

STATE CONTROLLER'S OFFICE
PERSONNEL AND PAYROLL SERVICES DIVISION
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DATE: October 30, 2015

PERSONNEL LETTER #15-019
(CIVIL SERVICE ONLY)

TO: All Agencies in the Uniform State Payroll System

FROM: Lisa Crowe, Chief
Personnel and Payroll Services Division (PPSD)

**RE: REVISED SECTION 505 (ACCOUNT CODE) OF THE PERSONNEL ADMINISTRATION
MANUAL (PAM)**

We revised Section 505 (Account Code) of the PAM (new section attached). Please begin using the new section immediately. A revision to the Account Code section in the PPM is forthcoming.

As you may be aware, the prior version of this section was outdated, cumbersome and somewhat confusing. Additionally, as previously stated in Personnel Letter #14-019, CalPERS stopped using account codes to identify benefit eligibility (retirement formula and final compensation period). This resulted in numerous account codes (all with the **same** attributes) that are no longer necessary and considered duplicates.

To simplify the process of assigning the correct account code, we made the following revisions:

1. Removed duplicate account codes; and,
2. Removed outdated and unnecessary information; and,
3. Streamlined the format.

Note: No action is required for employees currently assigned to the account codes that we removed from the PAM: refer to "*Cosmetic*" vs. "*Material*" *Retirement Contribution Adjustments* section in Personnel Letter #14-019. The codes are still valid but no additional employees should be assigned to them; hence their removal from the PAM.

Contact SCO's Retirement/Social Security Liaison at (916) 324-1471 for questions regarding this letter.

Contact CalPERS at (888) 225-7377 for questions regarding CalPERS eligibility and benefits.

Contact CalHR representative Desi Rodrigues at (916) 324-9400 for retirement policy and legislation assistance.

LC:PMAB:dg

2.62 (Revised 11/15)
ITEM 505 – RETIREMENT ACCOUNT CODE

DESCRIPTION: A one or two-character code used by the EHDB system to denote employees' retirement attributes. It is critical that the correct retirement account code is assigned to ensure that payroll is accurately calculated.

REQUIRED: When the employee is:

- New to the data base or adding a position to the data base via a Padded PAR; or,
- Changing from non-member to member or vice versa; or,
- Changing from one retirement system to another; or,
- Changing from the PST retirement plan to a retirement system; or,
- Changing position or appointment status thereby making the current account code reflected in PAR ITEM 505 incorrect.

ENTER: The applicable account code. To determine the correct account code, all of the following four retirement account attributes must be determined; and, any other criteria as applicable.

1. RETIREMENT SYSTEM/PLAN

- **CalPERS** (California Public Employees' Retirement System) – Retirement coverage for Civil Service and CalHR Exempt employees who meet CalPERS membership eligibility criteria; and, for Statutory Exempt employees who opt to be CalPERS members.

Refer to the following four sections in the **CalPERS State Reference Guide** for detailed information regarding eligibility: '*CalPERS Membership Eligibility*', '*Determining Membership Eligibility*', '*Positions Excluded by Retirement Law (PERL) from CalPERS Coverage*'; and, '*Optional Members of CalPERS*'. The reference guide is located on the [CalPERS website](#) (select '*Forms & Publications*' under the '*Employer*' tab).

- **JRS** (Judges Retirement System) – Retirement coverage for employees appointed to statutory exempt class codes 5987, 5988, 5991 & 9999 class codes. For more detailed information, refer to **G.C.s 75000 - 75613**.
- **LRS** (Legislators Retirement System) – Retirement coverage for legislators and constitutional officers (except judges). For more detailed information, refer to **G.C.s 9350 – 9378**.

- **STRS** (State Teachers Retirement System) – Retirement coverage for employees in public school positions that require certification qualifications per the Education code (e.g., teachers, administrators, library media workers etc.). Refer to the ‘*CalPERS or CalSTRS?*’ section in the **CalPERS State Reference Guide** for more detailed information.
- **PST** (Part-Time, Seasonal and Temporary) – Retirement program for State and CSU employees not covered by a retirement system or Social Security. For more detailed information, refer to the ‘Part-time Seasonal and Temporary Retirement Program (PST)’ section in the [CalHR Benefits Administration Manual](#) (select the ‘*State HR Professionals*’ icon, then select ‘*Benefits Administration*’).
- **NON** – Employees excluded from any type of retirement system/plan because of appointment type, class code, immigration status or some other factor(s).

2. MEMBER GROUP (Retirement Category)

- Industrial – Refer to G.C. 20382
- Miscellaneous – Refer to G.C. 20380
- Patrol (CHP) – Refer to G.C. 20390
- Peace Officer/Firefighter – Refer to G.C. 20391 – 20398 & 20416
- Safety – Refer to G.C. 20399 – 20415

3. **FIRST OR SECOND TIER** – Applies to only Miscellaneous and Industrial State Civil Service members (unless member reclassified to a Safety member; and, elected to retain prior Second Tier retirement formula). For more specific information or additional assistance, refer to the following section shown below in the [CalPERS State Reference Guide](#) (select ‘*Forms & Publications*’ under the ‘*Employer*’ tab).

General Membership Information

Account Code Overview

First-Tier vs. Second-Tier

4. OASDI STATUS

Social Security – Applies to **only** Miscellaneous and Industrial members (not Patrol, Peace Officer/Firefighter or Safety). Generally, any Miscellaneous or Industrial employee hired into State service after 1961 is subject to Social Security. For more specific information and exceptions, refer to the following section shown below in the [CalPERS State Reference Guide](#) (select ‘Forms & Publications’ under the ‘Employer’ tab).

General Membership Information

Account Code Overview

Social Security

Medicare Status – Generally, any employee (in any member group) hired or rehired on or after 4/1/1986 is subject to Medicare. For more specific information and exceptions, refer to the following section shown below in the [CalPERS State Reference Guide](#) (select ‘Forms & Publications’ under the ‘Employer’ tab).

General Membership Information

Account Code Overview

Medicare applies as follows

The following chart lists retirement account code attributes and other criteria needed to determine the correct account code; followed by the corresponding account code. **For example** as shown on #12, Account Code **4G** should be assigned for an employee who is: 1) Eligible for CalPERS retirement, 2) A Miscellaneous retirement category member, 3) Subject to the First Tier retirement formula, 4) Subject to both Social Security and Medicare; and, 5) Represented (rank & file) and in Bargaining Unit 2.

RETIREMENT ACCOUNT CODE ATTRIBUTES

#	(1) RETIRE. SYS./ PLAN	(2) RETIRE. CAT.	(3) TIER [First or Second]	(4) OASDI STATUS (NO = No SS & No MED) (MED = MED only) (YES = Both SS & MED)	OTHER CRITERIA TO DETERMINE ACCOUNT CODE	ACCT. CODE
1	JRS	NO	N/A	NO	Judges (Classic)	J
2	JRS	NO	N/A	NO	Judges (PEPRA)	JE
3	JRS	NO	N/A	MED	Judges (Classic)	JF
4	JRS	NO	N/A	MED	Judges (PEPRA)	JD
5	LRS	NO	N/A	NO	Constitutional Officer - Governor only	L
6	LRS	NO	N/A	NO	Constitutional Officers - all others	LO
7	STRS	NO	N/A	MED	Classic	TA
8	STRS	NO	N/A	MED	PEPRA	TC

#	(1) RETIRE. SYS./ PLAN	(2) RETIRE. CAT.	(3) TIER [First or Second]	(4) OASDI STATUS (NO = No SS & No MED) (MED = MED only) (YES = Both SS & MED)	OTHER CRITERIA TO DETERMINE ACCOUNT CODE	ACCT. CODE
9	CalPERS	MIS	First	YES	Judicial Council - other than Judges (Classic)	2X
10	CalPERS	MIS	First	YES	Judicial Council - other than Judges (PEPRA)	4Q
11	CalPERS	MIS	First	YES	Exempts & Non-Reps R01, R03, R04, R05, R06, R07, R09, R10, R11, R14, R15, R17, R20, R21	2M
12	CalPERS	MIS	First	YES	R02	4G
13	CalPERS	MIS	First	YES	R08, R12, R13, R16, R18, R19	2C
14	CalPERS	MIS	First	NO	Exempt & Non-Reps R01, R03, R04, R06, R07, R09, R10, R11, R14, R15, R17, R20, R21	2K
15	CalPERS	MIS	First	NO	R02	2Q
16	CalPERS	MIS	First	NO	R08, R12, R13, R16, R18, R19	2A
17	CalPERS	MIS	First	MED	Exempt & Non-Reps R01, R03, R04, R06, R07, R09, R10, R11, R14, R15, R17, R20, R21	2V
18	CalPERS	MIS	First	MED	R02	20
19	CalPERS	MIS	First	MED	R08, R12, R13, R16, R18, R19	2B
20	CalPERS	IND	First	YES	Exempts & Non-Reps tied to Unit 21 R07, R21	9Y
21	CalPERS	IND	First	YES	Exempt & Non-Reps R01, R02, R03, R04, R06, R09, R10, R11, R14, R15, R17, R20	9N
22	CalPERS	IND	First	YES	R08, R12, R13, R16, R18, R19	9G
23	CalPERS	IND	First	NO	Exempts & Non-Reps tied to Unit 21 R07, R21	9R
24	CalPERS	IND	First	NO	Exempt & Non-Reps R01, R02, R03, R04, R06, R09, R10, R11, R14, R15, R17, R20	9T
25	CalPERS	IND	First	NO	R08, R12, R13, R16, R18, R19	9H

#	(1) RETIRE. SYS./ PLAN	(2) RETIRE. CAT.	(3) TIER [First or Second]	(4) OASDI STATUS (NO = No SS & No MED) (MED = MED only) (YES = Both SS & MED)	OTHER CRITERIA TO DETERMINE ACCOUNT CODE	ACCT. CODE
26	CalPERS	IND	First	MED	Exempts & Non-Reps tied to Unit 21 R07, R21	97
27	CalPERS	IND	First	MED	Exempt & Non-Reps R01, R02, R03, R04, R06, R09, R10, R11, R14, R15, R17, R20	9V
28	CalPERS	IND	First	MED	R08, R12, R13, R16, R18, R19	9F
29	CalPERS	SAF	First	NO	Exempts & Non-Reps All represented BUs	1R
30	CalPERS	SAF	First	MED	Exempts & Non-Reps All represented BUs	1P
31	CalPERS	PAT	First	NO	CHP Commissioner only	6S
32	CalPERS	PAT	First	NO	Exempts & Non-Reps tied to Unit 5 R05	62
33	CalPERS	PAT	First	MED	Exempts & Non-Reps tied to Unit 5 R05	61
34	CalPERS	POF	First	NO	Exempts & Non-Reps tied to Units 6, 7 & 8 R06, R07, R08	3C
35	CalPERS	POF	First	MED	Exempts & Non-Reps tied to Units 6, 7 & 8 R06, R07, R08	3D
36	CalPERS	IND	Second	NO		92
37	CalPERS	IND	Second	MED		98
38	CalPERS	IND	Second	YES		47
39	CalPERS	MIS	Second	NO		01
40	CalPERS	MIS	Second	MED		06
41	CalPERS	MIS	Second	YES		41
42	CalPERS	SAF	Second	NO	Members reclassified to Safety but elected to remain Second.	14*
43	CalPERS	SAF	Second	MED	Members reclassified to Safety but elected to remain Second.	13*
44	PST	NO	N/A	NO		TD
45	PST	NO	N/A	MED		TM
46	NON	NO	N/A	NO		N
47	NON	NO	N/A	MED		NM
48	NON	NO	N/A	YES		NO

*Entry to this account code is by employee election only: CalPERS to send R01 to SCO to change the code.
NOTE: For CSU account codes, refer to the [CSU PIMS Manual](#).

ADDITIONAL INFORMATION: Contact SCO's Retirement/Social Security Liaison at (916) 324-1471 if you believe a new account code needs to be established to accommodate retirement attributes and other criteria not listed in the chart.