

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

DATE: December 10, 2019

PERSONNEL LETTER #19-021  
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Marissa Revelino, Chief  
Personnel and Payroll Services Division

**RE: JULY 1, 2019 GENERAL SALARY INCREASE AND SPECIAL SALARY ADJUSTMENT  
FOR RANK-AND-FILE AND EXCLUDED EMPLOYEES**

CalHR has approved a general salary increase (GSI) for eligible employees in class designated R02, C02, S02, M02, R05, S05 and M05, and special salary adjustment (SSA) for eligible employees in class designated R13, S13, S12 and S01 effective July 1, 2019. Please refer to CalHR Pay Letter #19-20 and #19-21 for further information regarding eligibility criteria, including class codes eligible for GSI and SSA. These letters can be accessed via the following link: [CalHR Login Page](#).

#### EMPLOYMENT HISTORY MASS UPDATE PROCESSING

The State Controller's Office (SCO) will process an Employment History (EH) mass update on **December 10, 2019** to implement the July 1, 2019 effective date GSI for eligible employees.

The SCO will process an Employment History (EH) mass update on **December 16, 2019** to implement the July 1, 2019 effective date SSA for employees in eligible Class Codes. The SAL transaction will reflect the SSA within the employee's base salary rate.

The Personnel and Payroll Services Division (PPSD) will manually update EH records not included in the mass update. PPSD will notify departments of any situations requiring department action.

Turnaround PARs (TAD) will be issued and released on a flow basis

#### SPECIAL EH DOCUMENTATION/PROCESSING INSTRUCTIONS

- Departments will be responsible for keying GEN transactions effective July 1, 2019 for eligible employees in BU02 in class codes 4067 and 4064, and employees designated E97, E98 and E99, including employees who may have transferred or separated prior to the mass update. Departments may begin keying GEN transactions on December 11, 2019.
- Employees' EH records containing transactions effective after July 1, 2019 will be excluded from the SSA mass update on December 16, 2019. Departments must manually process SAL transactions and correct any out-of-sequence data resulting from the SAL transaction for eligible employees.
- Departments will be responsible for keying a new salary anniversary date for R13 and S13 employees at the old maximum salary rate for less than 12 qualifying pay periods.

### **Disability/Military Leave**

Employees on Disability or Military leave at the time of the mass update will need to be identified and updated by departments.

### **Plus Salary**

Departments must manually identify and update the records of employees who have a plus salary.

### **Lump Sum**

Employees who separated from state service without fault prior to the effective date of the salary increase with lump sum pay extending beyond July 1, 2019, and who were eligible for the GEN/SAL at the time of the separation, should have their lump sum adjusted to reflect the salary increase. Departments must identify and manually process the GEN/SAL transactions for separated employees, as applicable.

### **Out-of-Sequence**

After the GEN and SAL transactions are posted to an employee's EH record, any new out-of-sequence transaction must have the old salary rate entered, if allowable on the transaction. If not entered, the salary rate information per the GEN and SAL transactions will be reflected on the new transaction and could cause an overpayment. See Personnel Action Manual (PAM) Section 9 for further processing information.

If correcting a July 1, 2019 effective date transaction that was processed prior to the GEN and SAL being posted, enter the GSI Code O (alpha O) in the GSI field on the PAR1 update screen on the correct transaction to denote the old salary rate. Per DPA rule 599.689, MSA/SIS transactions with a July 1, 2019 effective date must be posted prior to the SAL, if applicable. Enter the GSI Code O on the MSA/SIS transaction to denote the old salary rate. Failure to enter the GSI Code O could result in an incorrect base salary rate and/or anniversary date (i.e., overpayment).

## **PAYROLL ADJUSTMENTS**

Adjustments for regular pay and overtime payments (i.e., non-FLSA overtime pay) that have already been issued will be automatically made after the employee EH records are updated for the salary change.

Departments will need to request GSI adjustments, via the PIP system on form STD. 671, for the following payments that have issued for the July 2019 – November 2019 pay periods. See PPM Section K for PIP system instructions.

- FLSA Overtime Pay (Payment Type 1, Payment Type Suffix F) – see PPM Section G 024 for further information.
- Out-of-Class Pay (Earnings ID SI only) – see PPM Section G 831 for further information.
- Awards/Bonus/Special Pay (Payment Types A, G, 9, and S [except Holiday Pay]) if the pay rate is based on the employee's based on salary and the employee is receiving a GSI. Determine the difference in gross due and key the difference in the gross field on the miscellaneous detail screen of the PIP system.

Departments will need to submit form STD. 674/674D to request adjustments for the following payments that have issued for the July 2019 – November 2019 pay periods:

- Regular pay with dock applied for employees with a mid-month change.
- Regular pay for employees on an alternate work schedule or working a shift and time paid does not equal time possible for the pay period

- Industrial Disability Leave (IDL)
- Temporary Disability (TD)
- Nonindustrial Disability Leave (NDI)
- LC 4800
- Out-of-Class pay – Earnings ID 8G and 8G2 only
- Supplemental Premium Payment Type 8 only if the pay rate is based on a percentage of the employee's based on salary rate and the employee is receiving a GSI or SSA.

RETROACTIVITY CHARGES

The transactions resulting from the July 1, 2019 GSI and SSA updates are considered to be non-controllable personnel and payroll transactions. The EH transactions and payroll adjustments resulting from the EH mass updates or initiated by PPSD will be reflected on the Monthly Retroactivity Report, but should be removed. The EH transactions and payroll transactions that are key entered by the department will also appear on the department's report. The department should return the report identifying the items associated with the July 1, 2019 salary changes, along with the appropriate explanation so the charges can be adjusted.

Please direct questions on the salary changes as follows:

<u>SUBJECT AREA</u>	<u>CONTACT</u>	<u>TELEPHONE NUMBER/EMAIL</u>
Program Administration (e.g., rules, regulations, benefits/pay impacts)	Personnel Services Branch CalHR	(916) 323-3343
General Payroll Procedures	Statewide Customer Contact	(916) 372-7200
Disability Payroll Procedures	Center	
Employment History Procedures		
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>

MR:JR:PMAB