



District Business and Advisory Services

Bulletin: 23-008

Date: October 26, 2022

To: District Fiscal Directors
District Human Resource and Payroll Managers
District Human Resource and Payroll Personnel

From: Susan Ady, Director - District Business Services
Nghia Do, Advisor - District Business Services

Re: **Important Update: QCC Payroll Coding for Reporting-Only Purpose to California Public Employee's Retirement System (CalPERS)**

The purpose of this bulletin is to inform districts' payroll and human resources personnel that the following AC-P codes are added to QCC for CalPERS reporting-only purposes.

1. For Classic and Public Employees' Pension Reform Act (PEPRA) members whose earnings have exceeded the Internal Revenue Code (IRC) section 401(a)(17) limits during the calendar year, the member's pay line should be set up as below:

- Pay Rate: Monthly
- Earnings: Amount exceeded the IRC section 401(a)(17) limits
- St-Ded: TFPERO without SDI or TFSPRO with SDI
- AC-P-C: 00-1-1 Current
00-1-3 Arrear
00-1-5 Retro Active
00-1-6 Special Compensation

Note: For the calendar year 2022. The earnings limit of \$305,000 applies to Classic members while the PEPRA members' earnings limit is capped at \$134,974 and \$161,969 for Social Security participants and Non-Social Security participants respectively.

2. For Classic and PEPRA members who work full time in multiple school districts and **CalPERS decides the earnings for your district will be reported as overtime without contributions and send a letter to your district about their decision**, the member's W4 and pay line (PR) screens should be set up as below for all earnings reportable to CalPERS:

- RS: 2 = Classic or 12 = PEPRA
- Pay Rate: Monthly
- St-Ded: TFPERO without SDI or TFSPRO with SDI
- AC-P-C: 00-1-1 Current
00-1-3 Arrear
00-1-5 Retro Active
00-1-6 Special Compensation

- RS: 2 = Classic or 12 = PEPRRA
- Pay Rate: Hourly
- St-Ded: TFPERO without SDI or TFSPRO with SDI
- AC-P-C: 00-4-1 Current
00-4-3 Arrear
00-4-5 Retro Active
00-4-6 Special Compensation

Important:

- If your district doesn't receive a letter from CalPERS asking to report an employee's earnings as over time, please do not automatically report the employee's earnings without contribution because this will cause an error when the contribution file is submitted to CalPERS.
- If your district receives a letter from CalPERS, please provide your DBAS specialist with a copy of the letter and we will assist you with the reporting based on the guidance from the CalPERS letter.

3. CalPERS retired annuitants who are employed in any capacity at your district should have their pay lines set up as below:

- Pay rate: Hourly
- Units: Number of hours worked
- St-Ded: TFPERO
- AC-P-C: 00-4-7 Current
00-4-8 Arrear

Important:

- Districts need to convert the daily/monthly pay rate into an hourly pay rate and report the number of hours worked for each CalPERS retired annuitant.
- The St-Ded TFPERO should not be used for the CalPERS retired annuitants' postretirement earnings if the retired annuitants hold the positions that are covered under the 218 Agreement. (Updated from the bulletin 18-004B)

Please distribute this memo within your District as deemed appropriate.