

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

DATE: July 22, 2021

PAYROLL LETTER #21-008
(Civil Services Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Jil Barraza, Chief
Personnel and Payroll Services Division

RE: RESUMPTION OF EMPLOYEE SHARE CONTRIBUTIONS FOR OTHER POST-EMPLOYMENT BENEFITS AND INCREASE IN CONTRIBUTION RATES EFFECTIVE JULY 1, 2021.

Effective July 1, 2021, the employee share portion for Other Post-Employment Benefits (OPEB) Retiree Health contribution will resume for **BU01, BU02, BU03, BU04, BU06, BU07, BU08, BU09, BU10, BU11, BU12, BU13, BU14, BU15, BU16, BU17, BU18, BU19, BU20, and BU21**; the OPEB contribution for **BU05** will change from a percentage of base pay to a percentage of pensionable compensation. In accordance with the CalHR directive, the employee share OPEB Retiree Health contribution will resume for eligible employees in **Excluded or Exempt** positions not tied to a specific BU.

Additionally, OPEB prefunding contribution rates are modified for **BU05, BU10, BU12** and **BU18** effective July 1, 2021.

The first deduction with OPEB employee share contribution will be based on payments issued for the June pay period and will be withheld from July 2021 pay period.

Note for BU05:

- Employee and Employer OPEB contribution shares for BU05 will resume on July 1, 2021.
- New deduction-organization codes will be used for BU05 effective July 1, 2021.

BU/EE Group	Pre-Tax Ded–Org	Post-Tax Ded–Org
BU05	354 - 097	354- 098

The [Payroll Procedures Manual \(PPM\) Section B](#) will be updated to reflect the new deduction-organization code.

CalHR policy for specific information regarding eligibility and policy details will be revised at a later date.

For specific information regarding contribution rates for BUs, please refer to the [Memoranda of Understanding](#).

Information regarding contribution rates for Excluded or Exempt positions not tied to a specific BU, will be published by the CalHR at a later date.

Please direct questions related to OPEB 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 Disability Payroll Procedures Employment History Procedures	Statewide Customer Contact Center SCO	(916) 372-7200
HR Suggestions Email Inbox (All HR Staff)	Personnel and Payroll Services Division SCO	PPSDHRSuggestions@sco.ca.gov
Escalation Email Inbox (HR Supervisors and Managers)	Personnel and Payroll Services Division SCO	PPSDOps@sco.ca.gov

JEB:RK:PMAB