

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

DATE: January 21, 2025

PAYROLL LETTER #25-001
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Lisa Dean, Acting Chief
Personnel and Payroll Service Division**RE: MONTHLY 401(K) STATE SHARE CONTRIBUTIONS FOR ELIGIBLE BARGAINING UNIT 06
AND EXCLUDED EMPLOYEES**

In accordance with the Bargaining Unit (BU) 06 Memorandum of Understanding (MOU), the State Controller's Office (SCO) will process monthly 401(k) state share contributions for eligible BU 06 and excluded employees beginning with the January 2025 pay period.

Monthly contributions will be calculated as one percent (1.0%) of an employee's base salary for the given pay period. The deductions will be established by SCO one business day prior to the January 2025 monthly cutoff. After January 2025, the program will continue to run the day prior to cutoff each month to make necessary changes to the deductions. All full-time permanent and Career Executive Assignment (CEA) BU 06 employees who are active or on leave are eligible for this benefit. This includes Class Type F and L and excluded employees who are tied to BU 06. Employees on a leave of absence (LOA) or on disability are also eligible. Please reference the [BU 06 MOU](#) and the Savings Plus [Bargaining Unit 6: HR Backpage](#) for additional information on eligibility and contributions.

A new deduction code, organization code, and deduction type have been created for this benefit.

Deduction Code	Organization Code	Deduction Type
020	401	TR

This contribution will appear on the Miscellaneous Deductions page of the Payment History System (HIST). The employee share will be .00.

MISCELLANEOUS DEDUCTIONS					PAGE 003 OF 003
XXX-XX-1234	MR TEST				CBID- S06S
		PT CT	AR/WARRANT#	DATE	
0- 01-25	079-222-9903-001	0 1	01234876	013125	
DED ORG	AMOUNT	PP	TP		
			AGY-RU	ST SHR	
020 401	.00		TR	115.84	

The Year to Date (YTD) Totals screen in TAXI has been modified to include the DFCOMP 401KER field. The totals will accumulate in TAXI but will not be reported on employee Form W-2, Wage and Tax Statements.

	FEDERAL	CALIFORNIA
DEF COMP 401K	117.32	117.32
DEF COMP 457B	117.32	117.32
DFCOMP 401KER	115.84	115.84

The contributions will be reflected on the employee's earnings statement under the employer contribution section as DEFCMP ER.

SPECIAL PROCESSING INSTRUCTIONS

Departments are responsible for submitting Form STD. 674 to SCO to request the contribution for the following eligible employees:

- On LOA with no pay issued by SCO
- Eligible employees not captured by SCO process
- Eligible employees with retroactive base pay changes

The Form STD. 674 should be uploaded via ConnectHR by selecting Misc Deductions - STD. 674. All documents submitted by the 10th of the month will be processed by monthly cutoff. If submitting an individual Form STD. 674, please include the EE CBID in the 'Remarks' section of the form.

For questions regarding form submission and processing, please contact PPSDW2MiscDed@sco.ca.gov. For information regarding eligibility, please refer to the [BU 06 MOU](#) and the Savings Plus [Bargaining Unit 6: HR Backpage](#).

RESOURCES

The [Payroll Procedures Manual](#) Section B is updated to reflect the new Deduction and Organization Codes.

A frequently asked questions (FAQ) document will be published.

For departments subscribed to the Management Information Retrieval System (MIRS), the CSPMITS-Deductions file has been updated to include the new values for Deduction Code, Organization Code, and Deduction Type related to the 401(k) state share contributions for eligible BU 06 and excluded employees. Additional information regarding MIRS data elements can be found in the MIRS Handbook on the [MIRS References](#) webpage.

Contacts:

- Affordable Care Act (ACA) Email ACASupport@sco.ca.gov
- [Cal Employee Connect \(CEC\) Help and Feedback](#)
- [ConnectHR Help and Feedback](#)
- California Leave Accounting System (CLAS) Email CLAS@sco.ca.gov
- CS Escalation Email (HR Supervisors and Managers) PPSDOps@sco.ca.gov
- Decentralized Security Administration (DSA) & ViewDirect Access (916) 619-7234 or DSA@sco.ca.gov
- HR Suggestions Email (All HR Staff) PPSDHRSuggestions@sco.ca.gov

- Management Information Retrieval System (MIRS) Email PPSDMIRS@sco.ca.gov
- [Statewide Customer Contact Center](#) (SCCC) (916) 372-7200

SCO Key Initiatives:

- [Cal Employee Connect](#)
- [California State Payroll System Project](#)

Websites:

- [HR](#)
- [State Employees](#)

LD:RK:PMAB