

STATE CONTROLLER'S OFFICE
PERSONNEL AND PAYROLL SERVICES DIVISION
P.O. BOX 942850
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DATE: July 14, 2011

PERSONNEL LETTER #11-021
(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 AND 7**

The Department of Personnel Administration (DPA) announced in Personnel Management Liaison Memos 2011-016 and 2011-017 dated May 23, 2011 that rank and file employees in bargaining units 2 and 7 are subject to a retirement contribution rate increase effective June 1, 2011.

RETIREMENT RATE CHANGES

Rank and File Bargaining Unit 2 Employees

Retirement rates for rank and file employees in unit 2 were changed to the new rates below. The retirement rate changes were accomplished via an employment history mass update of 505 transactions effective June 1, 2011. The chart below reflects the account codes and new contribution rates from the employment history mass update. Refer to SCO Personnel Letter #11-003 for additional information on how to determine the correct account code to use.

Retirement Category	Account Code	SS/Med	New Rate	Benefit Formula	Final Compensation
Miscellaneous	4G	SS/Med	9%	2% @ 55	1 year
Miscellaneous	2W	SS/Med	9%	2% @ 60	3 years
Miscellaneous	4H	SS/Med	9%	2% @ 55	3 years
Industrial	9A	SS/Med	9%	2% @ 55	1 year
Industrial	9X	SS/Med	9%	2% @ 60	3 years
Industrial	9B	SS/Med	9%	2% @ 55	3 years
Safety	6J	Med	10%	2.5% @ 55	1 year
Safety	6V	Med	10%	2% @ 55	3 years
Safety	6K	Neither	10%	2.5% @ 55	1 year
Safety	6W	Neither	10%	2% @ 55	3 years
Safety	6L	Med	10%	2.5% @ 55	3 years
ARP – Misc.	TE	SS/Med	9%	2% @ 55	1 year
ARP – Misc.	AW	SS/Med	9%	2% @ 60	3 years
ARP – Misc.	TG	SS/Med	9%	2% @ 55	3 years
ARP – Ind	TF	SS/Med	9%	2% @ 55	1 year
ARP – Ind	AX	SS/Med	9%	2% @ 60	3 years

Retirement Category	Account Code	SS/Med	New Rate	Benefit Formula	Final Compensation
ARP - Ind	TH	SS/Med	9%	2% @ 55	3 years

Rank and File Bargaining Unit 7 Employees

Retirement rates for rank and file employees in unit 7 were changed to the new rates below. The retirement rate changes were accomplished via an employment history mass update of 505 transactions effective June 1, 2011. The chart below reflects the new account codes and contribution rates from the employment history mass update. Refer to SCO Personnel Letter #11-003 for additional information on how to determine the correct account code to use.

Retirement Category	Old Account Code	New Account Code	SS/Med	New Rate	Benefit Formula	Final Compensation
Safety	10	1H	Neither	9%	2% @ 55	1 year
Safety	12	1J	Med	9%	2% @ 55	1 year
Safety	19	1P	Med	9%	2.5% @ 55	1 year
Safety	1X	1V	Med	9%	2% @ 55	3 years
Safety	30	1R	Neither	9%	2.5% @ 55	1 year
Safety	1Q	1W	Neither	9%	2% @ 55	3 years
Safety	6P	1S	Med	9%	2.5% @ 55	3 years
Safety	6R	1T	Neither	9%	2.5% @ 55	3 years
POFF	5G	No Change	Neither	10%	3% @ 50	1 year
POFF	3X	No Change	Neither	10%	2.5% @ 55	3 years
POFF	5H	No Change	Med	10%	3% @ 50	1 year
POFF	3Y	No Change	Med	10%	2.5% @ 55	3 years

The Employment History (EH) automated mass update to post 505 transactions occurred on June 8, 2011. Turnaround Personnel Action Requests (PARs) (TAD) were issued from the update process and released on a flow basis. Some employees were not included in the automated mass update and were processed manually by PPSD. Employees excluded from the mass update included those with an EH record reflecting an out-of-sequence status (i.e., the effective date on the most current transaction was after 6/1/2011). TAD PARs were issued once these EH records were updated. Any records updated after the June 2011 master payroll cutoff date of June 22, 2011 resulted in the establishment of retirement arrears deductions.

The online IDLS and paycheck calculators have been updated to reflect the new retirement contribution rates. Revisions to the Payroll Procedures Manual and Personnel Action Manual will be forthcoming.

CONTACTS

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

LC:PMAB:TL