myCalPERS Out-of-Class Reporting
Student Guide

January 18, 2020
Introduction

A new myCalPERS reporting process has been designed to help employers report out-of-class hours worked in vacant positions in accordance with Government (Gov.) Code section 20480.

Assembly Bill (AB) 1487, effective January 1, 2018, affects California Public Employees’ Retirement System (CalPERS) contracted employers. AB 1487 adds Government (Gov.) Code section 20480 which prohibits an out-of-class appointment by a public agency or school employer with employees serving a limited term (LT) appointment in a vacant position from exceeding 960 hours worked within each fiscal year (FY). This pertains to Classic and New Members (Public Employees’ Pension Reform Act).

The new functionality within myCalPERS allows you to:

• Verify out-of-class hours to report
• Submit record for employees who meet out-of-class hours worked criteria
• View penalties that have been assessed in accordance with Gov. Code section 20480
• Associate labor agreements and salary schedules to out-of-class records, and
• View and pay out-of-class receivables and administrative penalties

Disclaimer

As a security safeguard, business partner and participant information has been masked in this procedure guide.

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Unit 1: Out-of-Class Reporting

To assist you with tracking and reporting hours worked in a vacant position, you will learn:

- The definition of an out-of-class appointment
- When notifications are sent to employers
- How penalties are assessed

**Definition of Out-of-Class Appointment**

Gov. Code section 20480 of the Public Employees' Retirement Law (PERL) defines an “out-of-class appointment” as an appointment to an upgraded position or higher classification by an employer or governing board or body in a vacant position for a limited duration.

A “vacant position” refers to a position that is **vacant during recruitment** for a permanent appointment. A vacant position does not refer to a position that is temporarily available due to another employee’s leave of absence.

**Employer Notifications**

Beginning June 2019, CalPERS will mail up to two notification letters to all contracting public agency and school employers to their preferred address in myCalPERS.

**Annual Notification – (June)**

The notice informs all public agency and school employers to report all out-of-class appointments in myCalPERS by July 30 for the prior fiscal year.

**Failure to Comply Notification – (August)**

All non-compliant public agency and school employers that report payroll directly to CalPERS will be informed that we have yet to receive required information. Penalties and/or administrative fees may be assessed.

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**Out-of-Class Reporting Timeline**

- **June 2019**
  - Annual Notice
  - The notice informs employers to report all Out-of-Class appointments in myCalPERS by July 30th for the prior fiscal year.

- **July 2019**
  - 07/01/19 – 07/31/19
  - Window is now available for employers to start reporting. Every Public Agency and School needs to report Out-of-Class validations.

- **August 2019**
  - Failure to Comply Notice
  - August
  - The notice informs non-compliant employers that CalPERS has yet to receive required information and that penalties and/or administrative fees may be assessed.

- **June 2020**
Penalties

Penalties incurred with reporting out-of-class appointments are anticipated to be generated the following June after the out-of-class review period. For example, reporting out-of-class appointments for fiscal year 2018/2019 completed by July 30, 2019 will be invoiced June 2020.

Employers who violate this provision must make payments to CalPERS equal to three times the amount of money for the difference between the compensation paid for the out-of-class appointment and the compensation paid and reported to the system for the member’s permanent position. The penalty shall be applied for the entire period(s) the member served in an out-of-class appointment. In addition, the employer will be responsible for a $200 fee to cover administrative expenses.

Penalties paid to the system are not normal contributions or additional contributions that would usually be credited to an employee’s individual PERS account. The employee shall bear no liability, obligation, or expense because of the unlawful actions of the employer.

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**Scenario 1: Report No Out-of-Class Appointments**

**Scenario**

Using the out-of-class validation process, you will report to CalPERS that there are no out-of-class appointments for the selected fiscal year.

**Step Actions**

Step 1  Select the **Reporting** global navigation tab.

Step 2  Select the **Out-of-Class Validation** local navigation link.

Step 3  Within the Out-of-Class Validation section, select from the Fiscal Year drop-down list.

Step 4  Within the Out-of-Class Validation section, select the **No** checkbox.

Step 5  Select the **Save & Continue** button.

Step 6  Select the **Ok** button.

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You have completed this scenario.
Scenario 2: Report Out-of-Class Appointments

CalPERS requires employers to verify out-of-class hours worked in each vacant position.

Scenario

Using the out-of-class validation process, you will:
• Verify there are out-of-class hours to report
• Submit record for employees who meet the out-of-class hours worked criteria
• View penalties that were assessed in accordance with Gov. Code section 20480
• Associate labor agreements and salary schedules to out-of-class records

System Logic

• Begin and End dates must be within selected fiscal year.

Step Actions

Out-of-Class Validation

Step 1 Select the Reporting global navigation tab.

Step 2 Select the Out-of-Class Validation local navigation link.

Step 3 Within the Out-of-Class Validation section, select from the Fiscal Year drop-down list.

Step 4 Within the Out-of-Class Validation section, select the Yes checkbox.

Step 5 Select the Save & Continue button.

Step 6 Within the Search or Add New Record to the Report section, enter the employee’s SSN or CalPERS ID in the appropriate field.
Step 7  Select the **Add New** button.

Step 8  Within the Out-of-Class Appointment Validation section, answer the validation criteria questions.

Step 9  Is the Out-of-Class Appointment a vacant position?

**Yes:** Select the **Yes** checkbox and continue to step 10

**No:** Select the **No** checkbox. The following error message will display: Due to the position not being vacant and recruited for, the record does not meet the criteria for an Out-of-Class appointment and does not require further validation information.

Select the **Return to View Records** link to either add a new person or update report status to No if no additional record is required.

**You have completed this scenario.**

Step 10  Is the Out-of-Class Appointment in a recruitment?

**Yes:** Select the **Yes** checkbox and continue to step 11

**No:** Select the **No** checkbox. The following error message will display: Due to the position not being vacant and recruited for, the record does not meet the criteria for an Out-of-Class appointment and does not require further validation information.

Select the **Return to View Records** link to either add a new person or update report status to No if no additional record is required.

**You have completed this scenario.**

Step 11  Within the Maintain Record Details section, enter the **Begin** and **End Dates**.

Step 12  Select the **Display** button.
Step 13 Select the appropriate Appointment radio button.

Active Appointment
Step 14 Within the Active Appointment subsection, populate all appropriate fields pursuant to information for the member’s original appointment before working in an out-of-class appointment:

- Position Title
- Pay Rate Type
- Pay Rate
- Total Earnings (Earnings employee would have earned if they worked in original position during out of class period)

Out-of-Class Appointment
Step 15 Within the Out-of-Class Appointment subsection, populate all appropriate fields pursuant to information for the out-of-class appointment:

- Position Title
- Pay Rate Type
- Pay Rate
- Total Earnings*
- Total Reported Temporary Upgrade Pay*

**Note**: For Total Earnings and Total Paid Temporary Upgrade Pay, report the actual amount paid to the member for the entire reporting period, even if the compensation was not reported to CalPERS through regular payroll reporting.
### Out-of-Class Hours Reported

**Step 16** Within the Out-of-Class Hours Reported subsection, provide the Total Out-of-Class Hours Worked for this Period (include vacation, sick leave, or overtime hours the employee received paid compensation).

![Out-of-Class Hours Reported](image1)

### View Penalties

**Step 17** Within the Penalty subsection, select the **Calculate** button.

![Penalty](image2)

### Associate Labor Agreements/Salary Schedules

**Step 18** Do you need to provide a salary schedule or written labor policy/agreement?

- **Yes:** Continue to step 19
- **No:** Skip to step 33

**Step 19** Within the Associated Documents section, select the **Add New** button.

![Associated Documents](image3)

**Step 20** Within the Document Search section, populate the following fields as necessary:

- Division
- Effective Date
- Document Type
- Position Title/Group

![Document Search](image4)

**Step 21** Select the **Search** button.
Step 22  Do you need to upload a new document?

**Yes:** Continue to step 23

**No:** Continue to step 30

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Step 23  Select a document type from the **Document Type** drop-down list.

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Step 24  In the Search Results section, select the Upload Document link.

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Step 25  Within the Upload Compensation Review Supporting Document selection, select the **Browse** button.

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Step 26  Select the supporting PDF document.

Step 27  Select the **Open** button.
Step 28 Complete the Upload Compensation Review Supporting Document section as necessary:

- Document Name
- Effective Date
- Position Title/Group

Step 29 Select the **Save** button.

Step 30 Within the Search Results section, select appropriate document checkbox(s).

Step 31 Select the Associate to Appointment button.

Step 32 Select the Return button in the bottom left corner.

Step 33 Select the Save & Exit button.

Step 34 Within the Records Present in the Report section, your out-of-class record will display.

You have completed this scenario.
**Scenario 3: Out-of-Class File Upload**

**Scenario**

You will report to CalPERS your out-of-class validations through file upload.

**Step Actions**

**Step 1**  
Select the **Reporting** global navigation tab.

**Step 2**  
Select the **Out-of-Class Validation** local navigation link.

**Step 3**  
Within the Out-of-Class Validation section, select from the **Fiscal Year** drop-down list.

**Step 4**  
Within the Out-of-Class Validation section, select the **Yes** checkbox.

**Step 5**  
Select the **Save & Continue** button.

**Step 6**  
Within the Out-of-Class Validation section, select the **Upload File** link.

**Step 7**  
Within the Upload File section, select the **Browse** button.

**Step 8**  
Select the CSV document.

**Step 9**  
Select **Upload File** button.

**Step 10**  
Once your Out-of-Class Appointment has been uploaded and File Status is ready, press the **F5** key on your keyboard to refresh your totals.
Step 11 Your file has been validated and displays the number of records in the Valid and Error columns.

View Your Reported Out-of-Class Appointments

Step 12 Select the Reporting global navigation tab.

Step 13 Select the Out-of-Class Validation local navigation link.

Step 14 Within the Records Present in the Report section, your out-of-class record will display.

You have completed this scenario.
Unit 2: Maintaining Supporting Documents

In this unit, you will learn how to maintain your supporting documents used to support out-of-class validations.

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Scenario 1: Upload New Supporting Document

Scenario

In this scenario you will upload a new salary schedule or written labor policy/agreement.

Step Actions

Step 1  Select the **Reporting** global navigation tab.

Step 2  Select the **Maintain Employer Supporting Documents** left-side navigation link.

Step 3  Within the Document Search section, populate the following fields as necessary:

- Division
- Effective Date
- Document Type
- Position Title/Group

Step 4  Select the **Search** button.

Step 5  Select a document type from the **Document Type** drop-down list.

Step 6  In the Search Results section, select the **Upload Document** link.
Step 7  Within the Upload Compensation Review Supporting Document section, select the **Browse** button.

![Image of Browse button]

Step 8  Select the supporting PDF document.

Step 9  Select the **Open** button.

Step 10 Complete the Upload Compensation Review Supporting Document section as necessary:

- Document Name
- Effective Date
- Position Title/Group

![Image of uploaded document]

Step 11 Select the **Save** button.

**You have completed this scenario.**
**Scenario 2: Update Supporting Document Details**

**Scenario**

In this scenario, you will update supporting document details such as document name, effective date, or position/title group.

**Step Actions**

**Step 1** Select the **Reporting** global navigation tab.

**Step 2** Select the **Maintain Employer Supporting Documents** left-side navigation link.

**Step 3** Within the Document Search section, populate the following fields as necessary:

- Division
- Effective Date
- Document Type
- Position Title/Group

**Step 4** Select the **Search** button.

**Step 5** Within the Search Results section, find the appropriate supporting , then select the **Update Details** link.
Step 6  Within the Upload Compensation Review Supporting Document section, update the following fields as necessary:

- Document Name
- Effective Date
- Position Title/Group

Step 7  Select the **Save** button.

**You have completed this scenario.**
Scenario 3: Inactivate Supporting Document

Scenario

In this scenario, you will inactivate a supporting document.

Step Actions

Step 1  Select the **Reporting** global navigation tab.

Step 2  Select the **Maintain Employer Supporting Documents** left-side navigation link.

Step 3  Within the Document Search section, populate the following fields as necessary:
- Division
- Effective Date
- Document Type
- Position Title/Group

Step 4  Select the **Search** button.

Step 5  Within the Search Results section, select appropriate document checkbox(s).

Step 6  Select the **Inactivate Document** button.

You have completed this scenario.
Scenario 4: Reactivate Supporting Document

Scenario

In this scenario, you will reactivate a supporting document.

Step Actions

Step 1 Select the **Reporting** global navigation tab.

Step 2 Select the **Maintain Employer Supporting Documents** left-side navigation link.

Step 3 Within the Document Search section, populate the following fields as necessary:

- Division
- Effective Date
- Document Type
- Position Title/Group

Step 4 Select the **Search** button.

Step 5 Within the Search Results section, find the appropriate inactive supporting document, then select the **Update Details** link.

Step 6 Select the **Reactivate Document** button.

You have completed this scenario.
CalPERS Resources

Obtain more information by visiting the CalPERS website at www.calpers.ca.gov.

Resources Links

• Out-of-Class Reporting Data Element Definitions Document
  Pathway: CalPERS website > Employers > myCalPERS Technical Requirements > Technical Resources > (+) Employers > Reporting Out-of-Class Hours Worked (section) > Out-of-Class Hours Worked Reporting (PDF)

• Out-of-Class Reporting Frequently Asked Questions
  Pathway: CalPERS website > Employers > myCalPERS Technical Requirements > Technical Resources > (+) Employers > Reporting Out-of-Class Hours Worked (section) > Frequently Asked Questions (PDF)

• myCalPERS Student Guides
  Pathway: CalPERS website > Employers > I Want To...: Find myCalPERS Student Guides

• Employer Education Schedule (PDF)
  Pathway: CalPERS website > Employers > I Want To...: Find myCalPERS Student Guides > Employer Education Schedule (PDF)

• Online Classes for Employers (PDF)
  Pathway: CalPERS website > Employers > I Want To...: Find myCalPERS Student Guides > Online Classes for Employers (PDF)

• myCalPERS Technical Requirements
  Pathway: CalPERS website > Employers > myCalPERS Technical Requirements

• CalPERS Public Agency & Schools Reference Guide (PDF)

• Circular Letters
  Pathway: CalPERS website > Employers > Policies & Procedures > Circular Letters

• California Public Employees’ Retirement Law (PERL)
  Pathway: CalPERS website > About > Laws, Legislation & Regulations > Public Employees’ Retirement Law (PERL)

• myCalPERS Employer Reports (Cognos)
  Pathway: CalPERS website > Employers > myCalPERS Technical Requirements > Employer Reports (Cognos)
CalPERS Contacts

Contact CalPERS via Email

- To contact the employer educators for questions and inquiries, email CalPERS_Employer_Communications@CalPERS.CA.GOV
- To contact the Employer Response Team for assistance with your most critical, complex, or time-sensitive issues, email ERT@CalPERS.CA.GOV
- To contact membership reporting if a non-contributory employee doesn’t have the correct Earned Period No Contribution and No Service transaction type and other membership questions, email Membership_Reporting@CalPERS.CA.GOV
- To contact the Compensation Review Unit for special compensation questions, email MOU_Review@CalPERS.CA.GOV

Contact CalPERS by Phone or Fax
You can reach CalPERS at 888 CalPERS (or 888-225-7377), Monday through Friday, 8:00 a.m. to 5:00 p.m., except on state holidays.

- TTY: (877) 249-7442 (This number does not accept voice calls)
- CalPERS centralized fax number: (800) 959-6545
- Employer Response Team phone number: (800) 253-4594

Submit Inquiry
You can send secure messages through myCalPERS. Expand the Common Tasks left-side navigation folder, and then select the Submit Inquiry link to submit a question or request.