

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

DATE: July 10, 2020

PAYROLL LETTER #20-010  
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Jil Barraza, Chief  
Personnel and Payroll Services Division

**RE: CALTRANS BARGAINING UNIT 12 ONE-TIME BONUS PAY AND GARNISHMENTS**

In accordance with Bargaining Unit (BU) 12 Memorandum of Understanding (MOU), Rank-and-File and Excluded California Department of Transportation (Caltrans) employees in classes designated R12, S12, M12, and U12 on a semi-monthly payroll cycle will convert to a monthly payroll cycle effective July 1, 2020. Eligible employees, per Pay Differential 439, will receive a one-time bonus payment. Please reference the Pay Differential for additional information on eligibility criteria using the following link: [CalHR - Pay Differentials](#).

This Payroll Letter is to provide information on the one-time bonus pay and affected child support garnishment for eligible Bargaining Unit 12 and Excluded Caltrans employees that converted from semi-monthly to monthly.

### **ONE-TIME BONUS PAY**

The State Controller's Office (SCO) will issue the one-time bonus pay by July 15, 2020 to Bargaining Unit 12 and excluded Bargaining Unit 12 Caltrans employees who are on a semi-monthly payroll cycle before July 1, 2020 and converted to a monthly payroll cycle effective July 1, 2020. Exception noted in the special processing instructions below.

*PLEASE NOTE: This bonus pay will not be paid to employees hired on or after the implementation of a monthly payroll cycle.*

Please refer to the Department of Human Resources (CalHR) Pay Letter 20-17 and Pay Differential 439 for specific information, including eligibility criteria. The letter can be accessed via the following link: [CalHR - HR Net](#).

The bonus pay is taxable income to the employee. The following taxes could be withheld based on the employee's tax status: federal income tax, state income tax, social security tax, Medicare tax, and state disability insurance tax. The flat tax withholding method will be used to compute the federal and state income tax amounts. The Pay Differential is not subject to retirement withholdings and is not included in the calculation of an employee's overtime, disability, and lump sum pay rates.

## **SPECIAL PROCESSING INSTRUCTIONS**

Caltrans must identify Employees on Disability or Military leave as of 7/1/20 and key a miscellaneous transaction via the Payroll Input Process (PIP) System using Earnings ID 9G6 or submit a STD. 674 to request payments that cannot be keyed via PIP. Please process this payment using the July 2020 pay period to ensure that proper taxes are applied. This payment should be issued from the employee's position number as of July 1, 2020.

## **CHILD SUPPORT GARNISHMENTS**

The SCO will process a mass conversion of ongoing child support garnishments, deduction code 038, from a semi-monthly deduction to a monthly deduction for those Bargaining Unit 12 and excluded Bargaining Unit 12 Caltrans employees who converted to a monthly payroll cycle effective July 1, 2020.

For additional questions regarding this letter, please use the following contact information:

<u>SUBJECT AREA</u>	<u>CONTACT</u>	<u>TELEPHONE NUMBER/EMAIL</u>
General Payroll Procedures	Statewide Customer Contact Center	(916) 372-7200
HR Suggestions Email Inbox (All HR Staff)		<a href="mailto:PPSDHRSuggestions@sco.ca.gov">PPSDHRSuggestions@sco.ca.gov</a>
Escalation Email Inbox (HR Supervisors and Managers)		<a href="mailto:PPSDOps@sco.ca.gov">PPSDOps@sco.ca.gov</a>

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