

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

DATE: January 24, 2011

PERSONNEL LETTER #11-003  
(CIVIL SERVICE ONLY)

TO: All Agencies in the Uniform State Payroll System

FROM: Lisa Crowe, Chief  
Personnel and Payroll Services Division (PPSD)**RE: NEW RETIREMENT ACCOUNT CODES FOR RANK AND FILE EMPLOYEES IN  
BARGAINING UNITS 2, 6, 7, 9, 10 AND 13**

The State Controller's Office (SCO) has established new retirement account codes for rank and file employees in units 2, 6, 7, 9, 10 and 13 first employed by the State on or after January 15, 2011. This is a result of Senate Bill (SB) X6 22 that established new retirement benefit formulas based on the highest average salary during a 36-month consecutive period. The new account codes are necessary for CalPERS to specifically identify employees subject to the new benefit formulas.

All rank and file employees in units 2, 6, 7, 9, 10 and 13 first employed on or after January 15, 2011 (with no prior State service) should be placed in one of the account codes listed below. Agencies are responsible for entering the appropriate account code on respective appointment transactions. To determine which account codes to use, refer to the Account Code Chart attached to [CalPERS Circular Letter 200-081-10](#) dated December 30, 2010.

Retirement Category	New Account Code	Rate	Exclusion Amount	Benefit Formula	Final Comp
Miscellaneous	2Q (Not Subject to SS/Medicare)	6%	\$317	2% @ 60	3 yrs
Miscellaneous	2W (Subject to SS/Medicare)	6%	\$513	2% @ 60	3 yrs
Miscellaneous	2X (Subject to SS/Medicare)	5%	\$513	2% @ 60	3 yrs
Industrial	9X (Subject to SS/Medicare)	6%	\$513	2% @ 60	3 yrs
Industrial	9Y (Subject to SS/Medicare)	5%	\$513	2% @ 60	3 yrs
Safety	6V (Subject to Medicare)	7%	\$317	2% @ 55	3 yrs
Safety	6W (Not Subject to SS/Medicare)	7%	\$317	2% @ 55	3 yrs
Safety	1X (Subject to Medicare)	6%	\$317	2% @ 55	3 yrs
Safety	1Q (Not Subject to SS/Medicare)	6%	\$317	2% @ 55	3 yrs
POFF	3L (Not Subject to SS/Medicare)	8%	\$863	2.5% @ 55	3 yrs
POFF	3M (Subject to Medicare)	8%	\$863	2.5% @ 55	3 yrs
POFF	3X (Not Subject to SS/Medicare)	8%	\$513	2.5% @ 55	3 yrs
POFF	3Y (Subject to Medicare)	8%	\$513	2.5% @ 55	3 yrs
ARP - Misc	AW (Subject to SS/Medicare)	6%	\$513	2% @ 60	3 yrs
ARP - Ind	AX (Subject to SS/Medicare)	6%	\$513	2% @ 60	3 yrs
ARP - Misc	AY (Subject to SS/Medicare)	5%	\$513	2% @ 60	3 yrs
ARP - Ind	AZ (Subject to SS/Medicare)	5%	\$513	2% @ 60	3 yrs

The aforementioned employees that are first employed by the State on or after January 15, 2011 (with no prior State service) in a miscellaneous or industrial retirement position should be placed in one of the above ARP codes. Once employees complete 24 months of ARP participation, SCO will convert the employees from ARP to the respective CalPERS account code (2W, 2X, 9X, or 9Y). To determine ARP eligibility and the correct ARP account codes for a newly hired employee, use DPA's [ARP Eligibility Worksheet](#) located at under the HR Staff tab.

For PAR documentation assistance, contact SCO's Personnel Liaison Unit at (916) 322-6500. For questions regarding CalPERS eligibility and benefits, contact CalPERS at (888) 225-7377. For retirement policy and legislative information, contact Desi Rodrigues, DPA at (916) 324-9400.

Revisions to the Payroll Procedures and Personal Action Manuals are forthcoming.

LC:PMAB:DW