

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

DATE: July 14, 2020

PERSONNEL LETTER #20-013
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Jil Barraza, Chief
Personnel and Payroll Services Division

**RE: JANUARY 1, 2020 GENERAL SALARY INCREASE AND JULY 1, 2020 SPECIAL SALARY
ADJUSTMENT FOR BARGAINING UNIT 18 EMPLOYEES**

The California Department of Human Resources (CalHR) has approved a general salary increase (GSI) effective January 1, 2020 and special salary adjustment (SSA) effective July 1, 2020 for eligible Rank-and-File and Excluded employees in classes designated R18, M18 and S18. Please refer to CalHR Pay Letter #20-19 for further information regarding eligibility criteria, including class codes eligible for an SSA. This letter can be accessed via the following link: [CalHR Website](#).

EH MASS UPDATE PROCESSING

The State Controller's Office (SCO) will process an Employment History (EH) mass update on July 14, 2020 to implement the GSI effective January 1, 2020 for eligible employees. The GEN transaction will reflect the GSI within the employee's base salary rate.

The SCO will process an EH mass update on July 15, 2020 to implement the SSA effective July 1, 2020 for employees in eligible Class Codes. The SAL transaction will reflect the SSA within the employee's base salary rate.

It is advised that departments refrain from updating EH records for employees in BU18 on July 14, 2020 and July 15, 2020 to minimize fallout errors causing manual workload.

The Personnel and Payroll Services Division (PPSD) will manually update EH records not included in the mass update, except as instructed below under Special EH Documentation/Processing Instructions. The PPSD will notify departments of any situations requiring department action.

Turnaround PARs (TAD) will be issued and released on a flow basis.

SPECIAL EH DOCUMENTATION/PROCESSING INSTRUCTIONS

Out-of-Sequence

Employees' EH records containing transactions effective after July 1, 2020 will be excluded from the SSA mass update on July 15, 2020. Departments must manually process SAL transactions and correct any out-of-sequence data resulting from the SAL transaction for eligible employees.

After the GEN and SAL transactions are posted to an employee's EH record, any new out-of-sequence transaction must have the old salary rate entered, if allowable on the transaction. If not entered, the salary rate information per the GEN and SAL transactions will be reflected on the new transaction and could cause an overpayment. See Personnel Action Manual (PAM) Section 9 for further processing information.

If correcting a January 1, 2020 effective date transaction that was processed prior to the GEN being posted or a July 1, 2020 effective date transaction that was processed prior to the SAL being posted, enter the GSI Code O (alpha O) in the GSI field on the PAR1 update screen on the correct transaction to denote the old salary rate. Per DPA rule 599.689, MSA/SIS transactions with the same effective date as the GEN or SAL must be posted prior to the GEN or SAL, if applicable. Enter the GSI Code O on the MSA/SIS transaction to denote the old salary rate. Failure to enter the GSI Code O could result in an incorrect base salary rate and/or anniversary date (i.e., overpayment).

Disability/Military Leave

Employees on Disability or Military leave at the time of the mass update will need to be identified and updated by departments.

Plus Salary

Departments must manually identify and update the records of employees who have a plus salary.

Lump Sum

Employees who separated from state service without fault prior to the effective date of the salary increase with lump sum pay extending beyond July 1, 2019, and who were eligible for the GEN/SAL at the time of the separation, should have their lump sum adjusted to reflect the salary increase. Departments must identify and manually process the GEN/SAL transactions for separated employees, as applicable. In order to assist departments in identifying these employees, the SCO will provide a ViewDirect report. A subsequent Personnel Letter will be released when this report is available.

PAYROLL ADJUSTMENTS

Adjustments for regular pay and overtime payments (i.e., non-FLSA overtime pay) that have already been issued will be automatically made after the employee EH records are updated for the salary change.

Departments will need to request GSI or SSA adjustments, via the PIP system on form STD. 671, for the following payments that have issued for the January 2020 – July 2020 pay periods. See PPM Section K for PIP system instructions.

- FLSA Overtime Pay (Payment Type 1, Payment Type Suffix F) – see PPM Section G 024 for further information.
- Out-of-Class Pay (Earnings ID SI only) – see PPM Section G 831 for further information.
- Awards/Bonus/Special Pay (Payment Types A, G, 9, and S [except Holiday Pay]) if the pay rate is based on the employee's based on salary and the employee is receiving a GSI or SSA. Determine the difference in gross due and key the difference in the gross field on the PIP system's miscellaneous detail screen.

Departments will need to submit form STD. 674/674D to request adjustments for the following payments that have issued for the January 2020 – July 2020 pay periods:

- Regular pay with dock applied for employees with a mid-month change.

- Regular pay for employees on an alternate work schedule or working a shift and time paid does not equal time possible for the pay period.
- Industrial Disability Leave (IDL)
- Temporary Disability (TD)
- Nonindustrial Disability Leave (NDI)
- State Disability Leave (SDI)
- LC 4800
- Out-of-Class pay – Earnings ID 8G and 8G2 only
- Supplemental Premium Payment Type 8 only if the pay rate is based on a percentage of the employee's based on salary rate and the employee is receiving a GSI or SSA.

RETROACTIVITY CHARGES

The transactions resulting from the January 1, 2020 GSI and July 1, 2020 SSA updates are considered to be non-controllable personnel and payroll transactions. The EH transactions and payroll adjustments resulting from the EH mass updates or initiated by PPSD will be reflected on the Monthly Retroactivity Report, but should be removed. The EH transactions and payroll transactions that are key entered by the department will also appear on the department's report. The department should return the report identifying the items associated with the January 1, 2020 GSI and July 1, 2020 salary changes, along with the appropriate explanation so the charges can be adjusted.

Please direct questions on the salary changes as follows:

<u>SUBJECT AREA</u>	<u>CONTACT</u>	<u>TELEPHONE NUMBER/EMAIL</u>
Program Administration (e.g., rules, regulations, benefits/pay impacts)	Personnel Services Branch CalHR	(916) 323-3343
General Payroll Procedures Disability Payroll Procedures Employment History Procedures	Statewide Customer Contact Center SCO	(916) 372-7200
HR Suggestions Email Inbox (All HR Staff)	Personnel and Payroll Services Division SCO	PPSDHRSuggestions@sco.ca.gov
Escalation Email Inbox (HR Supervisors and Managers)	Personnel and Payroll Services Division SCO	PPSDOps@sco.ca.gov

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