

STATE OF CALIFORNIA

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Date: March 1, 2000

PAYROLL LETTER # 00-004
CIVIL SERVICE ONLY

To: All Agencies in the Uniform State Payroll System

From: Ralph Zentner, Chief
Personnel/Payroll Operations Bureau

Re: RETIREMENT CONTRIBUTIONS FOR EMPLOYEES REPRESENTED BY UNITS
4 AND 15

This Payroll Letter provides information regarding implementation of the retirement offset adjustment per negotiations between the State and Bargaining Unit 4 and 15. For details of the agreement, please refer to the Department of Personnel Administration's (DPA) Personnel Management Liaison (PML) memorandum 2000-011.

Pursuant to the agreements, employees' retirement contributions to the California Public Employees' Retirement System (CalPERS) will be reduced by up to \$12.00 per month for the January 2000 through the August 2000 pay periods. Employees are eligible to receive a \$12.00 adjustment if their retirement contribution for the pay period is greater than or equal to \$12.00. If an employee's retirement contribution is less than \$12.00, the adjustment will be the amount withheld.

The Controller's Office will reimburse eligible employees up to \$12.00 per month based on the retirement contribution withheld. The retirement adjustment will be made with a one month lag. Therefore, adjustments will commence with the February 2000 pay period and cease with the September 2000 pay period.

Adjustments will be made on the employees' regular payroll warrant unless the employee separates, goes on a leave of absence, or is on Non-Industrial Disability Indemnity (NDI) or on Industrial Disability Leave (IDL). Then the adjustment will be issued via a separate warrant.

The retirement adjustments will be identified with Deduction/Organization Code 354-050. The adjustment will be listed as a negative amount on the Earnings Statement/ Direct Deposit Advice in the Deductions area under the heading "*RET OFFSET". The adjustment is subject to State and Federal taxes but not subject to Social Security and/or Medicare taxes. The adjustment does not affect the employee's gross pay.

If you have questions regarding this Payroll Letter, please contact Sandy Westlake at (916) 322-8109 or CALNET 492-8109. Questions regarding the adjustment should be directed to Miscellaneous Deduction Unit at 324-1981 or CALNET 454-1981.

RZ:SW/PMAB