

OFFICE OF STATE CONTROLLER
PERSONNEL/PAYROLL SERVICES DIVISION
300-Capitol Mall
P.O. Box 942850
Sacramento, CA 94250-5878

Date: December 30, 1999

PERSONNEL LETTER # 99-045
CSU ONLY

To: All Campuses in the Uniform State Payroll System

From: Ralph Zentner, Chief
Personnel/Payroll Operations Bureau

Re: SENATE BILL 400/RETIREMENT

This Personnel Letter provides information concerning Senate Bill (SB) 400 (Chapter 555, Statutes of 1999). For additional information on the new retirement benefit enhancements and the Employment History Data Base changes, please refer to Technical Letter HR/Benefits 99-06 and HR/EHDB 99-01, respectively.

BACKGROUND

Senate Bill 400 provides retirement benefit enhancements to CSU employees who are members of the California Public Employees' Retirement System (CalPERS) on or after January 1, 2000. Among the key enhancements offered to employees are improvements to the service retirement formulas for the various retirement categories. CalPERS has required that new retirement account codes be established for Peace Officer/Fire Fighter members to accommodate the new enhancements. New retirement account codes are not required for Miscellaneous members.

RETIREMENT ACCOUNT CODES

Implementation of SB 400 by the Controller's Office required that two new retirement account codes be established to enable CalPERS to specifically identify the various retirement formulas. The characteristics of the new retirement account codes will be identical to the previous account codes. For example, retirement account code 88 is being converted to retirement account code 52, to identify Peace Officer members subject to Medicare. CSU employees with retirement account codes 00, 08 and 20 will not be changed to new retirement account codes.

Following are the current retirement account codes and the new corresponding retirement account codes effective January 1, 2000:

| CURRENT RETIREMENT ACCOUNT CODES | NEW RETIREMENT ACCOUNT CODES |
|-------------------------------------|---------------------------------|
| 86 | 51 |
| 88 | 52 |

PROCESSING

During the first week of January, the Controller's Office will post 505 transactions with a January 1, 2000 effective date to change affected employees from the current retirement account codes to the new corresponding retirement account codes. Only employees with the retirement account codes shown above will be affected.

For transactions processed prior to the mass update with an effective date of January 1, 2000, the new retirement account code must be entered in Item 505, if allowable on the transaction. If Item 505 is not allowable or the transaction is effective after January 1, 2000, a 505 transaction effective January 1, 2000 must be processed with the new account code, in addition to the transaction being processed.

Turnaround PPTs will be issued on a flow basis.

CONTACTS

Revisions to the Payroll Procedures Manual and PIMS Manual are forthcoming. Please use the following contacts for assistance:

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| Personnel Letter | (916) 327-3926 |
| Lynn Black | CALNET 427-3926 |

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| CalPERS, Member Service Division | (916) 326-3141 |
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Please direct questions regarding PPT documentation to your CSU Audit Representative.

RZ: LB: SW/PMAB