



Contra Costa County Office of Education

77 Santa Barbara Road, Pleasant Hill, CA 94523 • (925) 942-3388
Karen Sakata, Superintendent of Schools

Business and Administrative Services

November 8, 2018

TO: District Business Officials
District Payroll
Contra Costa County School Districts

FROM: Jade Moore
District Payroll Services

SUBJECT: CalPERS Circulars - **October 2018**

The following is a summary of CalPERS Circulars, relevant to payroll, distributed during the month of October 2018.

1) CalPERS Circular No. 200-060-18 – Enhancements to the Service Prior to Membership Service Credit Form

- Enhancements have been made to Service Prior to Membership (SPM) (PERS-MSD-370) service credit purchase request form and the Employer Certification Process.
- In September 2017, CalPERS enacted changes to the process for SPM cost requests as outlined in [Circular Letter #200-051-17](#). Employers were required to certify and complete sections four and five, pertaining to detailed employer certified payroll. Upon receipt of feedback, CalPERS released new enhancements to address the functionality of the online SPM cost request form and certification process.
- **New enhancements include:**
 - W-2s and Social Security Statements-Although CalPERS will not accept W-2's and SS statements in lieu of the employer certification process, employers may use W-2's and SS statements as tools to aid completion of the employer certification section.
 - Grouping Fiscal Years-SPM employer certified payroll will now be accepted when fiscal years are grouped together.
 - Online SPM Form Now Fillable-Access here: [SPM Cost Request Form](#)

2) CalPERS Circular No. 200-057-18 – Governor's Executive Order B-53-18

- With Governor Brown's declaration of state of emergency for counties affected by local wildfires, Executive Order B-53-18 helps streamline and expedites recovery efforts by suspending the 960 hour limitation for retired annuitants. The 180 day break in service is also suspended for retired annuitants hired to expedite disaster recovery during the state of emergency. Also, under CA Code of Regulations 586.2(c), retired annuitants are also exempt from 60-day bona fide separation in service requirement under Gov

Code section 21220.5, again when aiding in state of emergency disaster recovery in outlined counties in the circular.



California Public Employees' Retirement System
P.O. Box 942715 | Sacramento, CA 94229-2715
888 CalPERS (or 888-225-7377) | TTY: (877) 249-7442
www.calpers.ca.gov

Announcements

Circular Letter

October 18, 2018

Circular Letter: 200-060-18

Distribution: V, VI, XII, XVI

To: Non-Central State Agencies, Public Agencies Employers, Agricultural Districts, Superintendents of Schools and Individual School Districts

Subject: Enhancements to the Service Prior to Membership Service Credit Request form

Purpose

The purpose of this Circular Letter is to provide an update on recent enhancements made to the Service Prior to Membership (SPM) (PERS-MSD-370) service credit purchase request form and the Employer Certification Process.

Background

Generally, a member may be eligible to purchase SPM service credit if they worked with an eligible CalPERS-covered employer in an eligible CalPERS-covered position, prior to becoming a CalPERS member. A vital part of the SPM request process is the completion of the Employer Certification section of the request form.

In September 2017, the California Public Employees' Retirement System (CalPERS) enacted changes to the processes for SPM cost requests. As outlined in [Circular Letter #200-051-17 \(PDF\)](#), SPM employer certification of the [SPM cost request form \(PDF\)](#) required the completion of sections four and five which include detailed employer certified payroll. The employer certified payroll is a pay period by pay period breakdown of the employee's SPM payroll, including start and end dates, position title(s), pay rate(s), hours worked, and earnings.

Recently, we received feedback from employers regarding the functionality of the online SPM cost request form and now we have further enhanced the certification process that improves the process.

What Are the New Enhancements?

W-2s and Social Security Statements

While CalPERS will not accept W-2's, and/or Social Security Statements in lieu of completion of the employer certification section, employers may use W-2's and Social Security Statements as tools for completing the employer certification section of the SPM request form. Please keep in mind, the information must remain consistent with CalPERS' current requirements as outlined in [Circular Letter #200-051-17 \(PDF\)](#).

Grouping Fiscal Years

Many employees have SPM periods that span multiple years. SPM employer certified payroll will now be accepted when fiscal years are grouped together.

To calculate accurate SPM cost and service credit:

- The grouped months must be in the same fiscal year, pay rate, and position.
- Pay rates, position hours, and earnings must be listed separately if the member worked in multiple positions.
- A new line must begin if the member has a break in service consisting of an entire pay period. In addition, if the member changes pay rates during the fiscal year, a new line must begin with the new pay rate.
- The fiscal year must be broken down monthly if the member worked more than 1,000 hours during that fiscal year.

Online SPM Form Now Fillable

The online [SPM cost request form \(PDF\)](#) is now available as a fillable PDF on the CalPERS website, at www.calpers.ca.gov. Please complete the employer certification, print, sign and forward the completed SPM cost request to CalPERS. This enhancement will increase efficiency for employees and employers and decrease the processing time for SPM cost requests.

Example:

Section 5, continued		Pay Period Detail					
Please keep this information attached to the Request for Service Credit Cost Information.							
Start Date (mm/dd/yyyy)	End Date (mm/dd/yyyy)	Position Title	Full-Time Pay Rate (Hourly/Daily/Monthly)	Time Worked (In Hours)	Earnings	Time Base (Full Time/ Part Time)	Months per Year (10, 11, 12)
09/03/1992	06/30/1993	Yard Duty	\$10.00	20	\$200.00	Part-time	10
07/01/1993	06/30/1994	Sub Bus Driver	\$10.75	700	\$7,525	Part-time	10
07/01/1994	06/30/1995	Instructional Aide	\$12.75	20	\$255.00	Part-time	10
07/01/1994	6/01/1995	Sub Bus Driver	\$11.00	30	\$330.00	Part-time	10
07/01/1995	06/30/1996	Instructional Aide	\$1,800.00	86	\$900.00	Part-Time	10

Important Reminders

- If employer certification is not consistent with the current certification requirements, the employee's SPM cost request will be considered incomplete.
- All service credit request forms that require employer certification must be certified by an authorized payroll, personnel, or human resources employer representative. Please ensure that your contact lists are updated in my|CalPERS with all authorized employer representatives.
- We recommend you encourage your employees to request the purchase of service credit early in their career to ensure the availability of payroll records.

Questions

If you have any questions about the information provided in this circular letter, contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

Donald R. Martinez, Chief
Member Account Management Division



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Announcements

Circular Letter

October 26, 2018

Circular Letter: 200-057-18

Distribution: IV, V, VI, X, XII, XVI

To: All CalPERS Employers
Subject: Governor's Executive Order B-53-18

Purpose

The purpose of this Circular Letter is to inform you of the impact of Executive Order B-53-18 on CalPERS retirees employed as retired annuitants with a CalPERS contracting employer.

Work Hour Limitations

Governor Edmund G. Brown Jr. declared a state of emergency for the counties of Lake, Siskiyou, Shasta, Mendocino, and Napa due to the impacts of numerous wildfires. Governor Brown issued Executive Order B-53-18 to help streamline and expedite recovery efforts in communities impacted by the devastating wildfires. Consistent with applicable federal law and to ensure adequate state staffing to expedite disaster response and recovery, the work hour limitations for retired annuitants were suspended from the date the state of emergency was declared for the county where the retired annuitant is deployed until the state of emergency for each of the impacted counties is lifted. The intent of the executive order is to suspend reinstatement and the retired annuitant work hour limitation of 960 hours per fiscal year. Any hours worked as a retired annuitant in an impacted county to expedite disaster recovery efforts during the state of emergency will not be counted toward the 960-hour limit for the fiscal year. CalPERS will continue to monitor the work hours for retired annuitants covered by this order and send communication to confirm when a violation is found and if it is accepted under the exception.

Wait Period Exception

Under Executive Order B-53-18, the 180-day break in service requirement under Government (Gov.) Code section 7522.56(f) is also suspended for retired annuitants hired to expedite disaster recovery during the state of emergency. In addition, under the California Code of Regulations Section 586.2(c), the state of emergency exemption will apply exempting retired annuitants from the 60-day bona fide separation in service requirement under Gov. Code section 21220.5.

Start Dates

- The start date for the state of emergency in the county of Lake is June 25, 2018.
- The start date for the state of emergency in the county of Siskiyou is July 5, 2018.
- The start date for the state of emergency in the county of Shasta is July 26, 2018.
- The start date for the state of emergency in the counties of Mendocino and Napa is July 28, 2018.

The suspension of the retired annuitant work hour limitation will remain in place until the state of emergency is lifted. Executive Orders B-43-17 and B-46-18 have not been lifted and are still in effect. See Circular Letter [200-004-18 \(PDF\)](#) for more details.

Continued Compliance

Agencies must continue to enroll and report retired annuitants to CalPERS. The remaining working after retirement provisions in Gov. Code sections 21221(h), 21224(a), and 7522.56(b) will continue to apply. The compensation for the appointment shall not exceed the maximum monthly base salary paid to other employees performing comparable duties as listed on a publicly available pay schedule divided by 173.333 to equal an hourly rate. Also, a retired annuitant shall not receive any benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate.

The executive order applies to work performed by a retired annuitant helping to expedite recovery efforts in one of the impacted counties. The director of the California Department of Human Resources must be notified of any individual employed pursuant to these waivers. Notification should be sent to wildfirerecovery@calhr.ca.gov.

Questions

If you have any questions, call our CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

Renee Ostrander, Chief
Employer Account Management Division