



California Public Employees' Retirement System
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Financial

Circular Letter

June 25, 2018

Circular Letter: 200-044-18

Distribution: VI

To: All Contracting Public Agencies
Subject: Annual Unfunded Liability Receivables

Purpose

The purpose of this Circular Letter is to inform you that Unfunded Accrued Liability (UAL) receivables will be established in my|CalPERS as of July 1, 2018. Lump-sum prepayments must be received by July 31, 2018. If a lump-sum prepayment is not received prior to August 1, 2018, the default payment option will be twelve monthly installments.

Electronic Funds Transfer Payment Methods

You may submit your UAL payments electronically through the electronic funds transfer (EFT) debit method, automated clearing house (ACH) method, or by wire transfer. The EFT debit method is offered at no additional charge 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 canceled up to the date prior to settlement. If you elect to pay a lump sum using the EFT debit method you will need to adjust the July monthly billed amount in my|CalPERS to match the amount you are remitting.

The EFT credit method 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, 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. Note your bank may charge a set-up and transaction fee for which you are responsible to pay.

Wire Transfer Payment Method

A wire transfer can be initiated by your financial institution to transfer lump-sum funds from your account to the State Treasury. Note your bank may charge a transaction fee for which you are responsible to pay. Use the following account information when sending a wire transfer:

Bank name: Bank of America Sacramento Main

Address: 555 Capitol Mall, Suite 1555
Sacramento, CA 95814

ABA/routing number: 0260-0959-3

Account number: 01482-80005

For credit to: State of CA, CalPERS

In the reference section of the wire, please identify your:

- Agency name
- CalPERS ID number
- Rate plan ID
- Receivable ID
- UAL (reason for the payment)

To ensure timely crediting to your account, any individual wire totaling more than \$5,000,000 will require a 72-hour notice by emailing FCSD_public_agency_wires@calpers.ca.gov and your assigned actuary. Attach your UAL invoice to the email. You can also fax documents to 916-795-7622.

Interest and Penalties on Delinquent Monthly Payments

If the entire amount invoiced on or before the due date is not paid, interest will be assessed on 100 percent of the outstanding invoice amount past due until the full amount is paid. Interest will be charged at an annual rate of 11.2 percent per Government Code section 20572(b) of the Public Employees' Retirement Law. The interest assessment will terminate on the date CalPERS receives payment in full for the balance due (initial invoice amount and any assessed interest).

In addition to the interest assessed, a delinquent penalty of 11.2 percent may be imposed on all delinquent balances. The 11.2 percent delinquency penalty may be assessed until all outstanding balances are paid in full (initial invoice amounts and any assessed interest).

Additional Resources

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

Taylor Urban, Acting Controller
Financial Reporting and Accounting Services Division

Attachment: ACH Payment Notification (XLS)