

District Payroll Services 2016-2017 Fiscal Year Presentation

**Presented by:
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Multi-Media Lab
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AGENDA

- Payroll Processing
- Calendar Reminders
- 2016-2017 Fiscal Rates
- myCalPERS
 - Compensation Earnable/Pensionable Compensation
- Retroactive Pay Reporting



SUMMER FUND

- Not a salary payment
 - Each Summer Fund check is considered a separate payment and taxed individually
- Deferred Pay
- Only FIT and SIT will be taken
 - Liabilities for Federal and State taxes are incurred when employee receives Summer Fund payout.
 - FICA/MEDI taxes are withheld when gross wages are paid.
- Irrevocable Election Form
 - Employee must sign up before the start of school year



SUMMER FUND PAYOUT

- Notify your employees to expect to have multiple direct deposits if they have summer fund
- Ten month employees - will have three (3) direct deposits into their account. One for June and two Summer Fund checks
- Eleven month employees – will have two (2) direct deposits
- June 24th - Summer Fund Final
- June 29th – Summer Fund, F/B and Regular paychecks available



SUMMER FUND & VENDOR CHECKS

- Corrections to Summer Fund Vendor checks must be made on June 27th Warrant #16638
- Regular and Summer Fund Vendor Checks will be printed on June 28th
- Vendor checks will be available for pickup/delivery on June 29th



NO Mc's, Emergencies or Handwritten warrants

- No Emergencies or Handwritten warrants will be processed between June 23rd and June 30th
- This includes VOIDS and Reissues
- Hold all check request to July 10th payroll



Calendar Reminders

■ ~~June~~ July

- Rates - Change Workers Comp, PERS & STRS rates right after July June 10th payroll
- Summer Fund Final June 24th

■ July & August

- Dollar Payroll – Use Non cash pay type which should be excluded from all taxes.

Impact: 941's and W2's - Taxable gross will be over stated

COE will be closed Fridays starting June 17 – August 12



FISCAL YEAR 2016 -2017 RATES



State Teachers Retirement (STRS)

Contribution Rates - Effective 7/1/16-6/30/17	2% @ 60	2% @ 62
DEFINE BENEFIT		
Member	10.25%	9.205%
Employer	12.58%	12.58%
DEFINE BENEFIT SUPPLEMENT		
Member	8.00%	N/A
Employer	8.25%	N/A
REDUCE WORKLOAD PROGRAM		
Member	10.25%	N/A until 2023
Employer	12.58%	N/A until 2023
Compensation Limit (calendar year)	\$265,000	\$137,941 \$139,320
Retiree Earnings Limit - \$41,732		



Public Employees Retirement (PERS)

PROPOSED RATES FOR 2016/2017	2% @ 55	2% @ 62
DEFINE BENEFIT		
Member	7%	6%
Employer	13.888%	13.888%
Compensation Limit (calendar year)	\$265,000	\$117,020 -SS
Compensation Limit (calendar year)		\$140,424-Non SS

Unemployment Rate- No change

Workers Comp Rate – District specific based on Ex-mod rate provided by CCCSIG



myCalPERS



myCalPERS

myCalPERS Terminology:

- Compensation Earnable (G.C. Section 20636)
 - Classic member monthly rate of pay or base pay
- Pensionable Compensation (PEPRA) (G.C. Section 7522.34)
 - Defined as New PEPRA members normal rate of pay or base pay
- Pensionable Compensation Cap (PEPRA 2013)
 - Annual salary used to calculate final compensation for all new members



myCalPERS

- Compensation (G.C. Section 20630)
 - Remuneration paid to employees for services performed during normal working hours, excused from work because of holidays, sick leave, industrial disability
 - Report compensation for the pay period in which was “earned” regardless of when paid
 - Must be reflected on a *publicly available pay schedule* or bargaining unit agreement



CalPERS

Special Compensation

Classic Members - Must meet CA Code of Reg. Sec.(CCR's) 571 (a) & (b)

- Additional pay that an employee receives for special skills or knowledge.
- Reported separately from pay rate as earned
- Must be reported for the pay period earned
- Compensation for services rendered during normal working hour pay
- *PEPRA reg does not impact reportable compensation for Classic Members*

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Special Compensation

Classic - REPORTABLE CA Code of Reg. Sec. 571 (a) & (b)	Classic -NON REPORTABLE CA Code of Reg. Sec. 571 (a) & (b)
Bilingual Premium	Overtime Allowance
Bonus – <i>Superior performance annual or merit pay</i>	Cash in Lieu of Health Benefits
Educational Pay	Severance Pay
Uniform Allowance	Reimbursement for housing/vehicles
Confidential Premium	
Longevity Pay	
Temporary upgrade – Out of class	
Severely Disabled Premium	
Shift Differential	
Off Salary Schedule Pay – in lieu of increase to salary schedule not to exceed 6% per FY	

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Special Compensation

PEPRA Members – Government Code. Section 7522.34 (c)

- Additional pay that an employee receives for special skills or knowledge.
- Reported separately from pay rate as earned
- Must be reported for the pay period earned
- Compensation for services rendered during normal working hour pay



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- Pensionable Compensation(G.C.Section 7522.34)
 - Pay is part of the normal monthly rate of pay or base pay
 - Pay is paid in cash to similarly situated members of the same group or class of employment
 - Pay is for services rendered during normal working hours
 - Pay is paid pursuant to *publicly available pay schedules*



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Special Compensation

PEPRA - REPORTABLE

*Employees Pension Reform Act of 2013
G.C. Section 7522.34 (c)*

Longevity Pay

Education Incentive

Bilingual Premium

Confidential Premium

Severely Disabled Premium

Shift Differential

PEPRA -NON REPORTABLE

*Employees Pension Reform Act of 2013
G.C. Section 7522.34 (c)*

Bonus/One-time Payments

Cash in Lieu of Health Benefits

Temporary Upgrade

Reimbursement for housing/vehicles

Uniform Allowance

Payment for unused leave credits

Overtime

Retroactive Pay Reporting



Retroactive Pay

Adjusting Previously Reported Pay Rate & Earnings

- Retroactive reporting is increase of pay rate and no additional service credit
- New pay rate and retro pay must reflect % increase
 - Example of August-November reporting

August through November payroll as reported:

SSN	Member Code	Assignment Code	Pay Rate	Pay Code	Earnings	Contribution Code	Service Period Begin	Service Period End
123456789	1	57	4999.27	2	4999.27	1	08/17/2015	08/31/2015
123456789	1	57	4999.27	2	4999.27	1	09/01/2015	09/30/2015
123456789	1	57	4999.27	2	4999.27	1	10/01/2015	10/31/2015
123456789	1	57	4999.27	2	1903.83	1	11/01/2015	11/30/2015

- In December new contract is negotiated to \$5,249.23 effective August 2015 = 5% Increase



Retroactive Pay

Adjusting Previously Reported Pay Rate & Earnings

- Retroactive pay calculation

STEP 1: Calculate Difference Between New & Old Pay Rate		STEP 2: Calculate Retroactive Pay					
OLD Pay Rate	4999.27	Check Date	Pay	Actual Earnings	Old Pay Rate	New Pay Rate Increase	5% Retro Earnings
NEW Pay Rate	5249.23	08/31/2015	Base	4999.27	4999.27	5249.23	249.96
\$ Increase	249.96	09/30/2015	Base	4999.27	4999.27	5249.23	249.96
% Increase	5%	10/31/2015	Base	4999.27	4999.27	5249.23	249.96
		11/30/2015	Base	4999.27	4999.27	5249.23	249.96
		11/30/2015	Dock	-3095.44	4999.27	5249.23	-154.77
				16901.64	÷ 4999.27	x 249.96	= 845.07

- Summary Formula: $(\text{New Pay Rate} - \text{Old Pay Rate}) \times (\text{Sum of Earnings for Period} \div \text{Old Pay Rate}) = \text{Earnings to report on CC5 line}$
- Pay Rate and Earnings retro reporting = 5% increase

Retroactive Pay Reporting:								
SSN	Member Code	Assignment Code	Pay Rate	Pay Code	Earnings	Contribution Code	Service Period Begin	Service Period End
123456789	1	57	4999.27	2	4999.27	1	08/17/2015	08/31/2015
123456789	1	57	4999.27	2	4999.27	1	09/01/2015	09/30/2015
123456789	1	57	4999.27	2	4999.27	1	10/01/2015	10/31/2015
123456789	1	57	4999.27	2	1903.83	1	11/01/2015	11/30/2015
123456789	1	57	5249.24	2	845.07	5	08/17/2015	11/30/2015

CCCOE-DPS Contact Information

If you have additional questions, please contact us for assistance.

You can also email us at dps@cccoe.org

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Thank you

