



State of North Carolina

Office of the State Controller

Michael F. Easley, Governor

Robert L. Powell, State Controller

December 22, 2005

MEMORANDUM NO. PYR2005-024

TO: All Agencies Served by the Central Payroll Division
Chief Fiscal Officers and Payroll Officers

FROM: Edith Cannady
Central Payroll Division Manager

SUBJECT: Year End Processing

The deadline for processing all year end adjustments is January 3 at 12:00 p.m. There are several critical tasks that must be completed prior to closing year 2005. Each task is identified below.

Social Security Number Verification

Each payroll unit is responsible for reviewing the monthly Social Security Number Verification Report located in Systemware under the report title, OSCPX MTHLY SSA VERIFY ERROR RPT. This report is generated when there are gender, name, and social security number (SSN) exceptions, based on data maintained by the Social Security Administration. All exceptions should be reviewed, but SSN errors **must** be corrected because penalties can be assessed for the submission of W-2 forms containing incorrect SSN's.

The following error messages must be resolved **prior** to December 29:

SSN NEVER ISSUED TO ANYONE
SSN NOT VERIFY - ALTERNATE FOUND

Agencies and universities should contact any employee whose SSN is listed in this report and obtain a copy of the employee's social security card. If the card indicates a SSN that is different from the number on the Central Payroll System, then the copy must be faxed to the Central Payroll Division immediately. If the number matches the SSN on the payroll system, then the employee should be advised to contact the Social Security Administration (SSA) at 1-800-772-1213 to resolve the discrepancy.

Personal Check (PC) Refunds and Cancellations

All cancellations and PC refunds are processed on the H cycle. Only one H cycle can be run for any employee during a production cycle. Currently, one H cycle is scheduled and will process on January 3. **Only one** H cycle will be run on this date. Any agency or university that has an employee that requires two H cycle runs to correct the employee's earnings for 2005 should contact me at ecannady@ncosc.net prior to Wednesday, December 28. If warranted, an additional H cycle will be run during the last week in

MAILING ADDRESS
1410 Mail Service Center
Raleigh, NC 27699-1410

Telephone: (919) 981-5454
Fax Number: (919) 981-5567
State Courier: 56-50-10
Website: www.ncosc.net

LOCATION
3512 Bush Street
Raleigh, NC

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December. All payroll offices will be notified by email of the processing date once that date is determined.

Nontaxable Moving Expense Reimbursements

Agency and university payroll offices should have already requested from their Accounts Payable section a list of all employees that have been reimbursed moving expenses. Taxable reimbursements are processed through the Central Payroll System. Nontaxable reimbursements are sent to the Central Payroll Division on form OSCPXA 05, Employee Moving Expenses (Nontaxable) Worksheet. This form is available under the Payroll Forms section at http://www.ncosc.net/sigdocs/sig_docs/payroll/index.html. All forms must be submitted to the Central Payroll Division by December 29.

Retroactive Retirement Adjustments

Any agency or university that does not remit the amount of the retroactive retirement adjustment to the Central Payroll Division by December 27 must send, in writing, an explanation for the delay. This correspondence should come from the entity's controller or chief fiscal officer and be addressed to Mr. Robert L. Powell, State Controller.

Please refer all questions concerning the information contained in this memorandum to me at (919) 981-5422 or at ecannady@ncosc.net.