

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

DATE: July 21, 2014

PERSONNEL LETTER #14-007  
(CIVIL SERVICE ONLY)

TO: All Agencies in the Uniform State Payroll System

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

**RE: EMPLOYEES' RETIREMENT CONTRIBUTION RATE INCREASE, EFFECTIVE JULY 1, 2014, FOR MEMBERS IN THE CALPERS CATEGORIES OF SAFETY, STATE PEACE OFFICERS FIREFIGHTERS, PATROL AND 2ND TIER; AND MEMBERS OF THE JUDGES' RETIREMENT SYSTEM II**

**SAFETY, STATE PEACE OFFICERS FIREFIGHTERS, 2<sup>nd</sup> TIER AND JUDGES**

As part of the ongoing implementation of the Public Employees' Pension Reform Act of 2013 (PEPRA) a number of changes for certain employees are required to ensure their withholdings are consistent with the increased retirement contribution rates for state employees per Government Code Section 20683.2. Refer to the additional references as follows:

- The Department of Human Resources' (CalHR) Policy Memo #2014-01821, dated June 20, 2014
- CalPERS Judges' Retirement System letter, dated April 15, 2014, Employee Contribution Rate For Fiscal Year 2014-2015 For All JRS II New Members Subject To The Public Employees' Pension Reform Act 2013 (PEPRA)

**PATROL**

In accordance with Memorandum of Understanding with Bargaining Unit (BU) 5 Highway Patrolmen, the redirect of the 2% OPEB (Other Post-Employment Benefits) contributions to employees' CalPERS pension funds ended June 30, 2014 (June 2014 pay period). The ending of the redirect results in a 2% increase to the employees' retirement contribution. Refer to the additional reference as follows:

- Addendum to Bargaining Unit 5, California Association of Highway Patrolmen Memorandum of Understanding – Salary, dated July 3, 2013

**Employment History (EH) Mass Update**

On July 7, 2014, employees' EH records were updated, posting 505 - Account Code transactions to reflect the new retirement contribution rates effective July 1, 2014. A number of records were identified as exceptions to the mass update and, therefore, were excluded from the automated update process.

Note: The effective date of the 505 transactions for bi-weekly employees is July 14, 2014, the first day of the July 2014 pay period, as directed by CalHR.

## **Mass Update Exceptions**

Exceptions to the mass update will be processed manually by PPSD, when possible. For example, employees with an EH record reflecting an out-of-sequence status (i.e., the effective date on the most current transaction was after July 1, 2014), will be processed manually.

PPSD is unable to update the EH records to reflect the new rates when the employee is off pay status (e.g., on a leave of absence, or an Appointment Expiration Date prior to July 1, 2014). These employees' Item 505 – Account Code field must be updated by the appointing agency once their appointment is extended or the employee returns to active pay status following a leave of absence. Although Item 505 is not a required field when returning an employee to pay status, the new account code **must** be entered on the Personnel Action Request (PAR) in order to reflect the new retirement rate on the employee's record. If the account code is not entered, the retirement contribution will be withheld at the incorrect rate and will require future adjustments.

The following chart details the changes implemented by PPSD.

### **SAFETY, PEACE OFFICERS FIREFIGHTERS, AND 2<sup>nd</sup> TIER**

<b>Category*</b>	<b>Account Code</b>	<b>New Rate% 7/1/2014</b>	<b>Prior Rate%</b>	<b>Social Security/ Medicare**</b>	<b>Exclusion Amount***</b>
IND-2	47, 9D, 95, 96	3.0	1.5	SS	\$0
MIS-2	01	3.0	1.5	NO	\$0
MIS-2	03, 04, 41, 44, 4D, 4E, 4F, 4R, 4S, 4Y	3.0	1.5	SS	\$0
SAF-2	13	3.0	1.5	MED	\$0
POF	3A1, 3E1	13.0	11.5	NO	\$863
POF	3B1, 3F1, 5B1	13.0	11.5	MED	\$863
POF	3C, 55, 5J	13.0	12.0	NO	\$863
POF	3D, 3M, 3T, 5K	13.0	12.0	MED	\$863
POF	5C, 5E, 5G	13.0	11.5	NO	\$513
POF	3Y, 5D, 5F, 5H, 5V	13.0	11.5	MED	\$513
POF	5X	13.0	11.0	MED	\$863
SAF	1H, 1R, 1T, 1W, 6R	11.0	10.0	NO	\$317
SAF	19, 1J, 1P, 1S, 1V, 1X, 6P	11.0	10.0	MED	\$317

### **PATROL (BU05)**

<b>Category*</b>	<b>Account Code</b>	<b>New Rate% 7/1/2014</b>	<b>Prior Rate%</b>	<b>Social Security/ Medicare**</b>	<b>Exclusion Amount***</b>
Patrol	61, 6T	11.5	9.5	MED	\$863
Patrol	62	11.5	9.5	NO	\$863

### **JUDGES' RETIREMENT SYSTEM II**

<b>Category*</b>	<b>Account Code</b>	<b>New Rate% 7/1/2014</b>	<b>Prior Rate%</b>	<b>Social Security/ Medicare**</b>	<b>Exclusion Amount***</b>
JRS	JD	15.25	14.25	MED	\$0
JRS	JE	15.25	14.25	NO	\$0

- \* MIS-2, IND-2 and SAF-2 identifies 2nd Tier
- \*\* SS identifies subject to social security and medicare, MED identifies subject to medicare only, NO identifies subject to neither social security nor medicare
- \*\*\* The exclusion amount increased to \$863.00 from \$513.00 for account codes 3A, 3B, 3E, 3F, and 5B

### **Contacts**

For assistance with EH documentation, contact SCO's Personnel Liaison Unit, by telephone at (916) 372-7200.

For questions regarding payroll retirement contributions and account codes, contact SCO's Retirement/Social Security Liaison, by telephone at (916) 324-1471.

For questions regarding CalPERS' eligibility and benefits contact CalPERS, by telephone at (888) 225-7377; while questions regarding ARP eligibility should be directed to the ARP Employer line, at (916) 324-2909.

For retirement policy and legislation assistance, contact Desi Rodrigues, CalHR representative, by telephone at (916) 324-9400.

LC:PMAB:dm