

HUMAN RESOURCES MEMORANDUM 14-031		DATE ISSUED: November 7, 2014
SUBJECT: Bargaining Units 12 and 16 Other Post-Employment Benefits (OPEB) Prefunding – Participation and Payroll Deductions		REFERENCE: PML 2014-042
TO: Managers, Supervisors, Personnel Liaisons and Attendance Clerks		SUPERSEDES:

**PLEASE ENSURE THAT THIS INFORMATION IS SHARED WITH YOUR
BU 12 & 16 EMPLOYEES AND THEIR SUPERVISORS**

Purpose The purpose of this memorandum is to inform Bargaining Unit (BU) 12 and 16 staff of refinements to Other Post-Employment Benefits (OPEB) Prefunding.

Effective Effective July 1, 2013, Bargaining Unit 12 (BU12)—Craft & Maintenance Employees and Bargaining Unit 16 (BU16)—Physicians, Dentists, and Podiatrists began contributing 0.5 percent of base salary toward OPEB prefunding. Refer to HR Memo 2013-015.

OPEB Prefunding Participation and Payroll Deductions The following provides information regarding refinements around employee participation and payroll deductions, which were implemented with the March 2014 pay period:

- Only CalPERS members in rank and file BU12 and BU16 are subject to mandatory OPEB contributions, including Alternative Retirement Program members. Employees who are not CalPERS members, including Part-time, Seasonal, and Temporary (PST) retirement program members, do not participate in OPEB prefunding.
- The deduction on employee pay warrants should read “CERBT,” which stands for the “California Employers' Retiree Benefit Trust.”
- OPEB deductions are taken from base pay and are not reduced due to fluctuations in gross salary, such as FMLA leave.
- For employees with a single hourly appointment, the deduction is withheld up to the amount that would have been deducted had the employee held a full-time appointment.

**Multiple /
Additional
Appointments**

- For employees with a full-time appointment and an additional appointment (e.g., hourly), the deduction is withheld from the full-time appointment only.
 - For employees with multiple part-time or hourly appointments, the deductions are withheld from all of the appointments, up to the amount that would have been deducted had the employee held a full-time appointment.
 - If an employee has multiple hourly appointments, the highest salary rate is used to compute what the deduction would be if the employee held a full-time appointment at that salary rate. This amount serves as the cut-off. For employees with a part-time and hourly appointment, the deduction amount is calculated based upon the part-time appointment salary rate.
 - For employees that hold a BU12 or BU16 appointment and an additional appointment in a bargaining unit not subject to OPEB prefunding, the deduction will only be withheld on the BU12 or BU16 appointment.
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Refunds

BU12 and BU16 employees who contributed to OPEB in July 2013 to January 2014 and no longer participate under the above criteria will be issued a refund of their contributions.

Questions

If employees have questions regarding their union agreement, they should contact their union representative directly.

Payroll questions may be directed to your [assigned Personnel Specialist](#).

ANGIE BOLDRINI, Personnel Officer
Office of Human Resources

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