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December 6, 1990

COMPTROLLER'S MEMORANDUM NO. 1990-27

TO: Heads of Departments and Agencies

ATTN: Payroll Offices

FROM: Russel S. Nagata, Comptroller

SUBJECT: Requirement for Photocopy of Social Security Card

In every pay period, our Central Payroll staff encounters transaction-rejections from the payroll system due to problems with employee names and social security numbers. These problems are always serious because they potentially affect an employee's records with the Social Security Administration, and they are difficult problems to resolve and correct. Also, these problems often delay the employee's payroll payment.

For your information, Central Payroll experiences cases in which an employee's name is changed in several consecutive pay periods, depending on the payroll-number under which the employing department pays the employee. In other cases, an employee being paid from more than one employing department will have differing names or social security numbers submitted by the employing departments. Of course, there are the many normal cases in which employees' names are changed due to marriage; these normal cases also present opportunity for error in submitting the changed name.

Due to the level of difficulty that these problems have reached, Central Payroll has in recent months been requesting a photocopy of the social security card of any employee for whom the employing department submits a change in name or social security number. The purpose of this memorandum is to document the requirement and to make it applicable to all departments and agencies whose payrolls are processed through our Central Payroll operation. A photocopy of the employee's social security card must be submitted to Central Payroll for:

(a) Any change to an existing employee-name in the payroll system; and,

(b) Any change to an existing social security number in the payroll system.

The photocopy of the social security card must be received by Central Payroll before the change will be made in the payroll system. This requirement does not alter the manner in which the changes are entered on payroll change schedules; however, the change will not occur in the payroll system until the required photocopy is received by Central Payroll. In this connection, employing departments must keep in mind the cut-off in each payroll cycle after which it is too late to make further changes in that particular payroll period.

To ensure that the change can be made promptly upon receipt in Central Payroll of the photocopy of the social security card, the employing department must note on the photocopy the reason it is being submitted. The old or incorrect name or number should be noted, along with the new or correct one. Department and payroll identification should also be on the photocopy to enable Central Payroll to make the change promptly. If a photocopy of a social security number is received without sufficient information for prompt processing by Central Payroll, the photocopy will be returned to the employing department for later resubmission.

Effective January 1, 1991, a related requirement will be implemented to avoid past difficulties with so-called "dummy" social security numbers. The administrative practice of allowing payroll payments to be processed initially without a bona fide social security number cannot be permitted to continue. Not only is the practice of doubtful validity, but it is also a further source of problems in correcting data in payroll files. Central Payroll will not allow issuance of any "dummy" social security number after processing the payrolls for December 31, 1990. Unless there is a valid social security number issued by the Social Security Administration, no payroll payment will be processed through our Central Payroll operation.

We believe the procedural changes covered by this memorandum will benefit all parties involved in the payroll process -- your payroll staff, our Central payroll office, and the affected employees themselves. Please forward this memorandum to both your payroll and personnel staffs; if they have any questions on the changes, they may contact the Central payroll staff.

RUSSEL S. NAGATA
Comptroller