Date: March 27, 2003   **Code**: **TECHNICAL LETTER**
                                                                                          HR/Benefits 2003-09

To: Human Resource Directors   **Supersedes**: **FSR/Benefits 1990-07**
              Payroll Managers

From: Cathy Robinson
              Assistant Vice Chancellor
              Human Resources Administration

Subject: <u>**Social Security Number Verification**</u>

The Social Security Number (SSN) is the sole employee identifier for tax reporting purposes. Internal Revenue Service (IRS) and California Franchise Tax Board regulations require the SSN to report income and taxes. The California State University (CSU) campuses and the Chancellor's Office, as state employers, are responsible for accurately recording and reporting SSN's to our pay agent, the State Controller's Office (SCO).

Under federal law, employers are responsible for any submission of mismatched names and SSN's reflected on Wage and Tax Statement Form W-2. The SCO advised state agencies and the CSU in Payroll Letter #02-019 that employers that report incorrect employee information will be financially accountable. The SCO will bill the employing agency/campus for any appropriate assessed penalties and will remit the funds to the IRS.

As employers, the campuses and the Chancellor's Office have responsibility to verify each employee's SSN upon commencement of employment.   The campus can verify the number by requesting that the employee present his or her Social Security card upon hire. If an employee does not have a SSN, the employee must show proof of applying for a Social Security number before employment starts. Alternatively, campuses may also use the Social Security Administration's (SSA) Employee Verification System to verify the SSN. The SSA offers two free methods to verify employee names and SSN's. If an employee's name and SSN do not match SSA records, employers can instruct the employee to call the SSA at 800-772-1213. The SCO will assign an interim number until an official SSN is assigned to the employee by the SSA.

Distribution: CSU Presidents
                      Vice Chancellor, Human Resources
                      Vice President, Academic Affairs
                      Vice President, Administration
                      Associate Vice Presidents/Deans, Faculty Affairs
                      Director, SOSS

Access the SSA at http://www.ssa.gov/employer/ssnv.htm for information on its Employee Verification System. To view the SCO's Payroll Letter #02-019, access http://www.sco.ca.gov/ppsd/scoltrs/payr/2002/p02-019.pdf. CSU information concerning SSN's can be found in the PIMS manual, Data Element Section under Item 105 by accessing http://www.calstate.edu/hrpims/pims/pims.htm.

Please be advised that SSN verification is a separate process from the Employment Eligibility Verification (I-9) Procedure.

If you have any questions on this matter, please contact Human Resources Administration at (562) 951-4411 or by email at hradmin@calstate.edu. This technical letter is also available on Human Resources Administration's Web page at:
http://www.calstate.edu/HRAdm/memos.shtml.

CR/dth