9300 Imperial Highway, Downey, California 90242-2890 • (562) 922-6111 Debra Duardo, M.S.W., Ed.D., *Superintendent*

July 26, 2021

TO: Chief Business and Chief Personnel Officials

Business and Personnel Administrators

Los Angeles County K-12 School and Community College Districts

Regional Occupational Centers/Programs

Charter Schools and other Local Education Agencies

FROM: Jocee Panganiban

School Financial Systems and Services Manager

SUBJECT: Unemployment Insurance Contribution Rate Change and Necessary Corrections

Effective July 1, 2021, The California Employment Department (EDD) increased the State Unemployment Insurance (SUI) contribution rate from .05% of SUI subject wages to 1.23%. However, on July 16, 2021, Governor Newsom signed into law AB 138, which reduced the rate from 1.23% to 0.50% for the 2021-2022 and 2022-2023 fiscal years. As a result, LACOE made the following adjustments:

- On July 19, 2021, LACOE mistakenly changed the rate in the HRS system to .05% instead of the approved .50% rate. This resulted in the E4A and Supplemental 200 payrolls producing with the incorrect rate of .05%. On July 20, we corrected the rate to .50%. All payrolls producing from HRS on or after July 20, 2021 will use the new reduced rate.
- On July 19, 2021, LACOE updated the rate in the BEST Advantage Human Capital Management (HCM) system to the new .50% rate. All payrolls producing from HCM on or after July 19 will use the new reduced rate.
- The previous 1.23% SUI rate for payrolls that produced from <u>June 28 July 16</u>, 2021 and the incorrect .05% SUI for the E4A and Supplemental 200 payrolls, remain unchanged.

The following actions are required of the districts:

- Log in to the EDD website and correct the 3rd quarter SUI contribution amount using the effective rate of .50%.
- The SUI contribution for payroll issue dates 7/1-7/10/2021 with an accrual date of June 30, 2021 is overstated and must be corrected by reducing the contribution amount from 1.23% to .50% of SUI subject gross amount. The correction must be done prior to FY 20-21 closing.
- The SUI contribution for payroll issue dates from <u>7/10/2021</u> to <u>7/20/2021</u> with accrual dates of July 2021 will also have the 1.23% SUI rate.
- The SUI contribution for payrolls E4A and Supplemental 200 will have the .05% instead of the .50% rate.
- The SUI contribution for payroll H1A and any HRS payrolls after will have the reduced rate of .50%.
- LACOE encourages districts to make the correction prior to their 3rd quarter filing.

To assist districts in correcting, please refer to:

- 1. Attachment No. 1 Process to Correct SUI contributions, Waves 1 and 2 Districts; corrections are to be done in the BEST FIN system
- 2. Attachment No. 2 Process to Correct SUI Contributions, Waves 3 and 4. For Waves 3 districts, June 30, 2021 corrections are to be done in the PeopleSoft financial system and corrections for July, 2021 are to be done in the BEST FIN system

Each of the above attachments have the July issued payroll schedules issued with their corresponding accrual dates, correct effective rate and the incorrect rate applied during payroll production.

NOTE: The Attachments to this bulletin did not previously include C1L (yellow highlighted) that produced June 28. SUI contribution for this payroll was also calculated at 1.23% and should be corrected to the .50% rate.

For additional information regarding the Unemployment Insurance Contribution Rate, please reference LACOE Bulletin #5409 issued July 22, 2021 from Business Advisory Services.

If you have questions or need assistance regarding this bulletin, please contact:

Terrie Luevano	Interim Payroll Coordinator	Luevano_Terrie@lacoe.edu	(562) 922-6442 or (562) 459-0126
Jocee Panganiban	SFS Manager	Panganiban_Jocee@lacoe.edu	(562) 459-0515 or (909) 393-5525

Approved: Sean Lewis, Assistant Director School Financial Systems and Services

JP:lt Attachments

SFS-A3-2021-2022

July Issued Payroll

				FY2	1-22	
Payroll				Correct		JV Correction in
Schedule	Accrual Period	Issue Date	Production Date	Rate	Rate Used	FY
C1L	6/30/2021	07/01/21	06/28/21	0.50%	1.23%	2021
180*	6/30/2021	07/01/21	06/29/21	0.50%	1.23%	2021
C5L	6/30/2021	07/02/21	06/29/21	0.50%	1.23%	2021
E1X	6/30/2021	07/02/21	06/29/21	0.50%	1.23%	2021
V1C	6/30/2021	07/02/21	06/28/21	0.50%	1.23%	2021
V2B	6/30/2021	07/02/21	06/28/21	0.50%	1.23%	2021
181*	6/30/2021	07/02/21	06/30/21	0.50%	1.23%	2021
182*	6/30/2021	07/06/21	07/01/21	0.50%	1.23%	2021
183*	6/30/2021	07/07/21	07/02/21	0.50%	1.23%	2021
187*	6/30/2021	07/08/21	07/06/21	0.50%	1.23%	2021
C3L	6/30/2021	07/09/21	07/06/21	0.50%	1.23%	2021
E4X	6/30/2021	07/09/21	07/02/21	0.50%	1.23%	2021
H1X	6/30/2021	07/09/21	07/02/21	0.50%	1.23%	2021
194**	6/30/2021	07/15/21	07/13/21	0.50%	1.23%	2021
195**	6/30/2021	07/16/21	07/14/21	0.50%	1.23%	2021
R01	6/30/2021	07/19/21	07/15/21	0.50%	1.23%	2021
196**	6/30/2021	07/19/21	07/15/21	0.50%	1.23%	2021
V1D	7/15/2021	07/20/21	07/14/21	0.50%	1.23%	2022
197**	6/30/21 & 7/15/21	07/20/21	07/16/21	0.50%	1.23%	2021 and 2022
E1A	7/31/2021	07/20/21	07/15/21	0.50%	1.23%	2022
200**	6/30/2021	07/21/21	07/19/21	0.50%	0.05%	2021
E4A	7/31/2021	07/23/21	07/19/21	0.50%	0.05%	2022

^{*} Mostly 6/30 accrual date; small amount of 7/2021 may exist; if accrual date is 7/2021, correction should be done in FY2022

- If districts accrue these payrolls in FY2021, payroll journal in FY2022 should be reversed and SUI correction should also be done in June 2021
- If districts do not accrue these payroll in FY2021 and leaves these in FY2022, SUI correction should also be done in FY 2022

^{**} Payroll Accruals 06/30/2021 but issued after 7/10/2021 all posted in July, FY 2022

Process to correct SUI Contributions – Waves 1 and 2 Districts

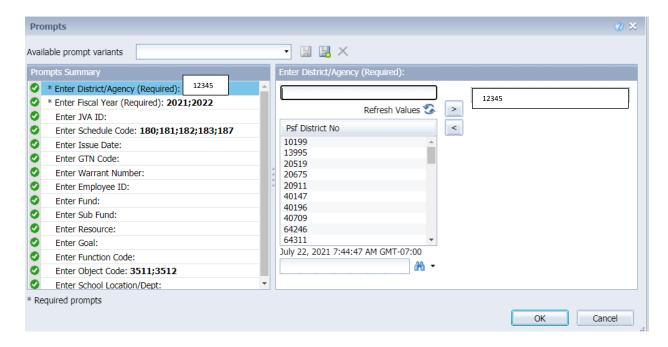
Log in to **BEST INFOADVANTAGE**.

• Once logged in, go to Documents, Folder, Agency Folder: click on FIN, choose GL and select FIN-GL-0147,



HRS Detail Transactions. Refresh

- When the Prompts screen comes up, Enter Fiscal Year 2021, District Object 3511 and 3512
- Export Report by choosing Export Current Report as Excel (.xlsx)
- Filter report for 2021 and 2022 Fiscal Year; district applicable Sch. Code, Object Code 3511 and 3512 (SUI Expense Account); then click ok



Sample excel file (Business Unit and Employee Name redacted); delete unnecessary columns

Employee ID Warrant No	Fiscal Yr	Issue Date	Accrual Dat	e Employee Ty	Fund/Sub-f	un ResPrjYr	Goal	Function	Object	Location	Bud Per	Pay Sched	GTN	Amount
EB7717006 6971863	2022	20210708	20210531	Certificated	01.0	0.0000	11100	10000	3511	7540990	21-22	187	090	2.15
EQ0451789 3310562	2022	20210702	20210630	Certificated	01.0	65000.0	57600	11100	3511	7430000	21-22	181	090	-39.68
JS4433720 6960843	2022	20210701	20210615	Classified	01.0	0.0000.0	11100	10000	3512	4251500	21-22	180	090	7.58
JW2659401 6971862	2022	20210708	20210630	Certificated	01.0	32120.0	00000	27000	3511	7481000	21-22	187	090	60.28
KR4454456 6691624	2021	20200706	20200630	Certificated	01.0	14000.0	11100	10000	3511	4250000	20-21	183	090	4.97
ND4146403 6960842	2022	20210701	20210615	Classified	01.0	32120.0	57600	11100	3512	7431000	21-22	180	090	5.65
SB7755496 3310528	2022	20210702	20210630	Certificated	01.0	30100.0	11100	10000	3511	1100000	21-22	181	090	-2.75
UT0912784 6968113	2022	20210707	20210531	Certificated	01.0	0.0000.0	11100	10000	3511	7540990	21-22	183	090	9.84
XG3919725 6965933	2022	20210702	20210630	Classified	01.0	32120.0	11100	10000	3511	7481000	21-22	181	090	39.68

• Calculate SUI Subject Gross Amount and correct SUI Contribution amount

														Q	R	S
Employee ID	Warrant No	Fiscal Yr	Issue Date	Accrual Date	Employee Ty	Fund/Sub-fun	ResPrjYr	Goal	Function	Object	Location	Pay Sched	Amount (Calculated at 1.23% of SGA)	Subject Gross Amount	Correct amount (SGA*.50%)	Adjustment
EB7717006	6971863	2022	20210708	20210531	Certificated	01.0	0.0000	11100	10000	3511	7540990	187	2.15	174.80	0.87	-1.28
EQ0451789	3310562	2022	20210702	20210630	Certificated	01.0	65000.0	57600	11100	3511	7430000	181	-39.68	-3,226.02	-16.13	23.55
JS4433720	6960843	2022	20210701	20210615	Classified	01.0	00000.0	11100	10000	3512	4251500	180	7.58	616.26	3.08	-4.50
W2659401	6971862	2022	20210708	20210630	Certificated	01.0	32120.0	00000	27000	3511	7481000	187	60.28	4,900.81	24.50	-35.78
(R4454456	6691624	2021	20200706	20200630	Certificated	01.0	14000.0	11100	10000	3511	4250000	183	4.97	404.07	2.02	-2.95
ID4146403	6960842	2022	20210701	20210615	Classified	01.0	32120.0	57600	11100	3512	7431000	180	5.65	459.35	2.30	-3.35
B7755496	3310528	2022	20210702	20210630	Certificated	01.0	30100.0	11100	10000	3511	1100000	181	-2.75	-223.58	-1.12	1.63
JT0912784	6968113	2022	20210707	20210531	Certificated	01.0	0.0000	11100	10000	3511	7540990	183	9.84	800.00	4.00	-5.84
G3919725	6965933	2022	20210702	20210630	Classified	01.0	32120.0	11100	10000	3511	7481000	181	39.68	3,226.02	16.13	-23.55
				20210630	Classified	[01.0	32120.0	[11100	[10000	3511	/481000	181	39.68	3,226.02	16.13	-23
	nns (Rounded Fross Amount		mount/1.23% (Col. P / 1.23%)											
R) Correct Ar	mount - Subje	ct Gross Am	ount (Q) x .5%	(Col Q x .5%)												
S) Adjustme	nt - Correct A	mount - Amo	unt Calculated	1 at 1.23% (Co	I. R-Col. P)											

• Correcting Journal Entry should Credit 3511 or 3512 and Debit 9531 (or whatever districts use for SUI liability)

July Issued Payroll

				FY2	1-22	
Payroll				Correct		JV Correction in
Schedule	Accrual Period	Issue Date	Production Date	Rate	Rate Used	FY
C1L	6/30/2021	07/01/21	06/28/21	0.50%	1.23%	2021
180*	6/30/2021	07/01/21	06/29/21	0.50%	1.23%	2021
C5L	6/30/2021	07/02/21	06/29/21	0.50%	1.23%	2021
E1X	6/30/2021	07/02/21	06/29/21	0.50%	1.23%	2021
V1C	6/30/2021	07/02/21	06/28/21	0.50%	1.23%	2021
V2B	6/30/2021	07/02/21	06/28/21	0.50%	1.23%	2021
181*	6/30/2021	07/02/21	06/30/21	0.50%	1.23%	2021
182*	6/30/2021	07/06/21	07/01/21	0.50%	1.23%	2021
183*	6/30/2021	07/07/21	07/02/21	0.50%	1.23%	2021
187*	6/30/2021	07/08/21	07/06/21	0.50%	1.23%	2021
C3L	6/30/2021	07/09/21	07/06/21	0.50%	1.23%	2021
E4X	6/30/2021	07/09/21	07/02/21	0.50%	1.23%	2021
H1X	6/30/2021	07/09/21	07/02/21	0.50%	1.23%	2021
194**	6/30/2021	07/15/21	07/13/21	0.50%	1.23%	2021
195**	6/30/2021	07/16/21	07/14/21	0.50%	1.23%	2021
R01	6/30/2021	07/19/21	07/15/21	0.50%	1.23%	2021
196**	6/30/2021	07/19/21	07/15/21	0.50%	1.23%	2021
V1D	7/15/2021	07/20/21	07/14/21	0.50%	1.23%	2022
197**	6/30/21 & 7/15/21	07/20/21	07/16/21	0.50%	1.23%	2021 and 2022
E1A	7/31/2021	07/20/21	07/15/21	0.50%	1.23%	2022
200**	6/30/2021	07/21/21	07/19/21	0.50%	0.05%	2021
E4A	7/31/2021	07/23/21	07/19/21	0.50%	0.05%	2022

^{*} Mostly 6/30 accrual date; small amount of 7/2021 may exist; if accrual date is 7/2021, correction should be done in FY2022

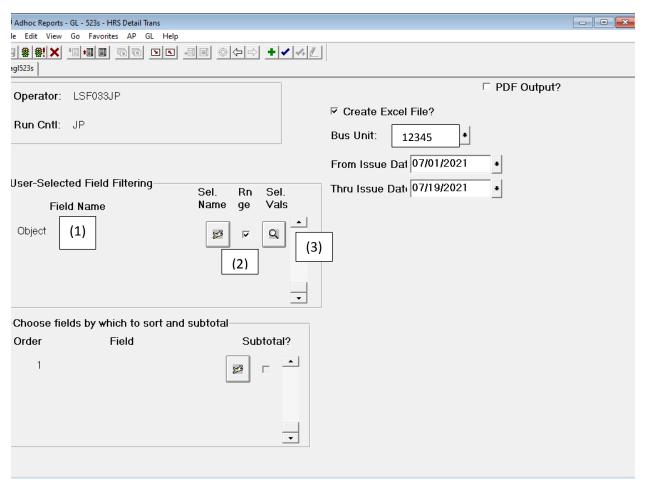
- ♣ If districts accrue these payrolls in FY2021, payroll journal in FY2022 should be reversed and SUI correction should also be done in June 2021
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^{**} Payroll Accruals 06/30/2021 but issued after 7/10/2021 all posted in July, FY 2022

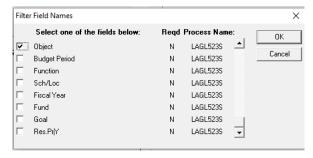
Process to correct SUI Contributions – Waves 3 and 4 Districts

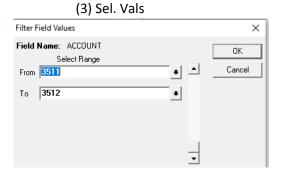
Log in to PSFS RPT environment.

- Once logged in, choose GL Adhoc report GL523S HRS Detail Trans
- Choose Create Excel file
- Enter Business Unit
- From Issue Date: <u>07/01/2021</u> thru Issue Date <u>07/19/2021</u>
- In User Selected Field Filtering click



• (1) Choose Object (2) Range –check mark





- Choose Object Range 3511-3512 (SUI Contribution for Certificated and Classified Employees, respectively)
- Click Save and then click on Traffic Signal to run

When the report is completed, an email notifier will be sent advising availability of the report

Log in to RAD

- Once logged in, choose Rad Access and Distribution Vs. 2
- Type in your Business Unit
- Choose LAGL523S HRS Detail Transaction
- Choose Download

- Home:								
	erfaces, please contact SFS RAD Unit at SFSRAD@lacoe.edu A-L: Joyce Evangelista (562-922-6559); Districts M-Z: Linda V	Villiams (562-922-6535); or Tori Guerena (562-922-660	19); or Crystal Gonzalez (562-922-6339).					
SFS (School Financial Service Download Upload	s)							
	n (Report Selector Version 2.0_rl)							
HRS - Business Objects Ad H HRS - Payroll Reports HRS - Personnel Reports Credential Reports TSA Reports	oc Reports							
Set Password								
Business Unit:		v ((required)					
Fiscal Year:	2022 🗸							
Month/Day:	v (d	ay # optional)						
Frequency: (only 2003 and								
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Report Descriptions Report Viewer Inform	nation							
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Year/ Frequency	Report	Report Date/Status	Posted					
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User Defined	<u>Download 172.03 kb</u>	ONLINE	LSF033JP					

User Defined Download 172.03 kb ONLINE

Below is a sample of the report (Business Number and Employee Name redacted)

Employee ID Warrant No	Fiscal Yr	Issue Date	Accrual Dat	e Employee Ty	Fund/Sub-fu	n ResPrjYr	Goal	Function	Object	Location	Bud Per	Pay Sched	GTN	Amount
EB7717006 6971863	2022	20210708	20210531	Certificated	01.0	0.00000	11100	10000	3511	7540990	21-22	187	090	2.15
EQ0451789 3310562	2022	20210702	20210630	Certificated	01.0	65000.0	57600	11100	3511	7430000	21-22	181	090	-39.68
JS4433720 6960843	2022	20210701	20210615	Classified	01.0	0.0000.0	11100	10000	3512	4251500	21-22	180	090	7.58
JW2659401 6971862	2022	20210708	20210630	Certificated	01.0	32120.0	00000	27000	3511	7481000	21-22	187	090	60.28
KR4454456 6691624	2021	20200706	20200630	Certificated	01.0	14000.0	11100	10000	3511	4250000	20-21	183	090	4.97
ND4146403 6960842	2022	20210701	20210615	Classified	01.0	32120.0	57600	11100	3512	7431000	21-22	180	090	5.65
SB7755496 3310528	2022	20210702	20210630	Certificated	01.0	30100.0	11100	10000	3511	1100000	21-22	181	090	-2.75
UT0912784 6968113	2022	20210707	20210531	Certificated	01.0	0.0000.0	11100	10000	3511	7540990	21-22	183	090	9.84
XG3919725 6965933	2022	20210702	20210630	Classified	01.0	32120.0	11100	10000	3511	7481000	21-22	181	090	39.68

- Sort the report by Year and by Issue Date
 - ❖ Note Fiscal Year 2021 correcting journal should be dated 06/30/2021 and posted to FY20-21 reflect in the year-end unaudited actuals. Fiscal year 2022 correcting journal entry must be dated and posted as 07/xx/2021.
- As per earlier notification from EDD, the payment amount reflected was calculated at 1.23% and needs to be reduced down to .5%, the approved rate for FY21-22.

											,			Q	R	S
ı Employee ID	Warrant No	Fiscal Yr	Issue Date	Accrual Date	Employee Ty	Fund/Sub-fun	ResPrjYr	Goal	Function	Object	Location	Pay Sched	Amount (Calculated at 1.23% of SGA)	Subject Gross		Adjustment
EB7717006	6971863	2022	20210708	20210531	Certificated	01.0	0.00000	11100	10000	3511	7540990	187	2.15	174.80	0.87	-1.28
EQ0451789	3310562	2022	20210702	20210630	Certificated	01.0	65000.0	57600	11100	3511	7430000	181	-39.68	-3,226.02	-16.13	23.55
JS4433720	6960843	2022	20210701	20210615	Classified	01.0	0.00000	11100	10000	3512	4251500	180	7.58	616.26	3.08	-4.50
JW2659401	6971862	2022	20210708	20210630	Certificated	01.0	32120.0	00000	27000	3511	7481000	187	60.28	4,900.81	24.50	-35.78
KR4454456	6691624	2021	20200706	20200630	Certificated	01.0	14000.0	11100	10000	3511	4250000	183	4.97	404.07	2.02	-2.95
ND4146403	6960842	2022	20210701	20210615	Classified	01.0	32120.0	57600	11100	3512	7431000	180	5.65	459.35	2.30	-3.35
SB7755496	3310528	2022	20210702	20210630	Certificated	01.0	30100.0	11100	10000	3511	1100000	181	-2.75	-223.58	-1.12	1.63
UT0912784	6968113	2022	20210707	20210531	Certificated	01.0	0.00000	11100	10000	3511	7540990	183	9.84	800.00	4.00	-5.84
XG3919725	6965933	2022	20210702	20210630	Classified	01.0	32120.0	11100	10000	3511	7481000	181	39.68	3,226.02	16.13	-23.55
(Q) Subject G (R) Correct A	mount - Subje	(SGA) - SUI A ct Gross Am	mount/1.23% ount (Q) x .5%	(Col. P / 1.23% (Col Q x .5%) 1 at 1.23% (Co												

- Remove unnecessary columns (including Empl. ID as this is merely for reference purposes or to validate against HRS)
- Create 3 columns immediately after Paid Amount:
 - SUI Taxable Wage Paid Amount/1.23% (this is your SUI Taxable Wage)
 - SUI Rate at .5% SUI Taxable Wage x .5%
 - Adjustment Subtract the difference between SUI Rate at .5% from Paid Amount; this will represent the amount SUI Contribution will be reduced by)
- Concatenate Account String
- Insert Pivot Table pulling Year, Concatenated Account String and Adjustment Amount
- Your journal should debit Object 9531 (or whatever 95xx object district uses as SUI Liability) and credit 3511 or 3512