

Employer Approvable Errors FAQ

All F496 files must be in compliance with the Secure Employer Website F496 File Specification. F496 files are in compliance if they do not contain any business rule errors or any integrity check errors. If the F496 contains business rule errors, the error may be “employer approved” if the employer determines the service being reported is correct. These business rule errors may also be referred to as an “edit.”

Approved business rules are periodically audited by CalSTRS staff to ensure compliance and proper use of this tool. This document provides common questions and answers regarding the audit process of the tool.

Questions? Contact EmployerHelp@CalSTRS.com or send a secure message in the Secure Employer Website. Please include supporting documentation for review.

Revised: 05/03/2023

What are common employer approvable errors (EAE)?

- MO-B036/Edit 36 – Pay Rate increase excessive
- MO-B082/Edit 82 – Earnings amount in excess of the IRC 401(A)(17) limit
- MO-B103/Edit 103 – Service credit is excessive for the service period range
- MO-B109/Edit 109 – Special compensation is excessive for service period Fiscal Year

For additional information, please see the F496 Employer Approvable Errors Job Aid.

What is the process for employer approvable errors?

Step 1:

You, the employer will receive an Initial Notification Request email to review the attached *ES Employer Approved Edits Review & Verification* form and complete the **Employer Comments/Explanations** section.

Step 2:

Review the form in its entirety and note the **initial notification date**, the employer **approved edit code**, the **type of verification needed** for the sampled employer approved edit, the **fiscal year** in which the sampled employer approved edit is for, and the due date for the receipt of a completed *ES Employer Approved Edits Review & Verification* form and/or supporting documentation.

Step 3:

Complete the **Employer Comments/Explanations** section by identifying the type of verification needed and filling out the section.

There are two types of verification that the Edit requires:

- Please provide documentation such as: Contract, salary schedule, employment agreement, personnel action form, Bargaining Unit Agreement (BUA), Memorandum of Understanding (MOU), board minutes, HR screen prints, or other specified forms approved by manager.
 - *If salary schedule is provided, please reference the step/column associated with the employer approved error (EAE) in question.*
- Please provide an explanation on how the pay rate was established and a description of the assignment(s) for the member.

MO-B036, MO-B082 and MO-B109 require documentation for verification. MO-B103 requires an explanation and description of the assignment for the member. This requirement can be fulfilled by providing this information in the **Employer Comments/Explanations** section of the form.

Step 4:

Return the completed *ES Employer Approved Edits Review & Verification* form and documentation, if required for verification to CalSTRS by emailing EmployerHelp@CalSTRS.com and addressing the email to your Employer Help (EH) Analyst. The completed form and documentation must be received by CalSTRS within 60 days of the Initial Request email.

Step 5:

Once we receive the *ES Employer Approved Edits Review & Verification* form and documentation, your EH Analyst will review the **Employer Comments/Explanations** section and documentation to evaluate if the Employer Approved Edit (EAE) is verified or an adjustment is needed.

If the EAE has been verified, no further actions are required from the employer.

If the EAE has not been verified, continue to work with your EH Analyst to resolve the EAE in question. This could involve providing additional documentation or completing an adjustment of the reported contribution line(s). If adjustments are required, the *Request for Adjustments* (ES 756) form may be sent out as a courtesy.

If a completed *ES Employer Approved Edits Review & Verification* form and/or supporting documentation is not received by CalSTRS within 60 days of the Initial Notification Request date, a Final Notification Request email will be sent to the Superintendent with employer copied on the email.

What are the employer's responsibilities?

Review

Review the Initial Notification Request email and *ES Employer Approved Edits Review & Verification* form attached.

Verify

Verify by filling out the **Employer Comments/Explanations** section of the form and/or providing the supporting documentation for your EH Analyst to review.

Submit

Submit the completed *ES Employer Approved Edits Review & Verification* form and/or supporting documentation to EmployerHelp@CalSTRS.com and address the email to your EH Analyst.

Adjust

Adjust according to the ES 756 sent out by your EH Analyst as a result of the employer approved contribution line being unverified or incorrect.

Contact

Contact your EH Analyst for any questions related to employer approvable errors by emailing EmployerHelp@CalSTRS.com.