

State of California

# Government Compensation In California Program

Frequently Asked Questions

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California State Controller's Office

## Government Compensation in California (GCC) Report FAQs

- *Our district does not have any paid employees. Do we need to submit a GCC report?*
  - Yes. Pursuant to Government Code §53890-53891, all special districts are required to submit a GCC report. If your district does not have any W-2 paid employees or elected officials that receive pay on IRS Form 1099, submit a report that lists any elected officials and board members for your district, as applicable. Enter the Department name (e.g. Board Member, Board of Directors, etc.) and the Classification (e.g. Director, Trustee, etc.); leave the remaining fields blank.
- *Do contracted employees need to be reported?*
  - No, Only employees who received a W-2, every elected official who received pay reported on IRS form 1099, and all uncompensated elected officials and/or board members
- *Should employee names be included on the GCC report?*
  - No. We do not collect employee names on the GCC report.
- *When is it appropriate to identify an employee as an “Elected Position”?*
  - An employee attains an elected position via public election, or when appointed to serve the remainder of a previously elected official’s term. An individual serving for multiple entities should be listed as an elected position *only* for the entities to which they were specifically elected, and non-elected on all subsequent boards. For example, if an employee is elected to the city council and subsequently appointed as a board member for a special district, he or she would be listed as an elected position on the city’s GCC report, and would not be listed as an elected position in the special district’s GCC report.
- *If there is no “Department” name for an employee’s position, what should I enter in that column?*
  - You should enter the name of the entity or type of activity performed. (i.e. ABC Finance Authority, Water, Fire)
- *If two or more employees occupy one position during the year, do I need to enter anything in the “Multiple Positions Footnote” field?*
  - No. Only use the “Multiple Positions Footnote” field when one employee held two or more positions concurrently during the calendar year. If two employees occupy one position during the year (e.g., two halftime employees), provide separate entries for each employee.

- *If an employee was promoted or changed positions during the year, do I need to enter anything in the “Multiple Positions Footnote” field?*
  - No. A multiple positions footnote is entered only when an employee held two or more positions concurrently during the calendar year. If an employee was promoted or changed positions during the year, report the employee’s most recent position at the end of the year. Include pay and benefit information for all positions that the employee held during the year.
- *What if an employee’s wages are not subject to Medicare taxes (Box 5 of W-2)?*
  - For an employee who held a position that did not have wages subject to Medicare taxes, use the amount reported in Box 1 of that employee’s W-2 and add back any deferrals and deductions that would have been Medicare-taxable.

For information on positions not subject to Medicare taxes, refer to *Internal Revenue Service Publication 15-A Employer’s Supplemental Tax Guide*:  
<https://www.irs.gov/pub/irs-pdf/p15a.pdf>

For information on benefits not subject to Medicare taxes, refer to *Internal Revenue Service Publication 15-B Employer’s Tax Guide to Fringe Benefits*:  
<https://www.irs.gov/pub/irs-pdf/p15b.pdf>

- *Should IRS Form 1099 wages be reported?*
  - IRS Form 1099 wages should only be reported if received by elected officials. Do not report 1099 wages received by regular employees and/or non-elected (appointed, volunteer) officials. If a permanent employee received *1099 wages only* (with no additional W-2 compensation), that employee should not be included on the GCC report.
- *What type of compensation is considered “Annual Regular Pay?”*
  - Annual Regular Pay is the base salary paid to an employee associated with their position(s) held during the calendar year. This includes any leave time used (vacation, sick leave, etc.) and/or paid holidays.
- *What is “Lump Sum Pay?”*
  - Lump Sum Pay is a one-time cash payment from the employer (i.e. cash out of vacation time at the time of separation). If multiple one-time payments were received during the course of the year, report the total of all payments in this column.

- **What does “Other Pay” include?**
  - “Other Pay” includes, but is not limited to: car allowances, meeting stipends, incentive pay, bonus pay, hazard pay, bilingual pay, on-call pay, and any other type of pay that is Medicare-taxable and not part of the base pay. This is also where pay to elected officials reported on IRS Form 1099 should be included.
  
- **How should I report retroactive pay?**
  - Report retroactive pay in the year it was received and reported on the W-2.
  
- **Do I need to adjust the annual salary ranges for calendar years with extra pay periods?**
  - No. The salary ranges are based on the position’s salary schedule, regardless of the pay period fluctuation in certain calendar years.
  
- **The Microsoft Excel template is not allowing me to paste data from another spreadsheet or work with formulas. Is it protected?**
  - Yes. The template is protected to preserve formatting. No data can be entered outside of the provided columns. To copy and paste complete data from another spreadsheet, ensure that the number of columns on the source file matches the number of columns on the reporting template. You may also copy and paste the data from each column separately. You can work with formulas in a separate Excel spreadsheet and copy and paste the final values to the report template. To paste values only, right-click the destination cell in the report template, and select “123 (Values)”, found under the Paste options. This will prevent any formulas and formats associated with your separate working file from being duplicated in the report template.
  
- **What is the difference between the “Retirement Plan: Employees’ Share Paid by Employer” and the “Defined Benefit Plan: Employer’s Share” columns?**
  - The “Retirement Plan: Employees’ Share Paid by Employer” column includes the retirement contribution paid by the employer that would normally be covered by the employee. For example, if the employee’s retirement contribution share is 7%, but the employer covers 2% of that 7%, enter the 2% (dollar amount) in this column. The “Defined Benefit Plan: Employer’s Share” column shows the amount that the employer contributed to the employee’s defined benefit plan.

- *How should I report cafeteria allowances?*
  - If the employer provides a cafeteria allowance, report the portion used in the “Health, Dental, Vision” column, and report any unused portion in the “Other Pay” column. For example, if an employee receives a \$1,000 cafeteria allowance and uses \$800 of it, \$800 of the allowance should be included in the employee’s “Health, Dental, Vision” column. The remaining \$200 of that allowance is unused and the employee receives this amount as pay; therefore, include the \$200 in the “Other Pay” column.
  
- *How do I submit a GCC report using File Transfer Protocol (FTP)?*
  - To submit a report using FTP, refer to the FTP instructions available on the GCC website at <https://publicpay.ca.gov/Reporting/>.

These FAQs are located on the GCC website at  
<https://publicpay.ca.gov/Reporting/>

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