
STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL SERVICES DIVISION
P.O. Box 942850
Sacramento, CA 94250-5878

DATE: July 17, 2002

PERSONNEL LETTER # 02-018
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: RALPH ZENTNER, Acting Chief
Personnel/Payroll Services Division

RE: EMPLOYEE RETIREMENT CHANGE FOR BARGAINING UNITS 14, 17, AND 20

This Personnel Letter provides information concerning employee retirement changes pursuant to passage of Assembly Bill 1330, the MOU bill for Bargaining Units 14, 17, and 20. The retirement changes are effective May 1, 2002. Specific instructions are highlighted below.

UNIT 14

MISCELLANEOUS/INDUSTRIAL MEMBERS SUBJECT TO SOCIAL SECURITY

The employee rate will be retroactively adjusted from 5% in excess of \$513 per month to 0% for May and June. From July 2002 - June 2003, the rate will continue at 0%. Beginning July 2003, the rate will return to 5% in excess of \$513 per month.

MISCELLANEOUS/INDUSTRIAL MEMBERS NOT SUBJECT TO SOCIAL SECURITY

The employee rate will be retroactively adjusted from 6% in excess of \$317 per month to 1% in excess of \$317 per month for May and June. From July 2002 - June 2003, the rate will continue at 1% in excess of \$317 per month. Beginning July 2003, the rate will return to 6% in excess of \$317 per month.

UNIT 17

MISCELLANEOUS/INDUSTRIAL MEMBERS SUBJECT TO SOCIAL SECURITY

The employee rate will be retroactively adjusted from 5% in excess of \$513 per month to 2.5% in excess of \$513 per month for May and June. From July 2002 - June 2003, the rate will be reduced to 0%. Beginning July 2003, the rate will return to 5% in excess of \$513.

MISCELLANEOUS/INDUSTRIAL MEMBERS NOT SUBJECT TO SOCIAL SECURITY

The employee rate will be retroactively adjusted from 6% in excess of \$317 per month to 3.5% in excess of \$317 per month for May and June. From July 2002 - June 2003, the rate will be reduced to 1% in excess of \$317 per month. Beginning July 2003, the rate will return to 6% in excess of \$317 per month.

SAFETY

The employee rate will be retroactively adjusted from 8% in excess of \$238 per month to 3.5% in excess of \$317 per month for May and June. From July 2002 - June 2003, the rate will be reduced to 1% in excess of \$317 per month. Beginning July 2003, the rate will return to 6% in excess of \$317 per month.

UNIT 20

MISCELLANEOUS/INDUSTRIAL MEMBERS SUBJECT TO SOCIAL SECURITY

The employee rate will be retroactively adjusted from 5% in excess of \$513 per month to 0% for May and June. From July 2002 - July 2003, the rate will continue at 0%.

Beginning July 2003, the rate will return to 5% in excess of \$513 per month.

MISCELLANEOUS/INDUSTRIAL MEMBERS NOT SUBJECT TO SOCIAL SECURITY

The employee rate will be retroactively adjusted from 6% in excess of \$317 per month to 1% in excess of \$317 per month for May and June. From July 2002 - June 2003, the rate will continue at 1% in excess of \$317 per month. Beginning July 2003, the rate will return to 6% in excess of \$317 per month.

SAFETY MEMBERS

The employee rate will be retroactively adjusted from 8% in excess of \$238 per month to 1% in excess of \$317 per month for May and June. From July 2002 - June 2003, the rate will continue at 1% in excess of \$317 per month. Beginning July 2003, the rate will be 6% in excess of \$317 per month.

ACCOUNT CODES

Below is a chart identifying the old and new retirement codes and retirement rates.

Current Account Code	New Account Code	Old Rate	New Rate
10	11	8%	3.5% (Unit 17)
12	33	8%	3.5% (Unit 17)
40	07	6%	3.5% (Unit 17)
40	05	6%	1% (Units 14 and 20)
42	09	6%	3.5% (Unit 17)
42	06	6%	1% (Units 14 and 20)
45	25	5%	0% (Units 14 and 20)
45	24	5%	2.5% (Unit 17)
46	29	6%	1% (Units 14 and 20)
46	93	6%	3.5% (Unit 17)
48	73	6%	1% (Units 14 and 20)
48	97	6%	3.5% (Unit 17)
49	90	5%	0% (Units 14 and 20)
49	99	5%	2.5% (Unit 17)
63	67	8%	3.5% (Unit 17)
63	6D	8%	1% (Unit 20)
64	68	8%	3.5% (Unit 17)
64	6E	8%	1% (Unit 20)

PROCESSING

The Controller's Office will process an Employment History mass update on July 17, 2002 to post 505 transactions effective May 1, 2002 and July 18, 2002 to post 505 transactions effective July 1, 2002. Turnaround PARS will be issued from the updates.

Employees with appointment or separation expiration dates prior to May 1, 2002 will not be included in the mass updates. Therefore, agencies must determine if the employees are to be re-appointed or separated and key enter the appropriate transaction. If re-appointed, key a 505 transaction effective May 1, 2002 (or July 1, 2002) that reflects the correct account code.

The Controller's Office will post 505 transactions to the Employment History Data Base based on transactions processed prior to the mass updates. If an employee's most current transaction reflects an effective date equal to or less than May 1, 2002, (or July 1, 2002) the 505 transaction will be posted by the mass update process. If an employee's most recent transaction is effective after May 1, 2002, (or July 1, 2002) the 505 transaction will be manually posted by the Controller's Office beginning June 18 and 19, 2002. Also, subsequent transactions will be corrected as needed.

Agencies are responsible for updating the Employment History Data Base with the correct retirement account code information for transactions keyed after the July 17 and 18 mass updates. Failure to do so could result in erroneous employee retirement contributions.

RETROACTIVE PAYROLL ADJUSTMENTS FOR MAY AND JUNE

Payroll adjustments for May and June will be retroactively adjusted by the Controller's Office. A separate credit issue warrant will be issued in August.

CONTACTS

If you have any questions concerning this letter, please contact Lynn Black at (916) 327-3926 or by email at lblack@sco.ca.gov. For PAR documentation, contact the Personnel Liaison Unit at (916) 322-6500. Revisions to the Payroll Procedures Manual and the Personnel Action Manual are forthcoming.

RZ:LB/PMAB