New Employee Authorization Transmittal (NEAT) Form

After the NEAT has been completed and approved by the LEA, it is submitted via the GoAnywhere link to the DFS Payroll and Retirement units. If you are submitting a new hire packet, it should include the NEAT launched from Galaxy, a valid government-issued I.D. (i.e., driver's license, passport), and a copy of a social security card (if available). Additionally, the signature on the NEAT must be the signature that is on column III of the Certification of Signatures.

For Payroll purposes, the NEAT form provides DFS with a notification that a new employee has been hired at a district. The employee must have a correct Social Security Number that matches the name, per the Social Security Administration for W-2 reporting purposes.

For retirement purposes, the NEAT form is DFS' notification that a new employee has been hired at the district and a CalSTRS (S-code), CalPERS (P-code), or Alt-FICA (A-code) account may need to be established.

After the NEAT has been approved for payroll purposes, it is distributed to the STRS or PERS units who review the employee profile in Galaxy to verify the employee retirement plan code, membership type boxes, and position type. This information will help the retirement unit correctly set up an employee's account with CalSTRS or CalPERS.

NOTE: LEAs must launch an electronic version of the form from the first tab of the A*dd/Modify Employee Information* screen. A sample of the form is on the following page.

BEST PRACTICE: Be sure to have a process in place for supervisory review. Use the Notice Change of Employment Report located in MicroStrategy to verify NEATs entered and approved on a daily basis.

Galaxy Direct Reporting > Shared Reports > Personnel > Employees > **Notice Change of Employment**

Galaxy Reporting   **NEAT**

SAMPLE

RIVERSIDE COUNTY OFFICE OF EDUCATION

New Employee Authorization Transmittal

District Nbr	Emp Nbr	Soc Sec Nbr	Retirement Code	Pay Freq	Pay Type	Retirement Account
99	987654	123-45-6789	A1	24	X	0 - NONE

Employee Last Name	Employee First Name	Employee Middle Name	Hire Date
JOHNSON	MARY	NICOLE	10/31/23

CalPERS ID # (if applicable): _____   CalSTRS ID # (if applicable): _____   PEPRA? (if applicable): [X]

Date Of Birth	Gender	Employee Phone Number	Employee Email
01/01/1977	M	(951) 555-1212	

Address Street	Address City	State	Zip Code
1234 MAIN STREET	ANYTOWN	CA	91030-0000

This section is auto-filled by information input in Galaxy.

Prime Job	Position Held			Schedule			Contract		Position Start Date	Description
	Type	Title	Seq	FTE	Type	Rate	Days	Amount		
*	2	006	020	1.0000	H	17.00			10/31/23	INTERN, ORCSS

Information in this section must be complete by LEA prior to submitting to DFS.

Must Accompany Retirement Forms

☐ Photocopy of Social Security Card (must be legible)

☐ Photocopy of government-issued ID identifying birthdate (such as state issued driver's license or state issued ID)

Log into both, the MyCalPERS and CalSTRS websites and complete information for employee, regardless of the position:

In the MyCalPERS website, employee is a: In the CalSTRS Website, employee is a:

☐ Member   ☐ 2% at 60 member   ☐ 2% at 62 member

☐ Retired Annuitant   ☐ 2% at 60 non-member (Refunded)   ☐ 2% at 62 non-member (Refunded)

☐ N/A   ☐ Retired Annuitant (SR,DR)   ☐ N/A

IF ELIGIBLE, RETIREMENT SYSTEM FORMS

☐ CalPERS Member Reciprocal Self-Certification Form (PERS-EAMD-801)

☐ CalSTRS Permissive Membership Form (ES350)

☐ CalSTRS/CalPERS Retirement System Election Form (ES372)

Member Action Request (MAR); Complete section below if employee qualifies for PERS membership

Basis for CalPERS Membership Qualification :   **Effective date of CalPERS appointment:** _____

☐ Full Time > 6 months   ☐ Indeterminate; at least 20 hours a week for 1 year or more

☐ Part Time >or = 20 hours for 1 year or more   ☐ Person is already a PERS member

☐ N/A

Form Completed By: _____   Email: _____

Authorized Signature: _____

Authorizer Name and Title: _____

NEATs are not required for existing employees taking a new position. In these situations, the STRS or PERS units are not able to verify the employee's profile. As a result, the retirement coding cannot be verified.

> When the Retirement Unit is unable to validate an employee's retirement status, it may cause district charges/refunds due to incorrect membership status or member retirement formula at the time payroll was processed. These charges/refunds are completed via the fixed charge process and logged in the control sheets e-mailed to districts on a monthly basis.

Modifying Gender or Birthdate after NEAT Approval

Employee gender and birthdate are important data fields to report to CalSTRS and CalPERS. The retirement systems use this information to forecast the future expected cost to provide benefits to current and future retirees and actuarial studies are then used to adjust the employee and employer contribution rates accordingly.

DFS Retirement works with the districts on correcting these fields in Galaxy when necessary. The birthdate and gender field have been locked to prevent district changes after DFS has reviewed and approved a new employee in Galaxy.

Districts will no longer be able to make corrections to either of these fields. Once the NEAT is approved by DFS and the gender/birthdate information is verified by a DFS staff member, those fields will be locked. If a district later discovers an error has been made or there has been a gender change, an authorized signer will need to send a request to DFS to update the field(s). Proper supporting documentation, such as government issued identification, must be provided in order for DFS to make the update. Once DFS receives documentation and verifies the data, a request will be sent to the Service Desk for the update.

If verification documentation is not available, the district should complete and submit to DFS the Birthdate/Gender Verification Form. See the Galaxy Notification and Birthday/Gender Verification Form on the following page.

Division of Administration and Business Services

District Fiscal Services

Birthdate/Gender Verification Form

This form is to be submitted to the County Office with the New Employer Authorization Transmittal (NEAT) form when a Driver License is not available or a correction is needed for an employee already approved in Galaxy.

District Name: _____   District Number: _____

Employee Name: _____   Employee Number: _____

A Driver License for the above employee is not available for birthdate or gender verification. By signing below, I certify the information below is accurate:

Birthdate: _____
Gender: ☐Female ☐Male ☐Non-binary

I have verified the information with (select one):

I9: ☐
Birth Certificate: ☐
Other: ☐   Please identify the form used to verify: _____

_____
Name of Authorized Agent

_____
Date

Phone # _____

Form must be signed by an authorized signer. Please refer to Column III of the Certification of Signatures.

REV. 08/02/2022

NEAT Processing Timeline

NEATs are required by both the Payroll and Retirement Units of DFS. In order to ensure the accurate and timely payment to employees as well as establishing their retirement eligibility, it is vital that districts adhere to the following timelines when processing NEATs.

- NEATs should be received by DFS for approval prior to Gross Pay.
  - Exceptions may only be made for classified new hires after the gross payroll runs.
  - New hire certificated employees must run through Gross Payroll for a credential check except for community college employees.

Restrictions on Retirees Returning to Work

Employees who retired on or after January 1, 2013 must wait 180 days before they can return to work as retirees. If a retiree is employed within 180 days of their retirement day:

- PERS may reinstate the retiree as an active member.
- STRS will reduce the employee's benefit dollar-per-dollar by an amount equal to the retiree's earnings up to the benefit payable during that period.

Hiring CalPERS Retirees

A CalPERS retiree cannot return to work on a classified position for at least 180 days after retirement unless the following conditions are met:

- The employee did not receive a Golden Handshake or any other employer incentive related to retirement.
- The employer certifies that the appointment is necessary to fill a **critically** needed position before 180 days have passed.
- The appointment has been approved by the governing body of the employer in a public meeting; the appointment cannot be placed on a consent calendar.
- The employment shall be limited to 960 hours per fiscal year.
- The compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by the 173.333 to equal the hourly rate.
- The employee will not receive any other benefit, incentive, or compensation in lieu of benefit or other form of compensation in addition to this hourly pay rate.

Please refer to the PERS or STRS manuals for more detailed information regarding hiring CalPERS retirees or contact DFS.

NEAT Retirement Status

It is critical that the retirement status section of the NEAT is completed correctly. The retirement status determines the employee's PERS/STRS contribution rates and will change the employee's taxable wages and FICA deductions. District staff should be checking membership status with the CalPERS and CalSTRS systems for all new hires and employee's changing classifications. Remember, an employee who does not meet the minimum requirements for membership at your district may still be required to be set up as a member if the employee has established PERS/STRS membership at another district.

If you are unsure about what coding to use for an employee, contact DFS for additional guidance.

The following codes are available:

CODE	DESCRIPTION	TAX DEFERRED*	FICA	MC	SURVIVOR BENEFIT	O/T SAME DISTRICT FICA	O/T SAME DISTRICT MC	
	STRS - EMPLOYEE PAYS RETIREMENT							
S1	MEMBER PAYS RETIREMENT	Y	N	Y		N	Y	
S3	MEMBER HIRED PRIOR TO 4/1/86	Y	N	N		N	N	
	STRS - EMPLOYER PAYS EMPLOYEES' RETIREMENT							
S4	EMPLOYER PAYS MEMBER CONTRIBUTIONS	Y	N	Y		N	Y	
S5	EMPLOYER PAYS MEMBER CONTRIBUTIONS-HIRED PRIOR TO 4/1/86	Y	N	N		N	N	
S6	EMPLOYER PAYS PORTION OF EMPLOYEE CONTRIBUTIONS	Y	N	Y		N	Y	
S7	EMPLOYER PAYS PORTION OF EMPLOYEE CONTRIBUTIONS-HIRED PRIOR TO 4/1/86	Y	N	N		N	N	
	PERS - EMPLOYEE PAYS RETIREMENT							
P1	PERS EMPLOYER PU- FICA & MEDICARE	Y	Y	Y		Y	Y	
P2	PERS EMPLOYER PU- NO FICA NO MEDICARE	Y	N	N	Y	N	N	*Note: The tax deferred flag for P8 is set by Employee Group, not the Retirement Plan Code
	PERS - EMPLOYER PAYS EMPLOYEE'S RETIREMENT							
P3	PERS EMPLOYER PD - FICA & MEDICARE	N	Y	Y		Y	Y	
P4	PERS EMPLOYER PD - NO FICA & NO MEDICARE	N	N	N	Y	N	N	
	PERS - EMPLOYEE PAYS RETIREMENT							
P5	PERS - EMPLOYEE PD - FICA & MEDICARE	N	Y	Y		Y	Y	
P6	PERS - EMPLOYEE PD - NO FICA & MEDICARE	N	N	N	Y	N	N	
P8	EMPLOYER PAYS PORTION OF EMPLOYEE PICKUP	N	Y	Y		Y	Y	
	PERS - EMPLOYEE PAYS RETIREMENT							
P7	MEMBER WORKING OT AT THIS DISTRICT WHILE FULL TIME AT ANOTHER - DOES NOT PAY PERS CONTRIBUTIONS	N	Y	Y		Y	Y	
	ALT FICA							
A1	ALTERNATE TO A RETIREMENT PLAN	Y	N	Y		N/A	Y	
	NON MEMBER							
N1	HAS NOT QUALIFIED FOR PERS MEMBERSHIP	N	Y	Y		Y	Y	
N2	HAS NOT ELECTED TO BECOME STRS MEMBER	N	Y	Y		Y	Y	
N3	NOT ELIGIBLE DEDUCT NO FICA NO MEDICARE	N	N	N		N	N	
N4	NOT ELIGIBLE DEDUCT FICA & MEDICARE	N	Y	Y		Y	Y	
N5	NOT ELIGIBLE DEDUCT FICA & MEDICARE (STUDENTS)	N	Y	Y		Y	Y	
N7	NONE (FOR BANNIG USE ONLY- PAYING RETIREMENT ANNUITY TO 17 Ees)							
	RETIREE							
R1	RETIREE DRAWING BENEFIT FROM PERS	N	N	Y		N	Y	
R2	RETIREE DRAWING BENEFIT FROM STRS	N	N	Y		N	Y	

> Remember: An employee who does not meet the minimum requirements for membership at your district may still be required to be set up as a member if the employee has established PERS/STRS membership at another district.
>
> **Once a member, always a member.**

RETIREMENT PLAN CODE	RETIREMENT PLAN CODE DESCRIPTION	RETIREMENT ACCOUNT CODE	ACCOUNT CODE DESCRIPTION
	PERS RETIREMENT CODES		
P1	PERS - EMPLOYER PU - FICA & MEDICARE	60004	FICA/MEDICARE DEDUCTED
P2	PERS - EMPLOYER PU - NO FICA & MEDICARE	60001	NO FICA/MEDICARE DEDUCTED
P3	PERS - EMPLOYER PD - FICA & MEDICARE	60004	FICA/MEDICARE DEDUCTED
P4	PERS - EMPLOYER PD - NO FICA OR MEDICARE	60001	NO FICA/MEDICARE DEDUCTED
P5	PERS-EMPLOYEE PD - FICA & MEDICARE	60004	FICA/MEDICARE DEDUCTED
P6	PERS - EMPLOYEE PD - NO FICA OR MEDICARE	60001	NO FICA/MEDICARE DEDUCTED
P7	MEMBER WORKING OVERTIME AT THIS DISTRICT WHILE FULL TIME AT ANOTHER	NONE	FICA/MEDICARE DEDUCTED
P8	EMPLOYER PAYS PORTION OF EMPLOYER PICKUP	NONE	FICA/MEDICARE DEDUCTED
A1	ALTERNATE TO RETIREMENT PLAN	NONE	NO FICA - MEDICARE ONLY
N1	HAS NOT QUALIFIED FOR PERS MEMBERSHIP	NONE	FICA/MEDICARE DEDUCTED
N3	STUDENT WORKER	NONE	NO FICA/MEDICARE
N4	NOT ELIGIBLE - BOARD MEMBERS	NONE	FICA/MEDICARE DEDUCTED
N5	NOT ELIGIBLE - WORKABILITY STUDENTS	NONE	FICA/MEDICARE DEDUCTED
R1	RETIREE DRAWING BENEFIT FROM PERS	NONE	NO FICA - MEDICARE ONLY

New Hire Reporting

It is the employer's responsibility to inform the California Employment Development Department (EDD) of all new hires. The new hire reporting process helps child support agencies issue income withholding orders quickly. Employers must report newly hired employees using the form DE-34, Report of New Employee(s), shortly after the date of hire. The Office of Child Support Enforcement (OCSE) and other states throughout the nation match new hire reports against child support records to locate parents who owe child support. The following is done during the new hire or rehire process:

- DFS reports new hires and rehires to the Employment Development Department.
    - Filed electronically – two times a month, (1st and 16th).
- Provides employee's name, home address, social security number, and start of work date.
- Due to EDD within 20 days of hiring