



CalPERS Fee Letters FAQs

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How does SCO report retirement enrollments to CalPERS?

An automated process is run nightly after close of business to create a file of the daily Employment History transactions, such as appointments, Retirement Account Code updates, and address changes, that meet criteria for submission to my|CalPERS. CalPERS retrieves this file in a secure process, and applies the transactions to create or modify member accounts on my|CalPERS.

How does SCO report Retired Annuitant (RA) hours to CalPERS?

An automated process is run monthly to create a file of monthly payroll information, including hours worked and pay rate that meets the criteria for submission to my|CalPERS. The file also includes records

for RAs that received no pay for the pay period with a zero indicated for their hours worked. CalPERS retrieves this file in a secure process, and applies the hours to the records of each RA reported.

I keyed the appointment for my employee timely. Why am I receiving a fee letter for enrolling the employee 90 or more days late?

If the nightly automated file process for establishing a record in my|CalPERS is not successful, the record must be established via a manual process. If this process occurs after the 90 day window, CalPERS will issue a fee letter to the department. To avoid receiving a fee when this occurs, it is a best practice to verify that new active and RA appointments have been added to my|CalPERS the day after they are keyed, as part of your appointment routine.

I keyed pay for my Retired Annuitant (RA) within 30 days following the last day of the effective earned period. Why did I receive a fee letter for paying the employee more than 30 days after the end of the pay period when they were paid timely?

If the monthly automated process for reporting RA hours to my|CalPERS is not successful, the record must be established via a manual process. This process may occur after the 30 day window, causing CalPERS to issue a fee letter to the department. To avoid receiving a fee when this occurs, it is a best practice to verify that all RA hours were successfully reported on or about the 16th of each month, following when the hours were keyed into the Payroll Input Process (PIP), as part of your payroll routine.

I keyed the appointment for the Retired Annuitant (RA) timely. Why am I receiving a fee letter for enrolling the employee 90 or more days late?

If the nightly automated process for establishing an RA record in my|CalPERS is not successful, the record must be established via a manual process. If this process occurs after the 30 day window, CalPERS will issue a fee letter to the department. To avoid receiving a fee when this occurs, it is a best practice to verify that new active and RA appointments have been added to my|CalPERS the day after they are keyed, as part of your appointment routine.

Who do I contact for assistance with a fee letter my department received?

Please forward any fee letter you receive for which you require assistance to the PPSD Civil Service Retirement Inbox: ppsdcsretirement@sco.ca.gov.

How do I request a redetermination of fees assessed by CalPERS?

To initiate a formal appeal, you can access the determination in my|CalPERS, select the reconsideration button, and submit your appeal letter; that process is here: [myCalPERS Employment Certification Functionality](#). Another option is to write an appeal letter and mail it to the CalPERS Employer Account Management Division, Attn: Division Chief, P.O. Box 942709, Sacramento, CA. 94229-2709; or

departments may submit via email to the CalPERS Membership Email Box, Membership_Appeals@calpers.ca.gov. Include the basis of the appeal and supporting documentation with your request.

What does the process for redetermination of CalPERS fees entail?

The department must draft an appeal letter that provides CalPERS additional supporting information that would change their determination that the department has incurred a fee. If CalPERS confirms that the fee is appropriate, they will communicate this by issuing the department a new determination letter. If the employer still does not agree, then CalPERS must draft a Request for Legal Action (RFLA). This would include all the information CalPERS received to make the determination and cite the government codes that are applicable. Once they complete this and provide it to CalPERS legal counsel, the process includes a legal hearing before a neutral administrative law judge from the Office of Administrative Hearings. It can take up to 6 months for an appeal to be assigned. Information regarding this process is available on the CalPERS website under “Precedential Board Decisions, Appeals & Hearings here: [Precedential Board Decisions, Appeals & Hearings - CalPERS](#).”

Which Government Code is applicable to late enrollment fees for active employees?

Under Government Code (Gov. Code) section 20283, employers have 90 days to establish membership and report retirement contributions to CalPERS. Enrollments later than 90 days result in liability for both member and employer contributions, as well as a \$500 administrative fee. That Gov Code can be found here: [Law section \(ca.gov\)](#).

Which Government Code is applicable for late enrollments of RA employees?

Under Government Code (Gov. Code) section 21220, an employer shall enroll a retired member within 30 days of the effective date of hire. Enrollments later than 30 days result a fee of two hundred (\$200) dollars will be assessed per month until the retired annuitant is enrolled in myCalPERS. That Gov Code can be found here: [Law section \(ca.gov\)](#)

Which Government Code is applicable for late reporting of RA hours?

Under Government Code (Gov. Code) section 21220, an employer shall report and post retired annuitant payroll records within 30 days following the last day of the effective earned period. Records must be posted within 30 days of the last day of the record earned period, or a fee of two hundred (\$200) dollars will be assessed per month until the payroll information is posted. That Gov Code can be found here: [Law section \(ca.gov\)](#).

Recommendations for Avoiding CalPERS Fees

- It is a best practice to verify that new active and RA appointments and any corrections to these transactions have been added to [my|CalPERS](#) the day after they are keyed, as part of your appointment routine.
 - Pay particular attention to corrections, as they are especially challenging to report.
 - If a transaction did not result in a record being added to [my|CalPERS](#), please contact the [Statewide Customer Contact Center \(SCCC\)](#) at (916)372-7200.
- It is critical to address fee letters as soon as you receive them.
 - Seeking assistance beyond 30 days of letter date can result in additional fees and the inability to request a waiver.
- If you have concerns about the accuracy of fees, such as in situations in which an appointment was keyed timely but did not create a record in my|CalPERS, please email SCO at the PPSD Civil Service Retirement Inbox at ppsdcsretirement@sco.ca.gov. Please include the fee letter.
- Please make sure to separate (S31) any RA that is no longer working.
 - While SCO does report “zero hours” for any RA record that does not have payroll reported each month, unnecessary records on PIMS increase the potential for CalPERS late reporting fees.
- RA pay must be keyed by the 15th of each month to avoid late reporting fees.

References

Circular Letter 200-009-20 referencing late enrollment fees for active employees is here: [Membership Circular Letter \(ca.gov\)](#)

Circular Letter 200-049-21 referencing late enrollments and hours reporting for Retired Annuitant employees is here: [Membership Circular Letter \(ca.gov\)](#)

Circular Letter 200-031-22 referencing state agencies’ responsibility to update CalPERS membership information is here: [Circular Letter #200-031-22 State Employer Responsibility to Update Membership Information \(ca.gov\)](#)

Sample Fee Letters

Late enrollment fee for active employees



California Public Employees' Retirement System
P.O. Box 942715 Sacramento, CA 94229-2715
888 CalPERS (or 888-225-7377)
TTY: (877) 249-7442 | Fax: (916) 795-2330
www.calpers.ca.gov

{Date}

Attn. Arrears Administrator
{business partner name}
{business partner address}
{business partner City, State, Zip}

Business Partner ID: {BP CID}

Notification of Arrears Determination

Member Name: {member name}
Member CalPERS ID: {member CalPERS ID}

Dear {business partner name}:

We have determined {member name} qualified for California Public Employees' Retirement System (CalPERS) membership from {arrears period start date} through {arrears period end date}. This determination is based on a review of the member's employment history and the payroll information {insert snippet as source of payroll is selected in myCalPERS} certified by your agency on the employment certification in myCalPERS for the member's Service Prior to Membership Request in myCalPERS. OR certified by your agency on the employment certification in myCalPERS. OR in the State Controller's Office records. OR certified by your agency on the MEM-1344 Request for Payroll Information form.

Indicated below is the qualifying basis under Government Code (Gov. Code) section 20305 of the California Public Employees' Retirement Law by which membership was attained.

{Insert snippet based on selected reason(s) in myCalPERS}

- Member's appointment required part-time employment for a least 20 hours a week for one year or more
- Member's employment was indeterminate and averaged at least 20 hours a week for one year or more
- Member completed 1,000 hours of work within the fiscal year (July 1 to June 30)
- Member completed 125 days of work within the fiscal year (July 1 to June 30)
- Member's appointment required full-time employment for more than six months, or the full-time employment exceeded six months
- Member had funds on deposit with CalPERS from previous employment and no valid exclusion for the position applies
- Membership was established through employment with another CalPERS-covered employer during the above employment period
- Payroll and contributions were not reported when membership was established
- Other: (Freeform to add as needed if the reason is other than what is listed above)

Due to this determination:

(Delete the one that does not apply)

- Member Paid arrears (Gov. Code section 20160) apply to the above employment period. Both the member and your agency will be liable for their portion of the contributions due on this member's account.
- Employer Paid arrears (Gov. Code section 20283) apply to the above employment period. Your agency will be liable for the member and employer contributions due on this member's account and a \$500 administrative cost.

{Insert snippet into letter if the employer is a State}

State departments must contact the State Controller's Office to update PIMS employment history information and/or make payroll adjustments to correct reported payroll and contributions. Your agency is responsible for ensuring the required corrections are completed if corrections are needed.

{Insert snippet into letter if the determination changed the enrollment level from PEPR/Classic}

This determination changed the member's retirement benefit enrollment level from PEPR to Classic. As a result, adjustments are required to correct the member's reported payroll and contributions. Prior to making any corrections, notify CalPERS at MemberElectionTeam@calpers.ca.gov to ensure financials post to the correct enrollment level and rate plan. Work with the member to resolve any refunds or balances due that may have arisen as a result of these adjustments.

If you do not agree with this determination, you must provide CalPERS with sufficient documentation to the contrary and the reason you do not agree within 30 calendar days from the date of this letter. If we do not receive any additional information by {30 calendar days from date of letter}, we will move forward with processing the arrears determination.

You have the right to appeal this decision. If you desire to do so, submit your written appeal at the address below or via email to Membership_Appeals@calpers.ca.gov no later than {appeal due date 30 calendar days from date of letter}, in accordance with Gov. Code section 20134 and Sections 555-555.4, Title 2, California Code of Regulations.

Employer Account Management Division
Attn: Division Chief
P.O. Box 942709
Sacramento, CA 94229-2709

An appeal, if filed, should set forth the factual basis and legal authorities for such appeal. If you file an appeal, our legal office will contact you and handle all requests for information.

Your appeal will be set for hearing with the Office of Administrative Hearings (OAH). The assigned CalPERS attorney will contact you to coordinate a hearing date. Depending on the current caseload of the OAH and the assigned attorney, the hearing date may be set several months after the case is opened. The OAH will typically offer its earliest available hearing date that meets the schedule of both parties. If you choose not to be represented by an attorney, the assigned CalPERS attorney will be in direct communication with you during the appeal process. If you do hire an attorney, please let CalPERS know immediately so our attorney can work directly with yours.

For more information regarding administrative hearings, the applicable statute, and the Code of Regulations visit our website at www.calpers.ca.gov.

Approximately 30 days following the hearing, the Administrative Law Judge will issue a Proposed Decision. The CalPERS Board of Administration will then decide whether to accept or reject that Proposed

Decision. If the board rejects the Proposed Decision, they will hold a full board hearing to review the entire hearing record again before finalizing their decision.

We remain committed to assisting our members and employers in all matters within the scope of the statutory authority available to us. If you have any questions regarding this letter, call us at 888 CalPERS (or 888-225-7377) or email Membership_Reporting@CalPERS.ca.gov.

Sincerely,

Membership Services Section
Employer Account Management Division

cc: {Member Name} - CalPERS ID: {Member CID}
{Parent Employer's Name} - CalPERS ID: {BP CID}

SAMPLE

Retired Annuitant Fee Invoice



P.O. Box 942715 Sacramento, CA 94229-2715
888 CalPERS (or 888-225-7377) | Fax: (800) 959-6545
TTY: (877) 249-7442
www.calpers.ca.gov

California Public Employees' Retirement System

March 02, 2020

[REDACTED]

RETIRED ANNUITANT LATE FEE INVOICE

Business Unit: 1900
Business Partner ID: [REDACTED]
Receivable ID: [REDACTED]
Invoice Date: March 02, 2020
Payment Due Date: April 01, 2020

Description	Amount
Retired annuitant late fees assessed pursuant to Gov. Code 21220.	[REDACTED]
Total Due	[REDACTED]

SAMPLE

Retain this statement for your records.

Please pay this statement using Electronic Funds Transfer (EFT) debit or Automated Clearing House (ACH) credit method. Please visit my.calpers.ca.gov to schedule a debit EFT payment or call our Customer Contact Center at 888 CalPERS (or 888-225-7377) for information regarding EFT ACH credit payments. Please allow two banking days prior to the due date for payments to be received at CalPERS on time.

Employers can view detailed information related to Retired Annuitant Late Fee receivables by generating the Retired Annuitant Late Fee Status Report from my.calpers.ca.gov. This report provides participant calculation details pertaining to the receivable.

If you have questions, please call the CalPERS Customer Contact Center at 888 CalPERS (888-225-7377).

[REDACTED]

