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## April 26, 2021

TO:	Business, Personnel, and Accounting Administrators
	Payroll Supervisors and HRS District Coordinators
	Los Angeles County School Districts and Other Local Educational Agencies
FROM:	Jocee Panganiban, School Financial Systems and Services Manager
	District Personnel Information Services
	Division of School Financial Services

SUBJECT: TSA and Other Common Remitter Services to Phase Out

Two years ago, LACOE published bulletin <u>4954</u> indicating that with the implementation of The BEST Advantage System – Human Capital Management (HCM), LACOE would phase out common remitter services to districts. We are now requesting Wave 3 districts make this transition prior to June 1, 2021 and Wave 4 districts make this transition prior to December 31, 2021. Many districts have already successfully transitioned out of LACOE's common remitter services for their TSA and other alternative retirement options.

Districts still using LACOE's Common Remitter process should either:

- Contract with a third-party administrator (TPA) who will manage vendor payments, compliance and reporting. This is the recommended method. Third party administrators bring their expertise in retirement fund administration and are able to assist districts in navigating investment options for their employees; or
- Directly remit employee contributions to vendors by managing all vendor payments, refunds, compliance and reporting. This will be the default choice in the FIN system if districts do not contract with a TPA.

If you are a district still utilizing LACOE as your common remitter provider, please contact <u>Villarreal\_Stephanie@lacoe.edu</u> or <u>Luevano\_Terrie@lacoe.edu</u> to begin the process of transitioning.

If you have questions about this topic, please contact me via email at <u>Panganiban Jocee@lacoe.edu</u>.

Approved: Sean Lewis Assistant Director, Division of School Financial Services

SFS-A55-2020-2021