

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

DATE: August 17, 2021

PERSONNEL LETTER #21-018
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Jil Barraza, Chief
Personnel and Payroll Services Division

RE: JULY 1, 2021 GENERAL SALARY INCREASE FOR BARGAINING UNITS 05 AND 19 EMPLOYEES

The California Department of Human Resources (CalHR) has approved a general salary increase (GSI) effective 07/01/21 for bargaining units 05 and 19 employees. Please refer to CalHR Pay Letter #21-23 and #21-24 for further information.

EH MASS UPDATE PROCESSING

The State Controller's Office (SCO) will process an Employment History (EH) mass update on 08/18/21 to implement the 07/01/21 effective date GSI for eligible employees. The GEN transaction reflects the GSI within the employee's base salary rate. It is advised that departments refrain from updating EH records for employees in BU05 and BU19 on 08/18/21 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 Departmental Action Required – EH Documentation/Processing Instructions. The PPSD will notify departments of any situations requiring additional department action.

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

DEPARTMENTAL ACTION REQUIRED – EH DOCUMENTATION/PROCESSING INSTRUCTIONS

Disability/Military Leave

Departments must manually identify and update the records of employees on Disability or Military leave at the time of the mass update.

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 07/01/21 and who were eligible for the GEN 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 transactions for separated employees, as applicable.

Out-of-Sequence

Departments must manually identify and update the records of employees who have a transaction effective after 07/01/21 at the time of the mass update.

Once the GEN transaction is 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 transaction will be reflected on the new transaction and could cause an overpayment. See PAM Section 9 for further processing information.

If correcting a 07/01/21 effective date transaction that was processed prior to the GEN being posted, key 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 a 07/01/21 effective date must be posted prior to the GEN, if applicable. Key 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).

PAYROLL ADJUSTMENT

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 adjustments via the PIP system on form STD. 671, for the following payments that have issued for the July 2021 pay period. 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 07/21 pay period:

- 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)
- 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.

RETROACTIVITY CHARGES

The transactions resulting from the 07/01/21 GSI 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 07/01/21 GSI along with the appropriate explanation so the charges can be adjusted.

Please direct questions 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	PPSDHRSuggestions@sco.ca.gov
Escalation Email Inbox (HR Supervisors and Managers)	Personnel and Payroll Services Division	PPSDOps@sco.ca.gov

SCO Key Initiatives:

- [Cal Employee Connect Project](#)
- [California State Payroll System Project](#)

JEB:DC:PMAB