



Financial Circular Letter

California Public Employees' Retirement System
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To: All CalPERS Employers

Subject: Mandate of Electronic Fund Payments for Health Contributions

Purpose The purpose of this Circular Letter is to inform you that beginning January 1, 2018 CalPERS will no longer accept check payments from contracting agencies for health contributions. Government Code section 22899 requires contributions paid by a contracting agency to be paid through an electronic funds transfer method. This change is part of our initiative to streamline and automate payment processing. The two methods for submitting electronic funds transfers (EFTs) are the Automated Clearing House (ACH) credit method and the debit method.

EFT Debit Method This service is offered for no additional charge online through my|CalPERS. Your funds are transferred by authorizing CalPERS to debit your bank account on the date and amount you specify. Payments can be scheduled up to 30 days in advance and can be cancelled up to the date prior to settlement.

ACH Credit Payments This option allows you to instruct your bank to debit your account and credit the state's bank account. Payments for one or more receivables will automatically be processed into our system by providing the my|CalPERS ID* receivable ID*\$\$\$ to be applied separated by an asterisk (*) in the addendum record field or similar information field of the payment instruction for each payment being remitted. For example, if your agency reports payments on behalf of several other agencies, you will be able to remit just one payment by providing the individual payment detail in the addendum record field.

Note: If you are submitting an ACH credit payment for the first time, please fill out the attached ACH payment notification form and email it to FCSD_Cashiers@CalPERS.CA.GOV prior to your payment settlement to ensure timely processing. Please note your bank may charge a set-up and transaction fee for which you are responsible to pay.

**Additional
Resources**

More information regarding how to set up either method of payment is available in the [Electronic Funds Transfer Authorization](#) process guide on our website. If you have any questions, please call our CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

Kristin Montgomery
Controller
Financial Reporting and Accounting Services Division