

# LAFCO

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## **Santa Barbara Local Agency Formation Commission**

105 East Anapamu Street ♦ Santa Barbara CA 93101

805/568-3391 ♦ FAX 805/568-2249

www.sblafco.org ♦ lafco@sblafco.org

February 3, 2022 (Agenda)

Local Agency Formation Commission  
105 East Anapamu Street  
Santa Barbara CA 93101

### **Payroll Services**

Dear Members of the Commission:

#### RECOMMENDATION:

It is recommended that the Commission authorize the Executive Officer to investigate if there is a better payroll service option for LAFCO to use and present these options at a future meeting.

#### DISCUSSION:

It has come to staff's attention that our current payroll service provider ADP's system cannot adequately complete local State quarterly tax filings as a result of having two CA ID numbers. This has resulted in missed filing for the 2<sup>nd</sup>, 3<sup>rd</sup>, & 4<sup>th</sup> quarter of 2021. ADP has indicated their system does not have the ability to file local State taxes under two separate CA ID's numbers. Two CA ID numbers were required when LAFCO enrolled into State Disability Insurance (SDI) program. Quarterly taxes are required to be filed with the State for all wages and earnings from our payroll payees, which include both Commissioners and staff. Because both the Commissioners and staff are part of the payroll process, quarterly filings of all wages are required for both Federal and State. ADP does make all Federal tax filing on our behalf using our Employer Identification Number (EIN). The Commissioner wages portion pertains to the filing State Unemployment Insurance (SUI) only, while Commission Members are considered exempt from State Disability Insurance (SDI) contribution. Staff (Executive Officer) is not exempt from SDI and we are required to file these contributions with the State.

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**Commissioners:** Roger Aceves ♦ Cynthia Allen ♦ Jay Freeman ♦ Craig Geyer ♦ Joan Hartmann, Vice-Chair ♦ Steve Lavagnino  
♦ Jim Richardson ♦ Holly Sierra ♦ Shane Stark, Chair ♦ Etta Waterfield ♦ Das Williams **Executive Officer:** Mike Prater

In addition, staff has had other concerns and issue with ADP services. Many tax filing dating back from 2018 have been rejected, agency representative are not specifically assigned to LAFCO, this requires using the online chat feature or being placed on hold by phone causing a long que for services. Establishing deductions and enrollment into our 457(b) plan presented challenges. However, many of these issues have been resolved. The fact that ADP system cannot properly file our local taxes due to system parameters continues to makes matters difficult and increases time spent, resources, and take efforts away from other responsibilities. Staff would reach out to local accounting firms or CPA service providers for proposals to present to the Commission at a future meeting.

Attachments:

Attachment A: ADP emails and Chat dialoge regarding tax filings

Please contact the LAFCO office if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. Prater".

Mike Prater  
Executive Officer

# Re: CA EFILE REJECTED ACTION REQUIREE

Email Lafco

Mon 1/3/2022 3:26 PM

To: Wright, Debbie (ES) <debbie.wright@adp.com>;

Hi Debbie,

I hope your year is off to a great start.

I have reached out to Nicolette with EDD, who has stated ADP should continue to E-file under the 698 series ID for the Company. And I will E-file under 749 series directly for employees (myself) under SDI contributions. In order to do that, I would need to download the DE9 & DE 9C forms created by ADP and manually enter these figures.

Can you please point me to these tax reports for 2021 Q2, Q3, & Q4. I am unable to locate these under Taxes/Tax Returns menu. I only see the Federal 941 forms for these quarters. I have found all reports for 2021 Q1, both Federal and California with status "Filed".

Please give me a call to discuss this further if you would like to. Have a great day.

Mike Prater  
Executive Officer  
Santa Barbara LAFCO  
105 E. Anapamu Street. Santa Barbara, CA. 93101  
t. (805) 568-3391 f. (805) 568-2249

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**From:** Wright, Debbie (ES) <debbie.wright@adp.com>

**Sent:** Monday, December 27, 2021 9:57 AM

**To:** Email Lafco

**Subject:** RE: CA EFILE REJECTED ACTION REQUIREE

**Caution:** This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Mike

If you separate your employee into 2 separate co code with different IDs we can try to file for you. You will need to work with your payroll service rep at 877-815-6427 to see what they need to create a new co code for you.

Thanks and have a great day

**Debbie Wright** | Client Support Consultant II  
Compliance Solutions – Tax Center of Excellence – Profile Management  
[Debbie.Wright@adp.com](mailto:Debbie.Wright@adp.com)  
855-515-9516 x1033517 office

ATTACHMENT A



Smart Compliance (formerly Tax and Banking Portal) <https://smartcompliance.adp.com> Quick and easy access to copies of Statement of Deposits, 940's/941's, Invoices, Amendments and more

The Bridge, ADP's External Community <https://thebridge.adp.com/welcome> Connect with other ADP Clients, featured subject matter experts and ADP

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**From:** Email Lafco <lafco@sblafco.org>  
**Sent:** Monday, December 27, 2021 8:23 AM  
**To:** Wright, Debbie (ES) <debbie.wright@adp.com>  
**Subject:** Re: CA EFILE REJECTED ACTION REQUIREE

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Ms. Wright,

Thank you some clarification regarding these filings. The last report I received from the State indicated their were discrepancies between the Grand Totals and the Sum of individual wages and withholding reported on the DE 9C, see attached notice. Once logged-In to EDD E-Services it shows no employee tax balance is due at this time. It does show ADP LLC as a log-in user and account manager for [adp.tax.services.ca@adp.com](mailto:adp.tax.services.ca@adp.com).

This is the first I have heard that ADP system cannot handle reporting these tax and wages reports. Would it be possible to file these reports if SBLAFCO processed payroll differently under two payroll reports, 1) for the Commissioners (which file the SUI as previous years) CA ID with 6 & 2) one for employee staff (EO) which would include the SDI as the only member that receives this status, CA ID with 7.

Would this allow the ADP system to file the quarterly reports separately under each CA ID?

Mike Prater  
Executive Officer  
Santa Barbara LAFCO  
105 E. Anapamu Street. Santa Barbara, CA. 93101  
t. (805) 568-3391 f. (805) 568-2249

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**From:** Wright, Debbie (ES) <[debbie.wright@adp.com](mailto:debbie.wright@adp.com)>  
**Sent:** Thursday, December 23, 2021 1:05 PM  
**To:** Email Lafco  
**Subject:** RE: CA EFILE REJECTED ACTION REQUIREE

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ATTACHMENT A

K4 TYE

Mike

Since you have multiple CA IDs our system can't file CA.

If we use your ID that starts with 6 CA EDD does not want CA SDI to be filed. If we use your ID that starts with 7 CA EDD does not want CA SIT to be filed. Our system can not handle multiple CA IDs. You will need to file CA yourself.

Please contact your payroll service rep at 877-815-6427 and have them change CA to be set up so you can file each piece under each ID. Otherwise filings are going to reject each quarter.

Thanks and have a great day

**Debbie Wright** | Client Support Consultant II  
Compliance Solutions – Tax Center of Excellence – Profile Management  
[Debbie.Wright@adp.com](mailto:Debbie.Wright@adp.com)  
855-515-9516 x1033517 office



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**From:** Email Lafco <[lafco@sblafco.org](mailto:lafco@sblafco.org)>  
**Sent:** Monday, December 20, 2021 8:07 AM  
**To:** Wright, Debbie (ES) <[debbie.wright@adp.com](mailto:debbie.wright@adp.com)>  
**Subject:** Fw: CA EFILE REJECTED ACTION REQUIREE

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Good Morning Debbie,  
I was forwarded this message and hoping you can assist with correcting the rejected E-Filing.

SBLAFCO entrust ADP to make all filings on our behalf. A new ID was issued in June 2021. Account 7

The prior account was 6. Please direct me as to the necessary steps to correct this matter. Thank you and have a good holiday.

Mike Prater  
Executive Officer  
Santa Barbara LAFCO

ATTACHMENT A

105 E. Anapamu Street. Santa Barbara, CA. 93101  
t. (805) 568-3391 f. (805) 568-2249

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**From:** Alexander, Jacquelyne  
**Sent:** Monday, December 20, 2021 7:57 AM  
**To:** Email Lafco  
**Subject:** FW: CA EFILE REJECTED ACTION REQUIREE

Good Morning Mike,

Please see the below email regarding rejected filings.



Jacquelyne Alexander  
Chief Deputy Clerk of the Board of Supervisors  
County of Santa Barbara  
105 E. Anapamu Street, Suite 407, Santa Barbara, CA 93101  
t: 805.568.2245 f: 805.568.2249

Sign up for news and announcements from the County at [www.countyofsb.org](http://www.countyofsb.org).

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**From:** Wright, Debbie (ES) <[debbie.wright@adp.com](mailto:debbie.wright@adp.com)>  
**Sent:** Saturday, December 18, 2021 12:18 PM  
**To:** Alexander, Jacquelyne <[jralexander@countyofsb.org](mailto:jralexander@countyofsb.org)>  
**Subject:** CA EFILE REJECTED ACTION REQUIREE

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K4 TYE

Dear client

Ca EDD rejected filings for 2Q & 3Q 2021 due to invalid taxes. Since your CA tax ID starts with 7 the agency does not want CA SIT filed. 1Q 2021 did not reject and we had your CA ID that starts with 6. IDs that start with 6 does not want CA SDI to be filed. Our system can not handle multiple CA IDs. If you have multiple IDs you will need to file CA each quarter. If you go back to the ID that starts with 6 you will need to block CA SDI. If you get 1 ID that allows all CA taxes to be paid and filed let me know and I will resubmit the rejected filings. If you file these 2 rejected quarters yourself let me know and I will clear the reject.

Thanks and have a great day

**Debbie Wright** | Client Support Consultant II  
Compliance Solutions – Tax Center of Excellence – Profile Management  
[Debbie.Wright@adp.com](mailto:Debbie.Wright@adp.com)  
855-515-9516 x1033517 office

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ADP ASSISTANT

Today at 10:43 am

Hi Michael, I'm A.V.A., your ADP Virtual Assistant.

What can I help you with today?

NOTE: Please refrain from providing any sensitive personal information such as SSN, banking or medical information.

Payroll

What Payroll issue do you need help with?

Manual Check	Tax Notices	Payroll Schedule Topics	Add New Employee	Something Else
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Something Else

Alright, please type your question directly in the chat. I'm still learning, so short, simple phrases like 'off-cycle payroll' or 'I forgot to pay an employee' work best.

You can also type 'what can I ask' to see more example questions.

local tax filings

I didn't understand that. Can you ask it another way?

file my California taxes

Please hold while I transfer you to a live agent who will be better able to assist you.

Today at 11:13 am

***Che has joined the chat.***

C

Hi, Michael, my name is Che, I will be assisting you, please give me a moment to review your information. Good Afternoon! I hope you are doing well! How can I help today?

Hi Che, I was following up regarding CA ID's for filing local taxes. Last week I spoke by phone with Rep Brandon, who was to leave a message for my original Rep contact Vanessa whom was working with IT Dept on how to configure our account.

the purpose is to properly file our CA taxes under the appropriate ID #

we have two ID's one with 698 series that should file all tax info with, and one that is 749 series that receives only SDI contributions. I understand that ADP system has difficulties with multiple IDs

C

I would be more than happy to look into that for you. One moment and thank you for your patience

Today at 11:23 am

C

Still researching that, thanks again for your patience

Today at 11:31 am

C

SIT/SUI should be filed under state ID 6 [REDACTED] The only exception is for SDI it should be under 7 [REDACTED] this applies to Q2, Q3, and Q4.

correct



C

Still working to see if there is a resolution from what Vanessa sent up in 12/27

Today at 11:47 am

Thank you Che, still here

C

Still here Michael :)

thx

C

Is there a reason why your company has two id's?

we just started SDI when I was hired, so a new # was req.

FYi, I am working with EDD to merge the numbers. Request has been sent to their Special Dept., I will let ADP know if a resolution come about. until then, hoping your system has a solution as well.

C

Which is the new id?

749 is the newest

Today at 11:58 am

C

Michael upon review RUN is unable file with two separate id's. Once the id's are merged then we can possibly fix it by doing late original filing amendments for the id

Thanks for the info, have a great day Che. I will contact ADP if anything changes.

***Chat Ended.***

