

STATE CONTROLLER'S OFFICE  
PERSONNEL AND PAYROLL SERVICES DIVISION  
P.O. BOX 942850  
SACRAMENTO, CA 94250-5878

DATE: August 9, 2013

PAYROLL LETTER #13-010  
(CIVIL SERVICE ONLY)

TO: All Agencies in the Uniform State Payroll System

FROM: Lisa Crowe, Chief  
Personnel and Payroll Services Division (PPSD)

**RE: STATE DISABILITY INSURANCE (SDI) – ADJUSTMENTS BEING ISSUED**

Per Payroll Letter #[12-015](#), SDI gross subject wage calculations for prior years have been modified and adjustments are being issued. The State Controller's Office recently found a way to issue refunds in a single check rather than issue this as part of master payroll over three months.

Due to the three-year statute of limitations, adjustments will be processed for August 2010 through May 2012. The adjustment payment will have an issue date of August 8, 2013 or August 9, 2013. There will be a cleanup period where additional adjustments may be necessary.

Per Payroll Letter # 12-015, payroll system changes were implemented in October 2012 to modify the SDI gross subject wage calculation and adjustments were issued from June 2012 through September 2012.

Please see Payroll Letter #[12-010](#) for details on calculation. A memo for impacted employees is attached. Please include this memo with your distribution of these payroll warrants or advice slips.

If you have any questions regarding the SDI adjustment refund, please contact John Ochoa at [jochoa@sco.ca.gov](mailto:jochoa@sco.ca.gov).

LC:JO:TSS

Attachment

TO ALL EMPLOYEES: The State Controller's Office is correcting the errors of a prior administration with regards to the calculation of the SDI gross wage base. Until recently, this calculation did not take into consideration pre-tax deductions made under the State's Flex Elect program. These errors were corrected in October 2012 and impacted employees received adjustments from June 2012 through September 2012. The payment you are receiving is a retroactive adjustment made for the period of August 2010 through May 2012 which is the maximum period allowed by current law.

This payment will be on August 8 or 9, 2013. If you have questions regarding this refund please contact your Human Resources Office.