



California Public Employees' Retirement System
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Membership

Circular Letter

March 6, 2020

Circular Letter: 200-009-20

Distribution: IV, V, VI, X, XII, XVI

To: All CalPERS Employers
Subject: Notification of Reported Late Appointment (Enhanced myCalPERS Functionality)

Purpose

The purpose of this Circular Letter is to inform you of upcoming system enhancements to the Notification of Reported Late Appointment process in myCalPERS. In March 2020, the first enhancement will be implemented to automate the arrears determination for late enrollments. It will require all employers to report payroll during the arrears period through their normal payroll reporting process in myCalPERS.

Background Information

Under Government Code (Gov. Code) section 20283, employers have 90 days to establish membership and report retirement contributions to CalPERS. If the enrollment is entered after the 90-day window, your agency is liable for **both** the member and employer contributions due on the member's account, along with a \$500 administrative cost. When an employee qualifies for membership with CalPERS, it is important you enroll them in a timely manner. Enrollments completed on time will reduce your cost associated with late enrollments and ensure our members receive the service credit they are entitled to.

Process

When an enrollment is entered late in myCalPERS, the Notification of Reported Late Appointment letter will automatically be generated and sent indicating the arrears determination.

If you agree with the arrears determination, report payroll as soon as possible, but no later than 60 days from the date of the letter. If you do not agree with the determination, you will have 30 days to provide additional information along with supporting documentation to potentially change the determination.

After 30 days, the Notification of Employer Paid Arrears Processing letter is sent reminding you to report payroll within 30 days and you will automatically be billed for the \$500 administrative cost.

Payroll Reporting

Beginning March 2020, payroll should be reported after the appointment is entered in myCalPERS. The Notification of Reported Late Appointment letter sent to your agency will identify the arrears period date range to report payroll. The arrears period payroll should be reported as **Prior Period Adjustments** via an Adjustment Report or included in your agency's normal **Earned Period Report**. Once posted, payroll transactions are viewable within the member's Service or Transaction History. Contributions should be reported in accordance with any resolutions or bargaining agreements your agency has on file in myCalPERS. Your agency cannot collect these contributions from the member, per Gov. Code section 20283.

Viewing the Arrears Determination in myCalPERS

You will be able to view determinations associated with your agency under the member's CalPERS ID. A new panel will be added to the Appointment List page and viewable to contacts with the Business Partner Retirement Enrollment Permission role.

Agency Contact

It is important to ensure your agency has a primary arrears administrator contact in myCalPERS. Notify your system access administrator of any updates needed to your agency's contact information.

Additional Enhancements

We are developing additional enhancements pertaining to arrears determinations, service credit purchase, and membership reviews. We will communicate these enhancements prior to their release.

Questions

If you have any questions, visit our website at www.calpers.ca.gov, or contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

Renee Ostrander, Chief
Employer Account Management Division