

STATE OF CALIFORNIA

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Date: April 20, 1999

PERSONNEL LETTER # 99-015
CIVIL SERVICE ONLY

To: All Agencies in the Uniform State Payroll System

From: Ralph Zentner, Chief
Personnel/Payroll Operations Bureau

Re: APRIL 1, 1999 GENERAL SALARY INCREASE - BARGAINING UNITS 01, 03, 04, 10, 11,
14, 15, 17, 20, 21

Per the Department of Personnel Administration (DPA) Pay Letter #99-08a, a 5.5% general salary increase effective 04/01/99 has been approved for the following bargaining unit rank and file classes/ranges:

01	04	11	15	20
03	10	14	17	21

Employees designated as follows in one of the above bargaining unit classes/ranges are entitled to the 5.5% increase.

Rank and file (CBID R01, R03, R04, R10, R11, R14, R15, R17, R20, R21)

Excluded (CBID E01, E03, E04, E10, E11, E14, E15, E17, E20, E21)

Excluded confidential (CBID E67 or E77 or E97 employees in one of the above bargaining unit classes/ranges)

DPA Pay Letter #99-08a also provides a 5.5% increase for E25 designated classes and a 3% adjustment for E designated seasonal classes to replace the 3% Excluded Salary Differential (Earnings ID 8PFP) that the classes received on 07/01/98. The changes are effective 04/01/99 and employees in the classes are entitled to the respective changes.

The implementation of the salary increases will occur either through an Employment History mass update process or manually for employees who cannot be included in the mass update. The increases will be documented via the EH GEN transaction with a 04/01/99 effective date.

The following provides the EH/payroll processing information for the salary increase.

I. EH UPDATE PROCESS

A. GENERAL INFORMATION

The GEN transaction will reflect the salary increase within an employee's base salary rate. Employees who received the 3% Excluded Salary Differential (Earnings ID 8PFP) will also have the pay differential deleted on the GEN transaction.

Also, red circle rate employees with the Earnings ID 8PFP will need special processing of their GEN transaction. Typically, pay differentials are not included as part of the red circle rate. However, the 3% Excluded Salary Differential was in lieu of increasing the employee's base salary rate when the 07/01/98 effective date 3% general salary increase was implemented. Thus, the employee's red circle rate must be derived by including the 3% pay differential and the GEN transaction processed accordingly. For example, an employee's EH record currently reflects the following:

Base Salary Rate = \$4139.00
Plus Salary Rate = \$115.00
Earnings ID 8PFP = \$124.17

The employee's red circle rate is \$4378.17 ($\$4139 + \$115.00 + \124.17). The employee's GEN transaction should be processed as follows:

Base Salary Rate = \$4367.00 ($\4139×1.055)
Plus Salary Rate = \$11.17 ($\$4378.17 - \4367.00)
Earnings ID 8PFP = 0.00 (delete on GEN transaction)

B. EH MASS UPDATE

The State Controller's Office, Personnel/Payroll Services Division (PPSD) will process an EH mass update to post the 04/01/99 effective date GEN transaction. The mass update is scheduled for the night of April 20, 1999. The update will include active or on-leave employees designated per above except those requiring manual processing (see below).

Turnaround (TAD) PARs will be issued from the mass update process. Due to the high volume of TAD PARs, it will take approximately 7 to 10 days to release the PARs to departments. PPSD will resolve discrepancies resulting from the update and TAD PARs will be issued to departments after the EH records are updated. If a TAD PAR for an employee is not received within 10 days after receiving the majority of your department's TAD PARs, please contact the Personnel Operations Liaison Unit at (916) 322-6500 or Calnet 492-6500.

C. EH MANUAL PROCESS – PPSD

Employees in the following employment status (except those requiring manual processing by departments - see below) will have their EH records manually updated by PPSD:

a plus salary rate; or

out-of-sequence situations (i.e., EH records reflecting transactions with an effective date after 04/01/99 including employees who are on leave or separate on or after 04/01/99); or

separated, without fault, effective prior to 04/01/99 with lump sum payments extending into/beyond the 04/99 pay period.

The manual update process for the above employees began on April 20, 1999. TAD PARs will also be generated from the manual update process as the EH records are updated.

D. EH UPDATE – DEPARTMENT

Departments will need to manually update the EH records of employees in the following situations.

Employees under the 9/12, 10/12 or 11/12 pay plan

If the employee is on work status as of 04/01/99, process a 04/01/99 effective date GEN transaction. NOTE: When key entering the GEN transaction for 9/12 or 11/12 employees, the new salary rate must be entered. If the salary rate is not entered, the rate will be computed incorrectly by the EH On-line System.

If the employee is not on work status as of 04/01/99, process a SAL transaction effective the date the employee returns to work status and enter the new salary rate on the SAL transaction.

Employees in the Limited Examination and Appointment Program Candidate classification (class code 4687)

Process a 04/01/99 effective date SAL transaction if the employee is in a position associated with one of the above bargaining unit classes/ranges. Enter the new salary rate on the SAL transaction.

E SPECIAL MSA DOCUMENTATION/PROCESSING INSTRUCTIONS

Per DPA, an MSA shall be applied before a salary range change. Thus, the 04/99 MSA must be posted on an employee's EH record before the 04/01/99 salary increase and must be based on the old rate (i.e., rate in effect as of 03/31/99).

If the 04/01/99 MSA has not been processed, key enter the GSI Code O on the MSA transaction to denote the old salary rate. If the 04/01/99 GEN transaction is posted prior to processing the MSA transaction, the GEN transaction must be voided and re-entered after the MSA transaction is keyed.

If the 04/01/99 MSA transaction is already posted and needs to be corrected, key enter the GSI Code O on the MSAC transaction to denote old salary rate.

Key enter the GSI Code as an alpha 'O' in the GSI field on the PAR1 update screen. Failure to enter the GSI Code O could result in an incorrect base salary rate and anniversary date on the MSA transaction (i.e., overpayment).

II. PAYROLL ADJUSTMENTS - SEMI-MONTHLY PAID EMPLOYEES ONLY

The regular payments (except as indicated below) and regular (i.e., non-FLSA) overtime that have already been issued for employees paid on a semi-monthly basis will automatically be adjusted for the first half of the 04/99 pay period once the employees' EH records are updated. For employees included in the EH mass update process, their adjustments should be issued in the payroll cycle dated 04/22/99.

Adjustments to the following payments for the first half of the 04/99 pay period must be requested on a Form STD. 674/674D.

Regular pay with dock applied for employees with mid-month change

Regular pay for employees on alternate work schedules or a shift designated agency code and time paid does not equal time possible for the pay period

FLSA Overtime

Industrial Disability (IDL)

Temporary Disability (TD)

NDI Annual Leave Supplementation

Out-of-class

III. RETROACTIVE CHARGES

All transactions as a result of the April 1, 1999 salary increase are considered to be non-controllable personnel and payroll transactions. The EH transactions and payroll adjustments resulting from the EH mass update should not be reflected on the Monthly Retroactivity Report. However, any EH transaction, except the GEN transaction, and payroll transactions that are key entered/initiated by PPSD or a department will appear on the department's report. The department can return the report identifying the items associated with the salary increase along with the appropriate explanation.

IV. CONTACTS

Questions regarding the April 1, 1999 salary increase and EH/payroll processing information can be directed as follows:

SUBJECT AREA	CONTACT	TELEPHONE NO.
Salary Program	DPA	(916) 324-0439 Calnet 454-0439
EH Procedures	Personnel Operations Liaison Unit	(916) 322-6500 Calnet 492-6500
Disability Procedures	Disability Liaison Unit	(916) 322-3619 Calnet 492-3619
General Payroll Procedures	Payroll Liaison Unit	(916) 323-3081 Calnet 473-3081

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