

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

DATE: July 24, 2014

PERSONNEL LETTER #14-008
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Lisa Crowe, Chief
Personnel/Payroll Services Division

RE: **JULY 2014 GENERAL SALARY INCREASE FOR CIVIL SERVICE BARGAINING UNITS 1, 3, 4, 11, 14, 15, 16, 17, 18, 19, 20, 21, EXCLUDED EMPLOYEES, CALHR EXEMPTS AND STATUTORY EXEMPT EMPLOYEES**

Pursuant to the memoranda of understanding, the California Department of Human Resources (CalHR) has approved a general salary increase (GSI) for rank and file classes/ranges in bargaining units 1, 3, 4, 11, 14, 15, 16, 17, 18, 20, and 21, as well as Excluded, CalHR Exempt, and Statutory Exempt employees, effective July 1, 2014.

The GSI for rank and file, excluded, CalHR Exempt, and Statutory Exempt employees was processed via an Employment History (EH) data base mass update, or will be manually, for those who cannot be included in the mass update (see below). The new salary rate will be reflected in the employees' July 2014 master payroll.

EH MASS UPDATE PROCESSING

The State Controller's Office (SCO) processed an Employment History (EH) mass update on July 8, 2014. The salary increase is documented via the EH GEN transaction with a 07/01/14 effective date. The GEN transaction will reflect the GSI within the employee's base salary rate.

PPSD is currently in the process of updating the EH records that were not included in the mass update on a flow basis. PPSD has already notified departments in situations requiring department action. The TAD PARs generated from the mass updates reflect the July 1, 2014, 505 and/or the GEN transaction (as applicable). These TAD PARs were combined and already distributed.

EXCLUDED FROM THE MASS UPDATE

Employees under the 9-12, 10-12, or 11-12 pay plans will need to have their EH records manually updated by the departments as follows:

- If the employee is on work status as of July 1, 2014, process a 07/01/14 effective date GEN transaction. Enter the new salary rate on the GEN transaction. If the salary rate is not entered, the rate may be computed incorrectly by the EH on-line system.
- If the employee is not on work status as of 07/01/14, process a SAL transaction effective the date the employee returns to work status. Enter the new salary rate on the SAL transaction.

Employees with Plus Salaries who have a base salary and a plus salary that together take their salary to the maximum salary rate are entitled to the GEN if they have been receiving this rate of pay for 12 qualifying pay periods. These records will be manually identified and updated by PPSD.

SPECIAL EH DOCUMENTATION/PROCESSING INSTRUCTIONS

If correcting a 07/01/14 effective date transaction that was posted before the 07/01/14 effective date GEN transaction, key enter the GSI Code O (alpha O in the GSI field on the GSI field on the PAR1 update screen) on the correct transaction to denote old salary rate. Failure to enter GSI Code O could result in an incorrect base salary rate and/or anniversary date (i.e. overpayment). Also, per CalHR an MSA/SIS transaction shall be applied before a salary range change; therefore, any MSA/SIS transaction must be posted before the GEN transaction.

Out-of Sequence

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.

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 07/01/14 , 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 will need to manually process the Gen transactions for separated employees, as applicable.

PAYROLL ADJUSTMENTS

Departments will need to submit Form STD. 674/674D to request adjustments for the following payments that may have issued without the salary increase for the 07/2014 pay period:

- Industrial Disability (IDL).

- Temporary Disability (TD).

- Nonindustrial Disability Leave (NDI) if benefits began after the 7/2014 pay period.

- NDI Annual Leave supplementation.

- State Disability Insurance (SDI)

Please direct questions on the July 2014 GEN as follows:

SUBJECT AREA	CONTACT	TELEPHONE NUMBER
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	Customer Contact Center SCO	(916) 372-7200

LC:JW:PMAB