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

DATE: September 20, 2024

PERSONNEL LETTER #24-012 (Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Lisa Dean, Acting Chief Personnel and Payroll Service Division

RE: **REVISED:** JULY 1, 2024, SPECIAL SALARY INCREASE FOR RANK-AND-FILE AND EXCLUDED EMPLOYEES IN BARGAINING UNITS 02, 12, 13, AND 18

The California Department of Human Resources (CalHR) has approved various Special Salary Increases for eligible Rank-and-File and Excluded employees in Bargaining Units (BU) 02, 12, 13, and 18 effective July 1, 2024. Please refer to CalHR Pay Letter #24-20 on <u>CalHR Net</u> for further information regarding eligibility criteria.

EMPLOYMENT HISTORY (EH) MASS UPDATE PROCESSING

Departments are responsible for keying Special Salary Adjustments (SSAs) for eligible BU 02 employees. Employees who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods shall receive a 4.5 percent increase. Employees at the old maximum salary rate for less than 12 qualifying pay periods shall receive a new salary anniversary date based on qualifying service [qualifying service towards the 12 qualifying pay periods shall be in accordance with CalHR Rules 599.682(b) and 599.687].

Employees that have separated from state service and have lump sum payments that extend beyond July 1, 2024, and who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods, shall receive a 4.5 percent increase. The lump sum payments shall be adjusted to reflect the above salary increase. All other employees shall retain their salary and their salary anniversary date.

Bargaining Unit 02 employees in class codes 5706, 5795, and 6204 who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods shall receive a 10 percent increase. Employees at the old maximum salary rate for less than 12 qualifying pay periods shall receive a new salary anniversary date based on qualifying service [qualifying service towards the 12 qualifying pay periods shall be in accordance with CalHR Rules 599.682(b) and 599.687].

Employees that have separated from state service and have lump sum payments that extend beyond July 1, 2024, and who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods, shall receive a 10 percent increase. The lump sum payments shall be adjusted to reflect the above salary increase. All other employees shall retain their salary and their salary anniversary date.

Bargaining Unit 02 excluded ranges in class codes 5706 and 5795 who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods shall receive a 10 percent increase. Employees at the old maximum salary rate for less than 12 qualifying pay periods shall receive a new

salary anniversary date based on qualifying service [qualifying service towards the 12 qualifying pay periods shall be in accordance with CalHR Rules 599.682(b) and 599.687].

Employees that have separated from state service and have lump sum payments that extend beyond July 1, 2024, and who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods, shall receive a 10 percent increase. The lump sum payments shall be adjusted to reflect the above salary increase. All other employees shall retain their salary and their salary anniversary date.

Departments are responsible for keying SSAs for eligible excluded ranges BU M02, S02, R02, and U02 employees. Employees who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods shall receive a 4.5 percent increase. Employees who have been at the old maximum salary rate for less than 12 qualifying pay periods shall receive a new salary anniversary date based on qualifying service [qualifying service towards the 12 qualifying pay periods shall be in accordance with CalHR Rules 599.682(b) and 599.687].

Employees that have separated from state service and have lump sum payments that extend beyond July 1, 2024, and who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods, shall receive a 4.5 percent increase. The lump sum payments shall be adjusted to reflect the above salary increase. All other employees shall retain their salary and their salary anniversary date.

Departments are responsible for keying SSAs for eligible R12, R13, R18 (Excluded Ranges), and U12 (Rank-and-File Ranges) employees. Employees who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods shall receive a 4 percent increase. Bargaining Unit 12, 13, and 18 employees at the old maximum salary rate for less than 12 qualifying pay periods shall receive a new salary anniversary date based on qualifying service [qualifying service towards the 12 qualifying pay periods shall be in accordance with CalHR Rules 599.682(b) and 599.687].

Employees that have separated from state service and have lump sum payments that extend beyond July 1, 2024, and who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods, shall receive a 4 percent increase. The lump sum payments shall be adjusted to reflect the above salary increase. All other employees shall retain their salary and their salary anniversary date.

Departments are responsible for keying SSAs for eligible BU E97, E98, and E99 employees in class codes 5745, 6039, 6040, and 6041. Employees who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods shall receive a 4.5 percent increase. Employees who have been at the old maximum salary rate for less than 12 qualifying pay periods shall receive a new salary anniversary date based on qualifying service [qualifying service towards the 12 qualifying pay periods shall be in accordance with CalHR Rules 599.682(b) and 599.687].

Employees that have separated from state service and have lump sum payments that extend beyond July 1, 2024, and who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods, shall receive a 4.5 percent increase. The lump sum payments shall be adjusted to reflect the above salary increase. All other employees shall retain their salary and their salary anniversary date.

Departments are responsible for keying SSAs for eligible BU E employees in class codes 0986, 1035, and 5048. Employees who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods shall receive a 4 percent increase. Employees who have been at the old maximum salary rate for less than 12 qualifying pay periods shall receive a new salary anniversary date based on qualifying service [qualifying service towards the 12 qualifying pay periods shall be in accordance with CalHR Rules 599.682(b) and 599.687].

Employees that have separated from state service and have lump sum payments that extend beyond July 1, 2024, and who have been at the old maximum salary rate for a minimum of 12 qualifying pay periods, shall receive a 4 percent increase. The lump sum payments shall be adjusted to reflect the above salary increase.

All other employees shall retain their salary and their salary anniversary date.

If 12 qualifying pay periods are required to be eligible for the Special Salary Adjustment, Retired Annuitants in the specified bargaining units should have their anniversary dates updated from Max to None via a 330 transaction, per CalHR, Retired Annuitants are not eligible for the salary increase.

Turnaround Personnel Action Requests (PAR) will be available on <u>Mobius View</u> for one year. Hard copy versions of the Turnaround PARs will not be provided.

Departments should refrain from updating EH records for impacted employees on July 24, 2024, to minimize fallout errors causing manual workload.

SPECIAL EH DOCUMENTATION/PROCESSING INSTRUCTIONS

Out-of-Sequence for Future Transactions

After the 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 SAL transactions will be reflected on the new transaction and could cause an overpayment. See <u>Personnel Action Manual (PAM)</u> Section 9 for further processing information. If correcting a July 1, 2024 effective date transaction that was processed prior to the SAL being posted, key the General Salary Increase (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 CalHR rule 599.689, MSA/SIS transactions with a July 1, 2024 effective date must be posted prior to the SAL, if applicable. Key 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).

RETROACTIVITY CHARGES

The transactions resulting from the July 1, 2024 Special Salary Increase 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 Personnel and Payroll Services Division (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, 2024 salary changes, along with the appropriate explanation.

Disability

Departments must identify and update the records of employees on Disability leave for special processing. If an employee is on disability leave, submit a STD. 674 and/or STD. 674D form(s) via ConnectHR to Disability to request a payment adjustment <u>after</u> the SAL transaction with an effective date of July 1, 2024 has been keyed in Employment History.

Military Leave

Departments must identify and update the records of employees on Military leave for special processing. If an employee is on a Military leave, submit a STD. 674 via ConnectHR to Civil Service

(CS) Payroll Military to request a payment adjustment <u>after</u> the SAL transaction with an effective date of July 1, 2024 has been keyed in Employment History.

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, 2024, and who were eligible for the SAL at the time of the separation, should have their lump sum adjusted to reflect the salary increase. Departments must identify and process the SAL transactions for separated employees, as applicable. In order to assist departments in identifying these employees, the State Controller's Office (SCO) will provide a ViewDirect report. A subsequent Personnel Letter will be released when this report is available.

PAYROLL ADJUSTMENTS

Departments will need to upload form STD. 674 via ConnectHR to CS Payroll Adjustments for the following payments:

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

Departments will need to upload form STD. 674D via ConnectHR to Disability to request adjustments for the following payments that have been issued for the July 2024 pay periods:

- Industrial Disability Leave (IDL)
- Temporary Disability (TD)
- Nonindustrial Disability Leave (NDI)
- State Disability Leave (SDI)
- LC 4800/4811

Departments will need to upload form STD. 674 via ConnectHR to Premium Pay –On-call (OC), Out of Class (OOC), Out of State (OS) dropdown, for the following:

- OOC 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 SSA.

Please direct questions on the salary changes as follows:

Contacts:

- Affordable Care Act (ACA) Email <u>ACASupport@sco.ca.gov</u>
- <u>Cal Employee Connect (CEC) Help and Feedback</u>
- <u>ConnectHR Help and Feedback</u>
- California Leave Accounting System (CLAS) Email <u>CLAS@sco.ca.gov</u>
- 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) <u>PPSDHRSuggestions@sco.ca.gov</u>

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

SCO Key Initiatives:

- <u>Cal Employee Connect</u>
- California State Payroll System Project

Websites:

- <u>HR</u>
- <u>State Employees</u>

LD:MV:PMAB