



9300 Imperial Highway, Downey, California 90242-2890 • (562) 922-6111

Debra Duardo, M.S.W., Ed.D., *Superintendent*

April 20, 2021

TO: Business and Personnel Administrators
Chief Business and Chief Personnel Officials
HRS Coordinators
Los Angeles County K-12 School and Community College Districts,
Regional Occupational Centers/Programs (ROC/Ps), Charter Schools and
other Local Educational Agencies (LEAs)

FROM: Claudette Wiggan-Reid, CalPERS Retirement Systems Coordinator
District Personnel Information Services
Division of School Financial Services

SUBJECT: State Social Security Administrator in MyCalPERS

The California Public Employees' Retirement System (CalPERS) has enhanced myCalPERS (MCP) to collect employer information and distribute invoices for Social Security purposes. CalPERS is the agency responsible for administering the Section 218 Agreement with the Social Security Administration (SSA) for state and local government agencies that provide Social Security and Medicare coverage for their employees.

Effective July 1, 2019, the State Social Security Administration (SSSA) implemented administrative fees to cover the cost associated with administering the agreement. Since then, the Los Angeles County Office of Education (LACOE) has submitted employee data (the number of W-2s issued annually) on behalf of districts, to CalPERS. This responsibility will now transition to districts. Attachment No. 2 is CalPERS Circular Letter: 200-002-19. It provides details regarding annual maintenance fees collected by CalPERS for this program. The 2021 SSSA invoices have been received by LACOE. This year, LACOE will pay the invoices on behalf of districts and process a journal voucher for the invoice amount.

Going forward, CalPERS is requiring each district identify a designee to complete the Annual Request for Information (AIR) in myCalPERS. Attachment No. 1 is a sample of the letter sent to employers. Click [here](#) to obtain step-by-step instructions provided by CalPERS.

The function of the social security contact is to:

- Complete the Annual Information Request (AIR) to provide current withholding practices of the district (i.e. CalSTRS, CalPERS, Social Security).
- Provide the employee count each year (W2 count),
- Update district information (i.e. address, telephone number, federal tax ID),
- Update changes to 218 contracts for those districts with specific contracts,
- Receive and pay the Social Security Administration invoices in the future.

Required District Action:

In order to complete the tasks described above, each district is required to designate a “Social Security Contact”. On the CalPERS Access form (Attachment No. 3), select **Social Security Contact** and complete the form with the designee’s information. A supervisor’s signature is required. Return the signed form to PERS_MAR1@laoe.edu to obtain the required security level by **May 7, 2021**.

If there are any questions regarding this bulletin, please contact either staff listed below via email:

- Claudette Wiggan-Reid Wiggan_Claudette@laoe.edu
- Aura Rodriguez Rodriguez_Aura@laoe.edu

Approved:

Sean Lewis, Assistant Director

School Financial Systems and Services

CWR:sm

Attachments

SFS-A45-2020-2021



**Official State Social Security Administrator
California Public Employees' Retirement System**

P.O.Box 720720
Sacramento, CA 94229-0720

Phone: (916) 795-0810 | Fax: (916) 795-3005
888 CalPERS (or 888-225-7377) | TTY: (877) 249-7442
www.calpers.ca.gov/sssa

March 01, 2021

XXXXXXXXXX
XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXX

Annual Information Request

CalPERS ID: xxxxxxxxxx

Dear xxxxxxxxx,

The California Public Employees' Retirement System (CalPERS) is the official California State Social Security Administrator (SSSA) for California's Section 218 Agreement. We assist governmental entities to properly withhold and report Social Security and Medicare. We are the liaison between the agency, the Social Security Administration (SSA) and the Internal Revenue Service (IRS) to address coverage-related issues and questions. (Government Code Section 22000-22603)

You are receiving the Annual Information Request because you are a School District in the State of California with a Section 218 Social Security Agreement. Annual completion of this request is a federally mandated responsibility of both the SSSA and all California governmental entities

Please complete the Annual Information Request within 30 days of this notice. Visit myCalPERS to complete the form online. The Annual Information Request is available in myCalPERS through your business partner profile. Once logged in, select the "Profile" global navigation tab, then expand the "Menu" tab on the left side navigation. Select "SSA Annual Information Request" under the menu tab, then select blue hyperlink under request date to access the AIR. For step-by-step instructions, please use the Social Security and Medicare Agreement Student Guide at www.calpers.ca.gov/docs/social-security-medicare-agreements.pdf

The SSSA is here to assist you. If you have any questions, please visit our website at **www.calpers.ca.gov/sssa**, or contact us by telephone at (916) 795-0810 or via email at sssa.air@calpers.ca.gov.

Sincerely,

State Social Security Administrator's Office





California Public Employees' Retirement System
P.O. Box 942715 | Sacramento, CA 94229-2715
888 CalPERS (or 888-225-7377) | TTY: (877) 249-7442
www.calpers.ca.gov

Announcements

Circular Letter

July 10, 2019

Circular Letter: 200-022-19

Distribution: V, VI, XII, XVI

To: Public Employers With an Existing Section 218
Subject: State Social Security Administrator Program Funding

Purpose

The purpose of this Circular Letter is to inform your agency of the implementation of administrative fees effective July 1, 2019, to cover the cost associated with administering the State Social Security Administrator Program (SSSA).

Background

The Social Security Administration (SSA) requires each state to designate an official to act for the state in administering the Section 218 Agreement. A Section 218 Agreement is a voluntary agreement between the state and the SSA to provide Social Security and Medicare coverage for state and local government employees. In 1955, the Governor's Office designated the California Public Employees' Retirement System (CalPERS) as the SSSA, per Government (Gov.) Code section 22004 of the Public Employees' Retirement Law (PERL). As the official SSSA, CalPERS has the following roles and responsibilities:

- Serve as the liaison between SSA, Internal Revenue Service (IRS), public entities, and stakeholders
- Process modifications for public entities to provide coverage for their employees
- Maintain Section 218 related records
- Perform education and outreach
- Conduct the Annual Information Request (AIR) to ensure tax compliance with respect to Social Security and Medicare withholding.

Attachment No. 2
Info. Bul. No. 5357
SFS-A45-2020-2021

From 1955-1986, the SSSA was also responsible for collecting Social Security and Medicare withholdings for all public employers in California. The Omnibus Budget Reconciliation Act of 1986 moved the responsibility of collecting taxes from the SSSA to IRS. The SSSA has been operating since 1987 using the interest that was earned from the Social Security and Medicare tax holding account. The fund has diminished, and it can no longer pay for the expenses required to continue to operate the SSSA program. The SSA does not provide any funding for the SSSA program. Additionally, per Gov. Code section 20176 of the PERL CalPERS is prohibited from using any retirement funds to cover expenses which are not related to the cost of the administration of the retirement system. Gov. Code sections 22551 and 22552 authorize CalPERS to collect administrative and contracting fees.

Fees

There will be two types of fees that will be assessed. The first fee is a contracting fee of \$650 to establish a new Section 218 Agreement or to amend an existing Section 218 Agreement for Social Security and/or Medicare coverage. The second fee is an annual maintenance fee for all employers that have an existing Section 218 Agreement. This fee will be based on the number of employees currently employed with your agency. Annual maintenance fees will be assessed using the criteria below. The invoice will be generated annually when the SSSA AIR is sent to your agency.

Annual Maintenance Fees

Number of employees	Fee
1 – 4	\$200
5 – 9	\$250
10 – 19	\$300
20 – 49	\$400
50 – 99	\$500
100 – 249	\$1,000
250 - 499	\$1,500
500 – 999	\$2,000
1000+	\$2,500

Payment of Fees

Payments can be submitted through the Electronic Funds Transfer (EFT) debit method, automated clearing house (ACH) method, or by check. The EFT debit method is the preferred method by setting up your payment account in my|CalPERS with no additional charge. The ACH

method option is initiated through your financial institution and should include the my| CalPERS ID* receivable ID*\$\$\$ separated by an asterisk (*) in the addendum record field or similar information field of the payment instruction for each payment being remitted. Please call CalPERS at **888 CalPERS** (or **888-225-7377**) or email FCSD_Cashiers@CalPERS.CA.GOV to request the ACH method payment.

If you are submitting payments via check, please ensure the invoice is attached and mailed to:

California Public Employees' Retirement System
Cash & Payment Processing/FRAS
P. O. Box 942703
Sacramento, CA 94229-2703

Questions

To learn more, read our [Understanding State Social Security Fees](#).

If you have any additional questions, please contact the SSSA Office via email at SSSA@calpers.ca.gov or call the SSSA Office directly at 916-795-0810. You may also call our CalPERS Customer Contact Center at **(888) CalPERS** (or **888-225-7377**).

Renee Ostrander, Chief
Employer Account Management Division



CalPERS Access Form

PERS Health Coverage:

Does this district have health coverage through CalPERS? *(Required)* ☐ Yes ☐ No

District Information:

Supervisor's Name: _____

School District / Agency: _____

Title: _____

Telephone: _____

E-Mail: _____

The following employee requires access to MyCalPERS as follows:

- ☐ Payroll (RO) Inquiry – view employees' information and contributions reported to MCP
- ☐ Enrollment (RO) Inquiry – view employees' membership ship and retirement status, i.e. Classic/PEPRA
- ☐ Arrears & SCP Certification – initiates buy-back and certify payroll information for buy-backs and other transactions
- ☐ Retirement Contracts – for districts with additional contracts at CalPERS only, i.e. school police
- ☐ Social Security Contact – will complete the Annual Information Request (AIR) and will receive SSSA invoices
- ☐ Supplemental Income Plan – districts with 457 plans
- ☐ CERBT/CEPPT: Retiree Benefit Trust (*IRS Section 115*)
- ☐ GASB Contact
- ☐ Primary District Contact

User Information:

Employee's Name: _____

Is this employee a CalPERS member? ☐ Yes ☐ No

If answer is "no," please provide the person's Date of Birth _____

LACOE EID / SSN: _____

District Address: _____

Phone Number: _____

E-Mail: _____

Possible Username *(if available)*: _____

Supervisor's Signature: _____ Date: _____

LACOE OFFICE USE ONLY

User Name:

Process Date: