means all remuneration payable for personal services when they meet the criteria of UI subject wages (refer to Item B and the DE 44).

TAXABLE WAGE LIMIT - Total individual employee wages are taxable. There is no wage limit.

IF YOU NEED ASSISTANCE COMPLETING THIS FORM, CONTACT THE EMPLOYMENT DEVELOPMENT DEPARTMENT, SCHOOL EMPLOYEES FUND AT 916-653-5300.

Mail To: State of California / Employment Development Department  
P.O. Box 2482 / Sacramento, CA 95812-2482

**QUARTERLY CONTRIBUTION  
RETURN AND REPORT OF WAGES**



REMINDER: File your DE 9 and DE 9C together.

00090112

PLEASE TYPE THIS FORM—DO NOT ALTER PREPRINTED INFORMATION

QUARTER ENDED \_\_\_\_\_ DUE \_\_\_\_\_

DELINQUENT IF NOT POSTMARKED OR RECEIVED BY

YR **13** QTR **4**

EMPLOYER ACCOUNT NO.

|  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|

**EXAMPLE**

**DO NOT ALTER THIS AREA**

DEPT. USE ONLY

|    |    |   |   |   |   |   |
|----|----|---|---|---|---|---|
| P1 | P2 | C | P | U | S | A |
| :  | :  | : | : | : | : | : |
| :  | :  | : | : | : | : | : |
| T  | :  | : | : | : | : | : |
| :  | :  | : | : | : | : | : |
| :  | :  | : | : | : | : | : |

EFFECTIVE DATE: Mo. Day Yr.

FEIN  A. NO WAGES PAID THIS QUARTER  B. OUT OF BUSINESS/NO EMPLOYEES

ADDITIONAL FEINS

B1. OUT OF BUSINESS DATE

|   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|
| M | M | D | D | Y | Y | Y | Y |
|---|---|---|---|---|---|---|---|

C. TOTAL SUBJECT WAGES PAID THIS QUARTER .....

D. UNEMPLOYMENT INSURANCE (UI) (Total Employee Wages up to \$ \_\_\_\_\_ per employee per calendar year)

(D1) UI Rate %  TIMES (D2) UI TAXABLE WAGES FOR THE QUARTER  = (D3) UI CONTRIBUTIONS

E. EMPLOYMENT TRAINING TAX (ETT)

(E1) ETT Rate %  TIMES UI Taxable Wages for the Quarter (D2) ..... = (E2) ETT CONTRIBUTIONS

F. STATE DISABILITY INSURANCE (SDI) (Total Employee Wages up to \$ \_\_\_\_\_ per employee per calendar year)

(F1) SDI Rate %  TIMES (F2) SDI TAXABLE WAGES FOR THE QUARTER  = (F3) SDI EMPLOYEE CONTRIBUTIONS WITHHELD

G. CALIFORNIA PERSONAL INCOME TAX (PIT) WITHHELD .....

H. SUBTOTAL (Add Items D3, E2, F3, and G) .....

I. LESS: CONTRIBUTIONS AND WITHHOLDINGS PAID FOR THE QUARTER ..... (DO NOT INCLUDE PENALTY AND INTEREST PAYMENTS)

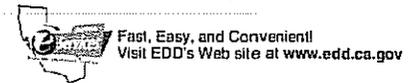
J. TOTAL TAXES DUE OR OVERPAID (Item H minus Item I) .....

If amount due, prepare a *Payroll Tax Deposit* (DE 88), include the correct payment quarter, and mail to: Employment Development Department, P.O. Box 826276, Sacramento, CA 94230-6276. **NOTE:** Do not mail payments along with the DE 9 and *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C), as this may delay processing and result in erroneous penalty and interest charges. **Mandatory Electronic Funds Transfer (EFT) filers must remit all SDI/PIT deposits by EFT to avoid a noncompliance penalty.**

K. I declare that the above, to the best of my knowledge and belief, is true and correct. If a refund was claimed, a reasonable effort was made to refund any erroneous deductions to the affected employee(s).

Signature \_\_\_\_\_ Title \_\_\_\_\_ Phone (\_\_\_\_) \_\_\_\_\_ Date \_\_\_\_\_  
(Owner, Accountant, Preparer, etc.)

**SIGN AND MAIL TO:** State of California / Employment Development Department / P.O. Box 989071 / West Sacramento CA 95798-9071



Fourth Quarter 2013 - Negatives Only

File Generated 1/30/2014 4:22:56PM

| Employee Name | (ID) SSN4     | Months |   |   | SUI Wages | SUI Contributed | SIT Wages | SDI Wages | SDI Capped Wages | SDI Deducted |
|---------------|---------------|--------|---|---|-----------|-----------------|-----------|-----------|------------------|--------------|
|               |               | 1      | 2 | 3 |           |                 |           |           |                  |              |
|               | (008679) 2188 | X      | X | X | 784.95    | .39             | 821.69    | 524.88-   |                  | 5.25-        |
|               | (002658) 2628 | X      | X | X | 1,274.91- | .64-            | 1,172.92- |           |                  |              |
|               | (007745) 8212 | X      | X | X | 3,916.03  | 1.96            | 3,649.22  | 557.15-   |                  | 5.57-        |
| Total         |               |        |   |   | 3,426.07  | 1.71            | 3,297.99  | 1,082.03- | 1,082.03-        | 10.82-       |

Number of Employees Paid in:

Month 1 - Oct 3

Month 2 - Nov 1

Month 3 - Dec 2

Total Number of Employees 3

A (3) & C (3)

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

8.72

State EIN 8004219-5

Federal EIN 946002635

Pay Dates 10/10/2013 through 12/30/2013

F (3) & H (3) & M (3)

EXAMPLE

For Quarter Ended  
MO. DAY YR.  
09 | 30 | 13

**QUARTERLY RETURN  
ADJUSTMENT FORM**

Employer Account No.  
942 -     -

**FOR SCHOOL EMPLOYERS**

*Please Follow Instructions on Reverse Side*

**STATUTE OF LIMITATIONS**

A claim for refund or credit must be filed within three years of the last timely filing date of the quarter being adjusted.

**For Department Use Only**

MO. DAY YR.

**EFFECTIVE  
DATE**

|  |  |  |  |
|--|--|--|--|
|  |  |  |  |
|--|--|--|--|

Name \_\_\_\_\_  
Address \_\_\_\_\_

|   | (1)                 | (2)                  | (3)                           |
|---|---------------------|----------------------|-------------------------------|
|   | Previously reported | Should have reported | DIFFERENCES<br>Debit/(Credit) |
| <b>B. TOTAL WAGES IN SUBJECT EMPLOYMENT</b>               | 16,465,863.59       | 16,464,588.68        | -1,274.91                     |
| <b>C. EMPLOYER CONTRIBUTIONS (Employer Rate times B)</b>  | 8,233.76            | 8,233.12             | -.64                          |
| I. Penalty (Refer to instructions on reverse side) .....  |                     |                      |                               |
| J. Interest (Refer to instructions on reverse side) ..... |                     |                      |                               |
| L. TOTAL .....  |                     |                      |                               |

**I. COMPUTATION OF ADJUSTMENT IN CONTRIBUTIONS**

**II. REASON FOR ADJUSTMENT**

Employee was overpaid, then termed. Adjustment to wages done in October and set up as a receivable. Employee repaid the District.

**III. I declare that the above information is true and correct to the best of my knowledge and belief. This section must be completed for credit to be allowed.**

|                |   |           |      |
|----------------|---|-----------|------|
| SIGNATURE<br>X | TITLE (Administrator, Accountant, Preparer, etc.) | PHONE ( ) | EXT. |
|                |   | FAX ( )   | DATE |

**IV. EMPLOYEE WAGE ADJUSTMENT. Enter the correct total wages which should have been reported for the quarter.**

NOTE: If you are adjusting more than four (4) employees, list the items on a separate page with the same format, including employer name, account number, and the adjusting quarter.

| SOCIAL SECURITY ACCOUNT NUMBER                      | EMPLOYEE NAME<br>(First, Middle Initial, Last Name) | TOTAL WAGES PREVIOUSLY REPORTED | TOTAL WAGES SHOULD HAVE REPORTED FOR QUARTER | DIFFERENCES |
|---|---|---------------------------------|--|-------------|
| 999-99-9999   |   | 6,916.15                        | 5,641.24                                     | -1,274.91   |
|   |   |                                 |  |             |
|   |   |                                 |  |             |
| TOTAL of this page OR total for all pages attached. |   |                                 |  |             |

**FOR DEPARTMENT USE ONLY**

|          |      |          |      |                  |
|----------|------|----------|------|------------------|
| EXAMINER | DATE | REVIEWER | DATE | ORIGINATING UNIT |
| CD       | BN   | SN       | PMT  | OP               |

**QUARTERLY CONTRIBUTION AND  
WAGE ADJUSTMENT FORM**

**STATUTE OF LIMITATIONS**  
A claim for refund or credit must be filed within three years of the last timely filing date of the quarter being adjusted.



You can file this adjustment form online through the Employment Development Department's (EDD) e-Services for Business. Please visit our website at [www.edd.ca.gov](http://www.edd.ca.gov). See *Instructions for Completing the Quarterly Contribution and Wage Adjustment Form (DE 9ADJ-I)* for completing this form.

**SECTION I: (PLEASE PRINT)**

**EXAMPLE**

YEAR / QUARTER

13/3

BUSINESS NAME

EMPLOYER ACCOUNT NO.

ADDRESS

CITY, STATE, ZIP CODE

REASON FOR ADJUSTMENT

**SECTION II:  
ADJUSTMENT TO WAGES AND CONTRIBUTIONS**

|  | (1)                 |    | (2)                  |    | (3)                           |    |
|--|---------------------|----|----------------------|----|-------------------------------|----|
|  | Previously reported |    | Should have reported |    | DIFFERENCES<br>Debit/(Credit) |    |
| A. TOTAL SUBJECT WAGES.....  | 2,781,550           | 02 | 2,780,467            | 99 | -1,082                        | 03 |
| B. UNEMPLOYMENT INSURANCE (UI) Taxable Wages .....   | 0                   | 00 | 0                    | 00 | 0                             | 00 |
| C. STATE DISABILITY INSURANCE (SDI) Taxable Wages .....  | 2,781,550           | 02 | 2,780,467            | 99 | -1,082                        | 03 |
| D. EMPLOYER'S UI CONTRIBUTIONS (UI Rate ____ % times B).....   | 0                   | 00 | 0                    | 00 | 0                             | 00 |
| E. EMPLOYMENT TRAINING TAX (ETT Rate ____ % times B).....  | 0                   | 00 | 0                    | 00 | 0                             | 00 |
| F. STATE DISABILITY INSURANCE* (SDI) Withheld (SDI Rate<br>1.0 % times C; complete Box 1 below if credit on row F.)..... | 27,815              | 50 | 27,804               | 68 | -10                           | 82 |
| G. PERSONAL INCOME TAX (PIT) Withheld (Complete<br>Box 2 below if credit on line G.).....                                | 0                   | 00 | 0                    | 00 | 0                             | 00 |
| H. SUBTOTAL (Lines D, E, F, and G) .....   | 27,815              | 50 | 27,804               | 68 | -10                           | 82 |
| I. Penalty (Refer to instructions on DE 9ADJ-I) .....  |                     |    |                      |    | 2,780                         | 00 |
| J. Interest (Refer to instructions on DE 9ADJ-I) .....   |                     |    |                      |    | 0                             | 00 |
| K. Erroneous SDI Deductions not refunded (See Box 1, NOTE below) .....   |                     |    |                      |    | 0                             | 00 |
| L. Less contributions and withholdings paid for the quarter .....  |                     |    |                      |    | 0                             | 00 |
| M. Total taxes due or overpaid (H2 + I + J + K) - L .....  |                     |    |                      |    | -10,825                       | 15 |

\* Includes Paid Family Leave amount.

**BOX 1. STATE DISABILITY INSURANCE OVERPAYMENTS (Must be completed for credit to be allowed.)**

1. Was the credit claimed in column 3 withheld from the wages of employee(s)? .....  Yes  No  
 If yes, has this amount been refunded to employee(s)? .....  Yes  No  
 If not refunded: employee(s) no longer employed, unable to locate.  
 NOTE: The EDD cannot refund these contributions to you unless you first refund the erroneous deductions to the employee(s).  
 (List each employee name, Social Security Number, and amount of SDI not refunded.)

**BOX 2. PERSONAL INCOME TAX OVERPAYMENTS (Must be completed for credit to be allowed.)**

If you paid the Employment Development Department (EDD) more than the amount of California PIT withheld from wages of employee(s), you can adjust the amount reported by using this form. The EDD will allow credit adjustments prior to the issuance of Forms W-2. If you have already issued Forms W-2, please read the additional information on page 2 before proceeding.

1. Was the credit claimed in column 3 withheld from the pay of employee(s)? .....  Yes  No  
 If yes, has this credit been refunded to employee(s)? .....  Yes  No  
 2. Was the credit claimed in column 3 included on Forms W-2 issued to employee(s)? .....  Yes  No

Be sure to sign this declaration: I declare that the information herein is true and correct to the best of my knowledge and belief.

Signature \_\_\_\_\_ Title \_\_\_\_\_ Phone ( ) \_\_\_\_\_ Date \_\_\_\_\_  
(Owner, Accountant, Preparer, etc.)

SIGN AND MAIL TO: Employment Development Department / P.O. Box 989073 / West Sacramento, CA 95798-9073

**QUARTERLY CONTRIBUTION AND WAGE ADJUSTMENT FORM**

BUSINESS NAME EXAMPLE EMPLOYER ACCOUNT NO.

**SECTION III: QUARTERLY WAGE AND WITHHOLDING ADJUSTMENTS**

Enter amounts that should have been reported; if unchanged, leave field blank. Correcting the Social Security Number or Name requires two entries. See *Instructions for Completing the Quarterly Contribution and Wage Adjustment Form (DE 9ADJ-1)*, Section III, for additional information and instructions.

|                        |                                       |   |           |              |
|------------------------|---------------------------------------|---|-----------|--------------|
| YEAR / QUARTER<br>13/3 | SOCIAL SECURITY NUMBER<br>999-99-9999 | EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST) |           |              |
|                        |                                       | TOTAL SUBJECT WAGES<br>4,161.79             | PIT WAGES | PIT WITHHELD |
| YEAR / QUARTER<br>13/3 | SOCIAL SECURITY NUMBER<br>999-99-9999 | EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST) |           |              |
|                        |                                       | TOTAL SUBJECT WAGES<br>2,507.38             | PIT WAGES | PIT WITHHELD |
| YEAR / QUARTER         | SOCIAL SECURITY NUMBER                | EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST) |           |              |
|                        |                                       | TOTAL SUBJECT WAGES                         | PIT WAGES | PIT WITHHELD |
| YEAR / QUARTER         | SOCIAL SECURITY NUMBER                | EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST) |           |              |
|                        |                                       | TOTAL SUBJECT WAGES                         | PIT WAGES | PIT WITHHELD |
| YEAR / QUARTER         | SOCIAL SECURITY NUMBER                | EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST) |           |              |
|                        |                                       | TOTAL SUBJECT WAGES                         | PIT WAGES | PIT WITHHELD |
| YEAR / QUARTER         | SOCIAL SECURITY NUMBER                | EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST) |           |              |
|                        |                                       | TOTAL SUBJECT WAGES                         | PIT WAGES | PIT WITHHELD |
| YEAR / QUARTER         | SOCIAL SECURITY NUMBER                | EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST) |           |              |
|                        |                                       | TOTAL SUBJECT WAGES                         | PIT WAGES | PIT WITHHELD |
| YEAR / QUARTER         | SOCIAL SECURITY NUMBER                | EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST) |           |              |
|                        |                                       | TOTAL SUBJECT WAGES                         | PIT WAGES | PIT WITHHELD |
| YEAR / QUARTER         | SOCIAL SECURITY NUMBER                | EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST) |           |              |
|                        |                                       | TOTAL SUBJECT WAGES                         | PIT WAGES | PIT WITHHELD |
| YEAR / QUARTER         | SOCIAL SECURITY NUMBER                | EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST) |           |              |
|                        |                                       | TOTAL SUBJECT WAGES                         | PIT WAGES | PIT WITHHELD |
| YEAR / QUARTER         | SOCIAL SECURITY NUMBER                | EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST) |           |              |
|                        |                                       | TOTAL SUBJECT WAGES                         | PIT WAGES | PIT WITHHELD |
| YEAR / QUARTER         | SOCIAL SECURITY NUMBER                | EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST) |           |              |
|                        |                                       | TOTAL SUBJECT WAGES                         | PIT WAGES | PIT WITHHELD |

February 24, 2022

**TO:** All County Superintendents of Schools  
District Superintendents of Schools  
Community College Districts and  
Other Employing Agencies remitting contributions to CalSTRS

**FROM:** Cassandra Lichnock  
Chief Executive Officer

**SUBJECT:** Employer Directive 2022-02  
*Supersedes Employer Directive 2017-07*  
Reduced Workload Program

**PURPOSE**

This directive was updated to include direction about how employers should report remuneration in addition to salary compensation for 2% at 62 Reduced Workload Participants.

**SCOPE**

This directive contains information for county offices of education, school districts, charter schools, and community college districts.

**DISCUSSION**

Education Code section 22713 governs the Reduced Workload Program, which allows Defined Benefit Program members who meet eligibility requirements to reduce their workload from a full-time position to a part-time position that is at least 50% of the time the employer requires for the full-time position.

For each school year the member's workload is reduced in accordance with this program, the member will be paid for the reduced work schedule, but the member's CalSTRS contributions will be based on an amount the member would have contributed if the member had performed creditable service for that position on a full-time basis. The member will receive a full year of service credit for each year the member participates in the Reduced Workload Program. The member will also be entitled to have their final compensation calculated based on the final compensation the member would have earned if they had worked full time.

**Employer Eligibility**

To offer the Reduced Workload Program to members, an employer must:

- Adopt regulations pursuant to Education Code section 44922 or 87483.

- Maintain the necessary records to separately identify each member who participates in the Reduced Workload Program.

### Member Eligibility

To be eligible to participate in the Reduced Workload Program, a member must:

- Be age 55 or older prior to the start of the school term of the first school year the member participates in the program.
- Have at least 10 years of CalSTRS service credit in the Defined Benefit Program prior to the start of the school term of the first school year the member participates in the program.
- Be employed by a county office of education, school district, charter school or community college district that offers the program.
  - If the member is employed by a school district or county office of education, the member must be a prekindergarten through grade 12 certificated employee who does not hold a position with a salary above the maximum salary of a school principal for the employer.
- Have been employed on a full-time basis to perform creditable service under the Defined Benefit Program for each of the five school years immediately preceding the first school year in which the member's workload is reduced, without having a break in service.
  - Service in multiple assignments cannot be aggregated for the purposes of determining full-time employment.
  - Employer-approved leaves of absence and unpaid absences from the performance of creditable service for personal reasons do not constitute a break in service.
  - The period of time during which a member previously participated in the Reduced Workload Program, if applicable, will be considered full-time employment provided the agreement to reduce the member's workload was not terminated during that year.
  - If the member previously service retired, the time during which the member was retired for service constitutes a break in service.

### Agreement to Reduce Workload

Participation in the Reduced Workload Program must be exercised at the request of the member and documented in a written agreement between the member and employer. The agreement must be in effect prior to the start of the school term of the first school year for which the agreement applies and must include the following requirements:

- The total amount of time in which a member reduces their workload shall not exceed 10 school years.
- The reduced workload shall be equal to at least one-half of the time the employer requires for full time in that position.
- The member shall be paid creditable compensation that is the pro rata share of the creditable compensation the member would have been paid for that position had the member not reduced their workload.

- For each school year the member's workload is reduced, the member shall contribute to the Teachers' Retirement Fund the amount that the member would have contributed had the member performed creditable service for that position on a full-time basis.
- For each school year the member's workload is reduced, the employer shall contribute to the Teachers' Retirement Fund at a Reduced Workload Program contribution rate, adopted annually by the Teachers' Retirement Board, on the creditable compensation the member would have been paid had the member performed creditable service for that position on a full-time basis.

#### Participation in the Reduced Workload Program

The employer shall certify the member's eligibility for participation in the Reduced Workload Program on the *Reduced Workload Program Eligibility Certification Application* form (ES 1161). The current version of the application is available on CalSTRS.com/Forms or through the forms ordering system on the Secure Employer Website.

CalSTRS must receive and approve a completed *Reduced Workload Program Eligibility Certification Application* form prior to the start of the school term of the first school year during which the member's workload is reduced. CalSTRS will communicate the approval or denial of the application to the member, employer and report source.

Once CalSTRS approves a member's participation in the Reduced Workload Program, the employer must:

- Report the member's compensation for the position each school year using the applicable Reduced Workload Program Assignment Code listed in the F496 File Specification.
- Remit member contributions equal to the amount the member would have contributed had the member performed creditable service for the position on a full-time basis.
- Remit employer contributions at the Reduced Workload Program contribution rate for the applicable school year on the creditable compensation the member would have been paid had the member performed creditable service for that position on a full-time basis.

#### Reporting Remuneration in Addition to Salary for the Reduced Workload Program

In order to correctly calculate contributions due and retirement benefits payable, remuneration in addition to salary associated with a position for which the member is participating in the Reduced Workload Program should be reported as specified below.

Ongoing remuneration in addition to salary for CalSTRS 2% at 60 members should be reported with Assignment Code 36, an annual pay rate based on the remuneration in addition to salary the member would have earned had the member not reduced their workload, and earnings based on the actual amount earned.

For example, if a CalSTRS 2% at 60 member is working an 80% contract and the employer prorates the member's master's stipend from \$1,000 to \$800, the employer should report the \$800 earnings as remuneration in addition to salary with an annual pay rate of \$1,000.

Ongoing remuneration in addition to salary payments paid every pay period the creditable service is performed for CalSTRS 2% at 62 members should be reported with Assignment Code 72, an annual pay rate based on the remuneration in addition to salary the member would have earned had the member not reduced their workload, and earnings that match the annual pay rate so that contributions and benefits are calculated correctly.

For example, if a CalSTRS 2% at 62 member is working an 80% contract for a 10-month school term and the employer prorates the member's master's stipend from \$1000 to \$800, the employer should report the remuneration in addition to salary with earnings of \$100 and an annual pay rate of \$100.

Limited-term remuneration in addition to salary payments are only creditable for CalSTRS 2% at 60 members and should be reported with Assignment Code 71, an annual pay rate based on the remuneration in addition to salary the member would have earned had the member not reduced their workload, and earnings that match the annual pay rate so that contributions and benefits are calculated correctly. Do not report limited-term payments for CalSTRS 2% at 62 members.

For example, if a CalSTRS 2% at 60 member is working an 80% contract and the employer prorates the member's retirement bonus from \$1,000 to \$800, the employer should report the limited-term remuneration in addition to salary payment with earnings of \$1,000 and an annual pay rate of \$1,000.

#### Termination of Participation in the Reduced Workload Program

The agreement to participate in the Reduced Workload Program shall be terminated if any of the following occur:

- The member's employment is terminated prior to the end of the school term. Termination of employment includes, but is not limited to, retirement, resignation or death.
- The member performs less than 50% of the days or hours the employer requires for full time in that position pursuant to Education Code section 22138.5.
- The member and employer mutually agree to terminate participation.
  - Participation in the Reduced Workload Program is not automatically terminated if a member performs creditable service on a full-time basis when the member was supposed to have a reduced workload. Therefore, unless the member and employer have a mutual agreement to terminate participation in the program, the school years in which a member performs creditable service on a full-time basis will still included in the 10-school year maximum for which the member is permitted to participate in the program.

If an agreement to participate in the Reduced Workload Program is terminated, the employer must notify CalSTRS within 30 days of termination of the agreement. If the agreement is terminated before completion of a school term, the employer must also re-report the member's compensation for the school year in which the agreement was terminated so that member and employer contributions are due based on the actual compensation the member earned at the normal contribution rates.

If an employee whose agreement was terminated wishes to participate in the program again, any subsequent agreement to reduce the member's workload must meet all the eligibility requirements and a

new *Reduced Workload Program Eligibility Certification Application* (ES 1161) must be submitted to CalSTRS.

### **ACTION**

To participate in the Reduced Workload Program, you must:

- Adopt regulations pursuant to Education Code section 44922 or 874 83.
- Enter into a written agreement with each eligible member who wants to participate in the Reduced Workload Program and who also meets the requirements to participate in the Reduced Workload Program.
- Maintain the necessary records to separately identify each member who participates in the Reduced Workload Program.
- Certify a member's eligibility to participate in the program to CalSTRS on the *Reduced Workload Program Eligibility Certification Application* form prior to the beginning of the school term of the first school year in which the employee's workload is reduced.

Once CalSTRS approves a member's participation in the Reduced Workload Program:

- Report compensation earned in the position for which the member's workload is reduced using the applicable Reduced Workload Program Assignment Code from the F496 File Specification.
- Remit member contributions equal to the amount the member would have contributed had the member performed creditable service for the position on a full-time basis.
- Remit employer contributions at the Reduced Workload Program contribution rate for the applicable school year on the creditable compensation the member would have been paid had the member performed creditable service for that position on a full-time basis.

If an agreement to reduce a member's workload is terminated:

- Notify CalSTRS within 30 days after the date the agreement is terminated.
- If the school term was not completed, re-report the member's compensation without the Reduced Workload Program Assignment Code so that contributions are due on the actual compensation the member earned at the normal contribution rates.

### **REFERENCES:**

This Employer Directive does not take precedence over the law.

If you have any questions regarding this Employer Directive, please contact your CalSTRS Employer Services Representative.