CONTRA COSTA COMMUNITY COLLEGES DISTRICT
DISTRICT GOVERNANCE COUNCIL
Tuesday, June 16, 2015
1:00 p.m., District Office, Board Room

Erich Holtmann, Presiding

I. Standing Items
   A. Call to Order
      Identification of speakers
   B. Adoption of the Agenda
   C. Approval of Minutes (May 19, 2015)
   D. Public Comment
      (This time is reserved for members of the public to address the Council.)
   E. Reports from Constituent Groups (2 minutes each) (1:00 p.m.)
   F. DGC Chair report
      i. Introduction of new members
      ii. DGC Deadlines and Meeting Dates for 2015 - 2016
   G. Chancellor's Report
   H. Review of Wednesday, June 24, 2015 Governing Board Agenda by Chancellor or Designee

II. Carried-Over and New Items
   A. New Business Policy and Procedure
      Ray Pyle – 2nd Read

<table>
<thead>
<tr>
<th>Number</th>
<th>Title</th>
<th>Action Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>BP 5037</td>
<td>Security Camera Operating Policy</td>
<td>New</td>
</tr>
<tr>
<td>Bus. 10.57</td>
<td>Security Camera Operating Procedure</td>
<td>New</td>
</tr>
</tbody>
</table>

B. DGC Bylaws (Revise)
   Erich Holtmann – 2nd Read

C. AP1900.03 (Revise)
   Erich Holtmann – 2nd Read
   i. Draft #1
   ii. Draft #2
### D. Business Procedures Review
**Jonah Nicholas – 1st Read**

<table>
<thead>
<tr>
<th>Number</th>
<th>Title</th>
<th>Action Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus. 9.32</td>
<td>Lost, Stolen and Stale Dated Checks</td>
<td>Revise</td>
</tr>
<tr>
<td>Bus. 22.21</td>
<td>Internal Change Order</td>
<td>Revise</td>
</tr>
</tbody>
</table>

### E. Payroll Procedures Review 2015
**Jonah Nicholas – 1st Read**

<table>
<thead>
<tr>
<th>Number</th>
<th>Title</th>
<th>Action Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Proposed Table of Contents</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 1.02</td>
<td>Payroll Accounting</td>
<td>Delete</td>
</tr>
<tr>
<td>Pay. 2.12</td>
<td>Health Plan Coverage for Employees 65 and Over</td>
<td>Delete</td>
</tr>
<tr>
<td>Pay. 3.01</td>
<td>Release of Pay Warrants</td>
<td>Delete (Covered in BP 2003)</td>
</tr>
<tr>
<td>Pay. 3.02</td>
<td>Salary Overpayments</td>
<td>Delete (Covered in HR 1070.01)</td>
</tr>
<tr>
<td>Pay. 3.05</td>
<td>Honoraria for Academic Senate Service</td>
<td>Delete (Covered in Bus. 18.04)</td>
</tr>
<tr>
<td>Pay. 3.06</td>
<td>Direct Deposit Facts and Process</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 3.07</td>
<td>Processing of Final Payment for Terminated Separated Employees</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 4.01</td>
<td>Form W-4, Employee’s Withholding Allowance Certificate</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 4.02</td>
<td>STRS Deduction for Extra Pay</td>
<td>Delete (Covered in UF Contract Article 12)</td>
</tr>
<tr>
<td>Pay. 4.03</td>
<td>Federal and State Withholding</td>
<td>Delete</td>
</tr>
<tr>
<td>Pay. 4.04</td>
<td>Mandated Medicare Tax Hourly Certificated Retirees</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 5.01</td>
<td>United Faculty Enrollment/Waiver Card</td>
<td>Delete (Covered in UF Contract Article 3)</td>
</tr>
<tr>
<td>Pay. 5.02</td>
<td>Local 1 Enrollment/Waiver Card</td>
<td>Delete (Covered in Local 1 Contract Article 3)</td>
</tr>
<tr>
<td>Number</td>
<td>Title</td>
<td>Action Requested</td>
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<td>----------</td>
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</tr>
<tr>
<td>Pay. 5.10</td>
<td>Tax Sheltered Annuities and Deferred Compensation Plans</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 5.20</td>
<td>Payroll Deductions</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 6.01</td>
<td>Wage Garnishments</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 7.01</td>
<td>Post Monthly/Variable Payrolls</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 7.10</td>
<td>Salary Continuance Insurance Posting</td>
<td>Delete (Covered in HR 1120.04)</td>
</tr>
<tr>
<td>Pay. 8.10</td>
<td>Sick Leave – Academic</td>
<td>Delete (Covered in UF Contract Article 12 and HR 2030.07)</td>
</tr>
<tr>
<td>Pay. 8.11</td>
<td>Personal Necessity Leave for Academic Temporary (Part-Time) Service</td>
<td>Delete (Covered in HR 1050.04)</td>
</tr>
<tr>
<td>Pay. 8.20</td>
<td>Industrial Accident or Illness Leave (Academic and Classified)</td>
<td>Delete (Covered in HR 1050.11 and HR 1050.12)</td>
</tr>
<tr>
<td>Pay. 8.22</td>
<td>Jury Duty/Witness Leave</td>
<td>Delete (Covered in HR 1050.08)</td>
</tr>
<tr>
<td>Pay. 8.30</td>
<td>Annual Vacation for Classified Unit Members</td>
<td>Delete (Covered in Local 1 Contract Article 9)</td>
</tr>
<tr>
<td>Pay. 9.01</td>
<td>Absence Reports for Monthly Employees</td>
<td>Revise (Text moved from Pay. 9.04)</td>
</tr>
<tr>
<td>Pay. 9.04</td>
<td>Furlough/Extended Sick Leave/Leave Without Pay Absence Reporting</td>
<td>Delete (Text moved to Pay. 9.01)</td>
</tr>
<tr>
<td>Pay. 10.01</td>
<td>Payment Basis for Hourly and Daily Certificated Employees (Excluding Special Programs)</td>
<td>Delete (Covered in UF Contract Article 20)</td>
</tr>
<tr>
<td>Pay. 10.10</td>
<td>Certificated Variable Time Reporting General Information</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 11.01</td>
<td>Time Cards for Classified Hourly and Short-Term/Substitute Employees</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 11.02</td>
<td>Time Cards for Classified Hourly Employees</td>
<td>Delete</td>
</tr>
<tr>
<td>Pay. 11.03</td>
<td>Time Cards for Classified Overtime and Extra Time</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 11.05</td>
<td>Certification of Time Cards and Absence Reports</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 12.01</td>
<td>Student Summer Employment Procedure</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 12.02</td>
<td>Unemployment Insurance Exemption for Student Employees</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 12.04</td>
<td>College Work Study Student Employees</td>
<td>Delete (Covered in Bus. 18.05)</td>
</tr>
<tr>
<td>Number</td>
<td>Title</td>
<td>Action Requested</td>
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<td>---------</td>
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</tr>
<tr>
<td>Pay. 13.01</td>
<td>Governing Board Member Payments</td>
<td>Revise (Text moved from Pay. 13.06)</td>
</tr>
<tr>
<td>Pay. 13.02</td>
<td>Cooperative Vocational Education Supervision</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 13.04</td>
<td>Retired Certificated Employee Consulting Payment Authorization (Emeritus Contracts)</td>
<td>Delete</td>
</tr>
<tr>
<td>Pay. 13.06</td>
<td>Contra Costa Community College District Governing Board Members Payment Processing</td>
<td>Delete (Text moved to Pay. 13.01)</td>
</tr>
<tr>
<td>Pay. 14.01</td>
<td>Pre-Retirement Reduction of Faculty Employee Annual Workload</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 15.01</td>
<td>California State Teachers’ Retirement System (CalSTRS)</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 15.02</td>
<td>Part-Time Hourly “C” and “A/C” (CalSTRS)</td>
<td>Delete (Covered in Pay. 15.01)</td>
</tr>
<tr>
<td>Pay. 15.03</td>
<td>Cash Balance State Teachers’ Retirement System</td>
<td>Delete (Covered in Pay. 15.01)</td>
</tr>
<tr>
<td>Pay. 15.05</td>
<td>California State Teachers’ – Retirement System Glossary of Terms</td>
<td>Delete</td>
</tr>
<tr>
<td>Pay. 15.10</td>
<td>California Public Employees’ Retirement System (CalPERS)</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 15.12</td>
<td>Local Safety – 2% at 50 California Public Employees’ Retirement System</td>
<td>Delete (Covered in Pay. 15.10)</td>
</tr>
<tr>
<td>Pay. 15.13</td>
<td>Employment After Retirement Public Employees’ Retirement System</td>
<td>Delete (Covered in Pay. 15.10)</td>
</tr>
<tr>
<td>Pay. 15.14</td>
<td>California Public Employees’ Retirement System Glossary of Terms</td>
<td>Delete</td>
</tr>
<tr>
<td>Pay. 15.20</td>
<td>Election of Retirement System Due to Change of Position California State Teachers’ Retirement System? Or California Public Employees' Retirement System?</td>
<td>Delete (Covered in Pay. 15.01 and Pay.15.10)</td>
</tr>
<tr>
<td>Pay. 15.21</td>
<td>State Teachers’ Retirement System Working After Retirement</td>
<td>Delete (Covered in Pay. 15.01)</td>
</tr>
<tr>
<td>Pay. 16.01</td>
<td>Quarterly and End-of-Year Reporting</td>
<td>Delete</td>
</tr>
<tr>
<td>Pay. 17.02</td>
<td>Unemployment Insurance Claims</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 17.03</td>
<td>Unemployment Insurance – New Hires Employment Development Department (EDD) Reporting</td>
<td>Revise</td>
</tr>
<tr>
<td>Pay. 18.01</td>
<td>Industrial Accident or Illness Leave Reporting Procedures</td>
<td>Delete (Covered in HR 1050.11)</td>
</tr>
<tr>
<td>Pay. 18.02</td>
<td>Responsibility for Processing Reports of Industrial Accidents and Illnesses</td>
<td>Delete (Covered in HR 1050.11)</td>
</tr>
<tr>
<td>Pay. 18.03</td>
<td>Contra Costa County Schools Insurance Group (CCCSIG) Work-Occurred Accident Procedures</td>
<td>Delete (Covered in HR 1050.11)</td>
</tr>
<tr>
<td>Number</td>
<td>Title</td>
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</tr>
<tr>
<td>Pay. 19.01</td>
<td>Payroll Procedures Manual Distribution List</td>
<td>Delete</td>
</tr>
<tr>
<td>Pay. 19.02</td>
<td>Uncashed and Unclaimed Paychecks</td>
<td>Delete</td>
</tr>
<tr>
<td>Pay. 19.13</td>
<td>403bCompare 403(b) Information Bank</td>
<td>Delete</td>
</tr>
<tr>
<td>Pay. 19.14</td>
<td>Retiree Billing</td>
<td>New</td>
</tr>
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</table>

III. Adjournment

IV. Next Meeting (Tuesday, June 24, 1:00 p.m.)
### DGC Minutes

**Regular Meeting on Tuesday, May 19, 2015**

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Discussion and Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I. Standing Items</strong></td>
<td></td>
</tr>
<tr>
<td>• Call to Order</td>
<td>Called to order at 1:05pm.</td>
</tr>
<tr>
<td>• Adoption of the Agenda</td>
<td>• Motion to approve agenda as written was passed unanimously:</td>
</tr>
<tr>
<td></td>
<td>o Greg Evilsizer, Classified Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>o Silvester Henderson, Substitute Faculty Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>o Bill Foster, Management Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>o No student speaker present</td>
</tr>
</tbody>
</table>
- Approval of Minutes—April 14, 2015
  - The following changes were proposed:
    - Wayne Organ was present
  - Motion to approve April 14, 2015 minutes with amendments was passed unanimously
    - Greg Evilsizer, Classified Speaker: yea
    - Silvester Henderson, Substitute Faculty Speaker: yea
    - Bill Foster, Management Speaker: yea
    - No student speaker present

- Public Comments
  - No public comments.

### Reports

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Discussion and Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reports from Constituency Groups (2 minutes each)</strong></td>
<td></td>
</tr>
<tr>
<td>Classified:</td>
<td>See below.</td>
</tr>
<tr>
<td>Faculty:</td>
<td>See below.</td>
</tr>
<tr>
<td>Managers:</td>
<td>See below.</td>
</tr>
<tr>
<td>Students:</td>
<td>See below.</td>
</tr>
</tbody>
</table>

| **i. DGC membership and chair for July 2015 through June 2016** |                              |
| Classify:                                                      |                              |
| - No changes were made from LMC & DVC; CCC changes are unknown. Greg Evilsizer will remain Classified Speaker. |
| - If students pass on the DGC Chair position, Classified members Erika Greene and Georgette Stewart will co-chair. |
| Faculty:                                                       |                              |
| - CCC’s Beth Gory has been elected to DGC. DVC elections are in progress. Silvester Henderson will act as Faculty speaker. |
| Managers:                                                      |                              |
| - All current DGC managers will return except for Donna Floyd and David Wahl, whose returns are unknown at this time. |
| Students:                                                      |                              |
| - No students present.                                         |

| **ii. Obstacles in the student registration process** |                              |
| Classify:                                                      |                              |
| - Classified presented the barriers to student success discussed by their constituency. |
| Faculty:                                                       |                              |
| - Faculty presented the barriers to student success discussed by their constituency. |
| Managers:                                                      |                              |
| - Managers had discussed the same issues presented by Classified and Faculty constituencies. |
| Students:                                                      |                              |
| - No students present.                                         |

- Recommendations were made to hold forums at least once per semester to discuss registration/enrollment processes and ed plans districtwide.
- All constituencies will send lists of issues to Sally Montemayor Lenz.

| **DGC Chair’s Report** |                              |
| Introduction of new members |                              |
| - No new members.         |                              |
| Identification of speakers: |                              |
| - Greg Evilsizer, Classified Speaker: yea                      |
Silvester Henderson, Substitute Faculty Speaker: yea
Bill Foster, Management Speaker: yea
No student speaker present

- **Chancellor’s Report**
  - The Chancellor shared her experience at the Navy for Educators at Sea event, which was an event in which female CEOs from around the country were invited to learn more about the professional opportunities provided by the Navy.
  - The Chancellor will attend DVC and LMC graduations.
  - The Chancellor announced that the CCC President forums are taking place tomorrow.
  - CCC’s Kelly Ramos was honored this morning as the State Classified Employee of the Year.

- **Review of Wednesday, May 27, 2015 Governing Board Agenda:**
  - The Chancellor reviewed the Board Agenda and highlighted the following items:
    - Consent Agenda: The outgoing Student Trustee will provide her exit report at the meeting; Several new certificates and degrees will be announced; An update on the second floor renovation will be presented: the facilities department and a new Board Room will be relocated to the second floor.
    - Non-Consent Agenda: 82D Parking Fees is an increase going to the Board for approval; 83B details two new job descriptions; 83D is regarding the District’s annual practice of record disposal.
    - General Agenda: Item A is information regarding the Governing Board Retreat; Item B is a comprehensive evaluation that will be sent the day after the Board meeting to managers for completion; Item D lists the professional development activities that have taken place during the year; Item E is the annual High School Outreach Report each college will present to the Board.

### Additional Reports

**II. Carried-Over and New Items**

**A. DGC Calendar for July 2015 to June 2016**
- Changes were made to the October DGC meeting.
- The amount of time between meetings will remain the same.

- Motion to adopt the 2015-16 DGC calendar passed unanimously:
  - Greg Evilsizer, Classified Speaker: yea-
  - Silvester Henderson, Substitute Faculty Speaker: yea
  - Bill Foster, Management Speaker: yea
  - No student speaker present

### Agenda Item Discussion and Outcome

**B. Business Procedures Review – 1st Reading**

**Discussion and Outcome:**
Krista Ducharme substituted for Vice Chancellor Jonah Nicholas and reviewed the following Business Procedures. Comments by DGC members are recorded below.

<table>
<thead>
<tr>
<th>Presenter</th>
<th>Item</th>
<th>Topic</th>
<th>Discussion and Outcome</th>
</tr>
</thead>
</table>
| Ducharme  | Appendix A | Account Code Dictionary (Delete) | Motion to approve Appendix A passed unanimously on the 1st read:  
  - Greg Evilsizer, Classified Speaker: yea-
  - Silvester Henderson, Substitute Faculty Speaker: yea |
<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Discussion and Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus. 11.03</td>
<td>- Types of Purchases (Revise)</td>
</tr>
<tr>
<td></td>
<td>- Motion to approve 11.03 passed unanimously on the 1st read:</td>
</tr>
<tr>
<td></td>
<td>- Greg Evilsizer, Classified Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- Silvester Henderson, Substitute Faculty Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- Bill Foster, Management Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- No student speaker present</td>
</tr>
<tr>
<td>Bus. 11.25</td>
<td>- Equipment Purchase Orders (New)</td>
</tr>
<tr>
<td></td>
<td>- Motion to approve 11.25 passed unanimously on the 1st read:</td>
</tr>
<tr>
<td></td>
<td>- Greg Evilsizer, Classified Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- Silvester Henderson, Substitute Faculty Speaker: yea</td>
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<tr>
<td></td>
<td>- Bill Foster, Management Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- No student speaker present</td>
</tr>
<tr>
<td>Bus. 17.01</td>
<td>- Account Code Structure (Revise)</td>
</tr>
<tr>
<td></td>
<td>- Motion to approve 17.01 passed unanimously on the 1st read:</td>
</tr>
<tr>
<td></td>
<td>- Greg Evilsizer, Classified Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- Silvester Henderson, Substitute Faculty Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- Bill Foster, Management Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- No student speaker present</td>
</tr>
<tr>
<td>Bus. 17.04</td>
<td>- Instructions for Use of Expenditure Activity Codes (Revise)</td>
</tr>
<tr>
<td></td>
<td>- Motion to approve Bus. 17.04 with recommended changes passed unanimously on the 1st read:</td>
</tr>
<tr>
<td></td>
<td>- Greg Evilsizer, Classified Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- Silvester Henderson, Substitute Faculty Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- Bill Foster, Management Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- No student speaker present</td>
</tr>
<tr>
<td>Bus. 17.05</td>
<td>- Instructions for Use of Expenditure Object Codes (Revise)</td>
</tr>
<tr>
<td></td>
<td>- Motion to approve Bus. 17.05 passed unanimously on the 1st read:</td>
</tr>
<tr>
<td></td>
<td>- Greg Evilsizer, Classified Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- Silvester Henderson, Substitute Faculty Speaker: yea</td>
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<tr>
<td></td>
<td>- Bill Foster, Management Speaker: yea</td>
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<tr>
<td></td>
<td>- No student speaker present</td>
</tr>
<tr>
<td>Bus. 22.07</td>
<td>- Year-end Adjustment to Equipment Fixed Capital Assets and Depreciation Accounts (Revise)</td>
</tr>
<tr>
<td></td>
<td>- It was recommended to make a change in the fourth paragraph, last sentence by switching “Fixed Asset Module” with “Enterprise Resource Planning (ERP)” to reflect the same change made above in the first sentence of the second paragraph.</td>
</tr>
<tr>
<td></td>
<td>- Motion to approve Bus. 22.07 with recommend changes passed unanimously on the 1st read:</td>
</tr>
<tr>
<td></td>
<td>- Greg Evilsizer, Classified Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- Silvester Henderson, Substitute Faculty Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- Bill Foster, Management Speaker: yea</td>
</tr>
<tr>
<td></td>
<td>- No student speaker present</td>
</tr>
<tr>
<td>Bus. 22.22</td>
<td>- Equipment Purchase Orders Delete, move to</td>
</tr>
<tr>
<td></td>
<td>- The procedure mistakenly refers to Bus. 11.24, when the correct procedure is Bus. 11.25.</td>
</tr>
<tr>
<td>Agenda Item</td>
<td>Discussion and Outcome</td>
</tr>
<tr>
<td>-------------</td>
<td>------------------------</td>
</tr>
</tbody>
</table>
| (Bus. 11.24) | • Motion to approve Bus. 22.22 with recommended changes passed unanimously on the 1st read:  
  o Greg Evilsizer, Classified Speaker: yea-  
  o Silvester Henderson, Substitute Faculty Speaker: yea  
  o Bill Foster, Management Speaker: yea  
  o No student speaker present |

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Discussion and Outcome</th>
</tr>
</thead>
</table>
| **C. New Business Policy and Procedure Ray Pyle – 1st Reading** | **Discussion and Outcome:**  
Chief Gibson substituted for Chief Facilities Planner Ray Pyle and reviewed the following Business Policy and Procedures. Comments by DGC members are recorded below. |

<table>
<thead>
<tr>
<th>Presenter</th>
<th>Item</th>
<th>Topic</th>
<th>Discussion and Outcome</th>
</tr>
</thead>
</table>
| Gibson    | BP5037 | Security Camera Operating Policy (New) | • Constituencies would like more time to discuss this policy.  
  • BP5037 will return for a 2nd read. |
|           | Bus. 10.57 | Security Camera Operating Procedure (New) | • Classified recommended the following changes:  
  o The wording in section 1.3, 3A, is repeated verbatim in item F. Item F should be removed.  
  o This procedure should be split into two separate ones; one should address District policy and one should specifically address the new security camera policy.  
  • Faculty had concerns with the information in section 1.1A.  
  • Constituencies would like more time to discuss this policy.  
  • BP5037 will return for a 2nd read. |

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Discussion and Outcome</th>
</tr>
</thead>
</table>
| **D. DGC Bylaws and AP1900.03 – 1st Reading** | • DGC discussed the following proposed changes to the DGC Bylaws:  
  o On page five of the Bylaws (page 36 of the DGC agenda), under number two, the period of time for consensus should be changed to a specific number of meetings instead of a specific number of months.  
  o Constituencies agreed to change the length of time from three months (as currently stated) to three meetings instead.  
  • DGC discussed the following proposed changes to AP1900.03:  
    o Under 3a, it was proposed to change the “two cycles of 20 business days” to three months. |
<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Discussion and Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>o  Any changes made to AP1900.03 should match changes made to the DGC bylaws.</td>
</tr>
<tr>
<td></td>
<td>• The DGC Bylaws will return for a 2nd read with the recommended changes.</td>
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<tr>
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<td>• AP1900.03 will return for a 2nd reading with the recommended changes.</td>
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<tr>
<td>III. Adjournment</td>
<td>Meeting adjourned at 2:36 pm.</td>
</tr>
<tr>
<td>IV. Next Meeting</td>
<td>Tuesday, June 16, 2015</td>
</tr>
</tbody>
</table>
### District Governance Council Deadlines and Meeting Dates 2015 - 2016

<table>
<thead>
<tr>
<th>Agenda Items due to Chairperson</th>
<th>DGC Steering Cmte Review agenda &amp; minutes from prior meeting</th>
<th>Agenda &amp; draft minutes from prior meeting sent to DGC. Agenda publicly posted.</th>
<th>DGC meeting date</th>
<th>Governing Board Meeting Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wed, Jan 6, 2016</td>
<td>Thu, Jan 7, 2016</td>
<td>Tue, Jan 12, 2016</td>
<td>Tue, Jan 19, 2016</td>
<td>Wed, Jan 27, 2016</td>
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<tr>
<td>Wed, Apr 6, 2016</td>
<td>Thu, Apr 7, 2016</td>
<td>Tue, Apr 12, 2016</td>
<td>Tue, Apr 19, 2016</td>
<td>Wed, Apr 27, 2016</td>
</tr>
</tbody>
</table>
## New Business Policy and Procedure

**Ray Pyle – 2nd Read**

<table>
<thead>
<tr>
<th>Number</th>
<th>Title</th>
<th>Action Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>BP 5037</td>
<td>Security Camera Operating Policy</td>
<td>New</td>
</tr>
<tr>
<td>Bus. 10.57</td>
<td>Security Camera Operating Procedure</td>
<td>New</td>
</tr>
</tbody>
</table>
SECURITY CAMERA OPERATING POLICY

The Contra Costa Community College District (CCCCD) and its colleges are committed to enhancing the quality of life of the community by integrating the best practices of safety and security with technology. A critical component of a comprehensive security plan is the utilization of a security and safety camera system. In order to enhance security, deter crime, and protect property and the safety of members of the campus community and public, it has been determined that the use of video monitoring, video recording, or other visual digital recording equipment may prevent losses and aid in the law enforcement activities of the District Police Department.
SECURITY CAMERA OPERATING PROCEDURE

The District and its colleges are committed to enhancing the quality of life of the community by integrating the best practices of safety and security with technology. A critical component of a comprehensive security plan is the utilization of a security and safety camera system. The monitoring of public areas is intended to deter crime and assist in protecting the safety and property. In order to enhance security and protect the safety of members of the public and community it has been determined that the use of video monitoring, video recording, or other visual digital recording equipment may prevent losses and aid in the law enforcement activities of the Police Department. This procedure addresses safety and security needs while respecting and preserving individual privacy.

1.1 PURPOSE

A. The District Police Department is authorized to use still cameras or video equipment to record events where there are likely to be violations of District rules, regulations, policies, or violations of law. Cameras may be operated either overtly or covertly depending on the circumstances. In the case of demonstrations, protests, and similar situations, use of cameras will be generally overt, partly as a means of deterring illegal acts. Cameras may be permanently mounted or operated from either remote locations or by automated devices. An exception to this recommendation would be if announcing the use of video monitoring would undermine its purpose.

B. To ensure the protection of individual privacy rights in accordance with the District’s core values and state and federal laws, this procedure is adopted to formalize processes related to the installation of security equipment and the handling, viewing, retention, dissemination, and destruction of security records. The purpose of this procedure is to regulate the use of camera systems used to observe and record public areas for the purposes of safety and security.

C. The existence of this procedure or video security equipment does not imply or guarantee that cameras will be monitored in real time at any time.

D. All public space electronic video security equipment used will be in accordance with state, local, and federal law. Under no circumstances shall the contents of any video media be exploited for purposes of profit or commercial publication, nor shall recordings be distributed to third parties except as may be required by law. Information must be handled with an appropriate level of security to protect against unauthorized access, alteration, or disclosure. All appropriate measures must be taken to protect an individual’s right to privacy and hold District information securely through its creation, storage, transmission, use, and deletion.

E. The primary use of security cameras will be to record images for future identification of individuals in the event of legal or policy violations. Legitimate safety and security purposes include, but are not limited to, the following:

1. Protection of buildings and property
2. Monitoring of Access Control systems
3. Verification of security alarms
4. Video patrol of public areas
5. Criminal investigation
F. Security cameras may be strategically placed to meet the specific needs of the District and college departments, and for the purpose of assisting the District Police Department to deter crime, manage emergency response situations, and investigate suspected criminal behavior.

1.2 DEFINITIONS
These definitions apply to terms as they are used in this procedure.

A. Centralized security system: Core infrastructure maintained by the Information Technology Department for purposes of storing and retrieving images from all security cameras deployed across the District. Infrastructure could include storage resources, such as disk drive arrays, as well as dedicated servers. Servers could perform activities such as storing images for later retrieval, retrieving images for investigation purposes, and maintaining logs of all access to stored security camera data.

B. Security camera: Any item, system, camera, technology device, communications device, or process, used alone or in conjunction with a network, for the purpose of gathering, monitoring, recording or storing an image or images of District facilities and/or people in District facilities for the purposes of enhancing public safety, monitoring restricted areas or equipment, to discourage theft and other criminal activities, and for preventing, investigating, and resolving incidents. Such devices may include, but are not limited to: analog and digital security cameras, close circuit television (CCTV), web cameras, and computerized visual monitoring.

C. Security camera data: Digital or analog Images captured or recorded by security cameras, which may be real-time or preserved for review at a later date.

D. Security camera systems: any electronic service, software, or hardware directly supporting or deploying a security camera.

E. Video Security Application: Any device or component that captures images for the purpose of deterring unlawful behavior or identifying the perpetrators of unlawful behavior. Images may be viewed immediately and/or kept on a storage device. Examples of video security applications include closed-circuit television (CCTV), video cameras, web cameras, and still cameras.

F. Web Camera – Camera utilizing TCP/IP (transmission control protocol/internet protocol) technology

1.3 POLICY

A. The purpose of security cameras in public areas is to deter crime and to assist the police and security personnel in protecting the safety and property of the District community. Any diversion of security technologies and personnel for other purposes (e.g., monitoring of political or religious activities, or employee and/or student evaluations) would undermine the acceptability of these resources for critical safety goals and is therefore prohibited by this procedure.

B. Use of cameras in public areas for security purposes will be conducted in a manner consistent with all existing District policies, including the Unlawful Discrimination Policy and Unlawful Harassment Policy. This procedure prohibits monitoring based on the characteristics and classifications contained in the Non-Discrimination Policy (e.g., race, gender, sexual
orientation, national origin, disability, etc.). Camera control operators will monitor based on suspicious behavior, not individual characteristics.

C. Security cameras will be used in a professional, ethical and legal manner, consistent with all existing District policies and local, state and federal laws and regulations.

D. Security cameras may be installed in situations and places where the security of either property or people would be enhanced. When appropriate, cameras may be placed campus-wide, inside and outside of buildings.

E. Unless the camera is being used for criminal investigations or for approved academic purposes, security cameras will not be used in areas where there is a reasonable expectation of privacy. Private areas include, bathrooms, shower areas, locker and changing rooms, areas where a reasonable person might change clothes, and private offices.

F. Information obtained through security recordings will only be released when authorized by the Chief of Police according to the procedures established in this procedure.

G. Departments currently managing their own system need to come into compliance with the administrative requirements of this procedure within six months.

H. The District Police Department reserves the right to review and approve any proposed or existing installation of video security applications on properties owned, leased, or controlled by the campus. All video security applications must conform to federal and state law in addition to District policy and procedure. All departments using security cameras are responsible for implementing and complying with this procedure in their respective operations. Video security applications must conform to standards established by the District so recorded data are easily retrievable. Nothing in this procedure prevents the use of video monitoring or observation in connection with an active criminal investigation or specific court order.

1.4 SCOPE

A. This procedure applies to all personnel, departments, and colleges of the District and the use of security cameras and their video monitoring and recording systems. Security cameras may be installed in situations and places where the security and safety of either property or persons would be enhanced. Cameras will be limited to uses that do not violate the reasonable expectation of privacy as defined by law. Although the physical cameras may be identical, the functions of these cameras fall into two main categories:

1. Property Protection: Where the main intent is to capture video and store it on a remote device so that if property is reported stolen or damaged, the video may show the perpetrator. Examples: an unstaffed computer lab, an unstaffed science lab, or a parking lot.

2. Personal Safety: Where the main intent is to capture video and store it on a remote device so that if a person is assaulted, the video may show the perpetrator. Examples: a public walkway, or a parking lot.
3. **Extended Responsibility:** Where the main intent is to have the live video stream in one area monitored by a staff member in close proximity. In this case video may or may not be recorded. Example: a computer lab with multiple rooms and only one staff.

### 1.5 MONITORING AND ACCESS TO DATA

#### A. MONITORING

1. Under no circumstance will the District use camera technology to monitor specific staff, faculty, other academic personnel, students, vendors, contractors or other visitors work behavior unless there is a legitimate investigation pertaining to conduct contrary to the law or District policy. Any such monitoring or review must be accompanied by a written complaint, report, memo, email or any correspondence as to the nature, scope and level of action to be taken. The District will seek guidance from the District Police Department, Executive Vice Chancellor of Administrative Services, and, in all instances, legal counsel, to ensure legal and policy compliance.

2. Information obtained through video security applications will be used primarily for security and law enforcement purposes. However, the District may also use it in support of disciplinary proceedings against faculty, staff, or student(s), or in a civil suit against person(s) whose activities are shown on the recording and are the basis for the suit.

3. For property protection and personal safety cameras, access to live video or recorded video from cameras shall be limited to authorized personnel of the District Police Department and other persons authorized by the Chief of Police or designee. The copying, duplicating and/or retransmission of live or recorded video for extended responsibility cameras shall be limited to persons authorized by the Chief of Police or designee when the system was installed, or as updated in writing by the responsible department and accepted by the Chief of Police and college president.

#### B. ACCESS

1. District Facilities Planning and District Police Department staff will monitor system design to ensure systems are configured to reasonably prevent camera operators from tampering with or duplicating recorded information.

2. Video footage will be stored in a secure location and/or on servers accorded appropriate computer security with access by authorized personnel only.

3. Only the District Police Department may release data produced by video security applications. A list of people who can be contacted about the video security application during business hours and after hours, will be determined by the District Police Department.

4. When an incident is suspected to have occurred, designated personnel may review the images from security camera data.

5. Personnel are prohibited from using or disseminating information acquired from District security cameras, except for official purposes. All information and/or observations made
in the use of security cameras are considered confidential and can only be used for official District and law enforcement purposes.

6. Only authorized members of the District Police Department or the District’s Internal Audit Department may review the results of the use of recording equipment. Other individuals who may have a legitimate need (in accordance with the law) to review the recorded material may be permitted to do so, but only with the prior approval of the Executive Vice Chancellor of Administrative Services.

a. If it is determined that a crime or accident has occurred in an area where video recording may have taken place, then the recorded media shall be reviewed by authorized members of the District Police Department to determine if the incident has actually been recorded. If it is determined that the media does contain evidence of a crime, then that portion of the media will be maintained according to police procedures.

C. PUBLIC AND OTHER AGENCY REQUESTS

1. Any requests for recorded video images that come from non-C CCCD employees will be promptly submitted to the Executive Vice Chancellor of Administrative Services. Every reasonable effort should be made to preserve the data requested until the request has been finally processed by the District.

2. Public and media requests for video images captured by security cameras will be made available only to the extent required by law. In many cases, especially where a student is identifiable, a subpoena will be required.

3. Requests from District entities to release information obtained through security cameras must be submitted to the Executive Vice Chancellor of Administrative Services.

D. USE OF CAMERAS FOR CRIMINAL INVESTIGATIONS

1. The use of mobile or hidden video equipment may be used in criminal investigations by the District Police Department. Covert video equipment may also be used for non-criminal investigations of specific instances which may be a significant risk to public safety, security and property as authorized by the Chief of Police.

1.6 DATA RETENTION

A. Recorded images will be stored in a secure location with access by authorized personnel only. Designated police personnel from the District Police Department, and patrol officers conducting preliminary criminal investigations will have access to the video tapes/digital recordings.

B. In most cases, recorded video media will be stored for a period of not less than 30 days and will not exceed 60 days. This is based on configuration settings in the recording device. At that point, stored images to a hard drive will be re-written and unavailable. An exception to this procedure is video retained as part of a criminal investigation or court proceeding (criminal or civil), or other bona fide use as approved by the Executive Vice Chancellor of Administrative Services. Images saved for such purposes may be recorded to a DVD or other multimedia storage device in accordance with applicable evidentiary law. For each approved recording
system, a clear retention schedule shall be established as part of the approval process and must be adhered to very strictly. All recorded media must be stored in a secure location, the nature of which must be identified as part of the approval process.

C. Security records shall not be stored by individual departments.

D. No attempt shall be made to alter any part of any security recording. Security centers and monitors will be configured to prevent camera operators from tampering with or duplicating recorded information.

1.7 CAMERA REQUESTS AND INSTALLATION PROCEDURES

A. Camera Placement and Equipment Type

1. The decision to deploy security cameras and the specific placement of those cameras falls under the authority of the Chief of Police. The Chief of Police will base decisions on mitigating risks, vulnerabilities and historical acts of criminal behavior. When developing strategies for camera installation and placement, the Chief of Police will refer to the Districtwide Security and Access Control Standard.

2. This information is also critical in determining the types of equipment most appropriate for each situation. These factors might determine such outcomes as; Pan, Tilt Zoom (PTZ) cameras, fixed cameras, color, night, day/night cameras, etc.

B. Installation of video security applications and equipment are the financial responsibility of the requesting department. This responsibility includes the cost of IP addresses, service, and maintenance. (Fees are subject to approval by each individual campus budget office) Departments wishing to install or use security cameras are responsible for the purchase of all necessary equipment including cameras, wiring, servers, and software. The departments are responsible for the upkeep of the security cameras and recording systems they purchase. Departments purchasing security cameras and recording systems shall designate at least one “Departmental Contact Person” as the main contact for technical and day-to-day operations of the security cameras purchased. When technical problems are observed by the Police Department, they shall report them to District IT.

C. Any video recording software purchases made after January 1, 2015, must be approved by the District IT Department to meet a specific software standard. The software standard can be obtained through the IT Department or the Facilities Planning Department.

D. No audio shall be recorded except in areas where no one is routinely permitted. Requests to utilize audio surveillance that does not comply with this requirement will be evaluated on a case by case basis by the District Chancellor’s Cabinet and legal counsel.

E. Individual colleges, departments, programs, or campus organizations installing video security equipment shall submit a written request to their appropriate dean or manager describing the proposed location of security devices, justifying the proposed installation, and identifying the funding source or sources for purchase and ongoing maintenance.
F. The vice president, dean or designee will review the request and recommend it to the Chief of Police or designee, if appropriate.

G. The Chief of Police will review all proposals from deans and vice presidents and will forward the proposal to the District Chancellor’s Cabinet with a recommendation.

H. The District Chancellor’s Cabinet will be responsible for reviewing and approving or denying all proposals for security camera equipment recommended by the Chief of Police.

I. The IT Department shall oversee the installation of all approved security camera systems with the assistance of the District Police Department, and Facilities, as required.

J. At least five business days notice must be provided to District Information Technology Department prior to changing an IP address for a video system.

K. All existing security cameras that are not connected to the District’s centralized security system must submit a Security Camera Location Document (another document to create) to the Chief of Police.

L. The District Police Department may establish temporary or permanent security cameras in public areas of the campus.

1.8 NOTIFICATION REQUIREMENTS (SIGNAGE)

A. All locations with security cameras will have signs displayed that provide reasonable notification of the presence of security cameras. At a minimum this must include primary building entrances. All proposals for the deployment of security cameras will include proposed sites for the placement of notifying signs. The placement of the signs and the text on the signs will be subject to the review and approval of the Chief of Police.

B. Conspicuous public signage must be displayed at all camera locations or the entrance to a single facility, except at emergency or investigative locations. Security installations may or may not be monitored continuously. Therefore, departments with active security camera installations must post signage stating, “This area is subject to video monitoring for security purposes and may or may not be monitored.”
1.9 TEMPORARY SECURITY CAMERAS

A. From time to time and for various reasons, it may be appropriate to temporarily install video devices on campus (for example, in the course of police investigations in areas of the campus where thefts or breaches have been noted). To ensure individual privacy rights are protected in accordance with the law during the temporary installation of recording equipment for monitoring or for observation purposes, the following procedures must be followed before such devices may be temporarily installed anywhere on campus:

1. To the extent possible, the District Police Department will coordinate the use of portable video recording devices with the designated users of the space involved (for example, dean, department chair, or other District administrator). This procedure acknowledges, however, that this may not always be possible, given the nature of investigations that may be undertaken by the District Police Department.

B. Mobile or portable video equipment may be used in criminal investigations, however, this equipment will only be used in non-criminal investigations where there is significant risk to public safety, security and properly authorized by the Chief of Police.
DSCRII GOVERNANCE COUNCIL
BYLAWS

I. PURPOSE

A. To provide a forum for strengthening the participation of representative groups to meet, discuss and debate issues of Districtwide concern while acknowledging the autonomy of the individual Colleges and respecting the role that training, education, and experience play in individual influence and participation.

B. To influence Districtwide policies and procedures by making well-informed decisions and forwarding them as recommendations to the Chancellor and/or Governing Board in accordance with operational procedures.

C. To regularly evaluate the District’s governance and decision-making structures and processes in order to assure their integrity and effectiveness, communicating the results of the evaluation and using it as a basis for improvement.

D. To serve as the District Budget Committee.

E. When expanded with other participants, provide input on Districtwide issues, including strategic planning and other topics.

II. SCOPE

A. Collective Bargaining issues will be excluded.

B. The Academic Senate, Classified Senate, management and/or student representatives may, at their discretion, utilize Title 5 regulations and submit their recommendations directly to the administration of the Contra Costa Community College District (CCCCD) and/or the Governing Board, rather than follow the District Governance Process.

C. The DGC may:

1. Recommend a process for determining fiscal and personnel allocations and procedures.
2. Participate in developing and promoting Districtwide goals, priorities, and long-term planning.
3. Participate in making recommendations regarding proposed program development for which there are Districtwide fiscal implications.
4. Review and make recommendations regarding Board Policies, Administrative Procedures, and all other formal Districtwide procedures.
5. Discuss any topic in which equity or uniformity among the locations/Colleges is an issue.
6. Discuss any other Districtwide matters as deemed appropriate by the
group except as excluded by defined scope.

7. The DGC may not delegate its responsibility of making final recommendations, arrived at through consensus, to any other group or subcommittee.

8. Request and receive reports from Districtwide standing committees.

III. REPRESENTATION AND MEMBERSHIP

A. MEMBERSHIP

1. The District Governance Council (DGC) shall have thirty-two (32) members.

2. The following four constituencies will be represented by eight persons each:
   - Faculty
   - Classified Staff
   - Managers/Supervisors
   - Students

3. Any state-approved Center will have one representative from amongst the 32 total members.

B. SELECTION OF DGC MEMBERS

1. Representatives will be selected by their constituencies according to their own procedures.

2. Contra Costa College, Diablo Valley College, Los Medanos College, and the District Office will be represented.

3. The representative from the state-approved Center(s) shall be selected from any one of the four constituencies at the state-approved Center and is to be selected by the four constituencies of the college to which it is an extension.

C. LENGTH OF TERMS: MEMBERS, STEERING COMMITTEE, AND CHAIRPERSON

1. New DGC members of the four groups will be selected and announced during the month of May, and they will begin their term of office July 1.
   - Membership is valid for at least one year.
   - Up to two designees are allowed.
   - To preserve stability of the DGC membership, at least four (4) members of a constituent group should serve a minimum of two years continuously.
   - Members are expected to attend meetings on a regular basis.

Constituencies will be requested to replace members who are absent for three (3) consecutive meetings or in excess of four (4) meetings per calendar year. Interim replacement of members on
approved leave will be permitted by written notification to the DGC Chair.

- Annually in September, the Chancellor or designee shall conduct an orientation for new DGC members on participatory governance and its application in the CCCCD.

2. The DGC Chair position, selected and announced during the month of May by the appropriate constituency group, rotates among the four groups of faculty, classified staff, management, and students. The order of rotation has been determined by lottery: classified staff (beginning 1992-93), management, faculty, students, and so on. Due to the time and energy involved, students have the option to decline serving as DGC chair. If students exercise this option, the District will provide appropriate support and training. The term of office for the chair begins July 1.

3. The Steering Committee consisting of one representative member from each group will plan the agenda. Steering Committee Members are selected by the constituent groups during the month of May. The term of office for the speaker begins July 1. The DGC Chair also chairs the Steering Committee. The members of the Steering Committee are the speakers for their groups. (The Speaker of a constituent group is chosen as its representative to present the majority view of the constituent group at the DGC meetings. The Speaker's vote is the one counted for consensus purposes of the DGC. In the Speaker's absence, an alternate speaker may be designated as determined by the constituent group. The alternate must be a member of the DGC.)

- Annually in September, the Chancellor or designee shall meet with the DGC Steering Committee to orient its members to their responsibilities.

IV. RELATIONSHIP OF THE DGC TO COLLEGES AND THE DISTRICT OFFICE

A. Representatives of constituent groups are responsible for informing their constituencies.

B. The DGC will in no way impose or restrict college/location governance models.

C. It is expected that constituency groups' representatives will bring accurate feedback from their constituencies to the District Governance Council.

V. COMMITTEE OPERATION

A. AGENDA AND MINUTES, GENERAL OPERATION

1. The DGC Chair will coordinate the development of the initial agenda and prepare the minutes of the previous meeting. All members of DGC and any constituent member with relevant District business can provide agenda topics to the DGC Chair within the guidelines of the DGC
Calendar. The agenda will be adopted or amended by consensus of the DGC immediately after the meeting has been called to order by the chairperson. Agendas, minutes, and backup materials will be prepared, distributed, and posted to the web site at least one week prior to the DGC meeting by the DGC Chair in cooperation with the rest of the Steering Committee.

2. The DGC Chairperson will be responsible to ensure the minutes are recorded. Minutes will be adopted or amended by consensus and, once approved, will become official records. The DGC Chair will post the approved minutes on the DGC web site.
   a) The Chancellor’s Office will provide personnel for the recording of minutes of the meetings.

3. To the extent possible and as appropriate, each constituency group shall be available to DGC as a resource.

4. Regular agenda items:
   - Approval of the DGC agenda.
   - Approval of minutes.
   - Presentation and discussion of the agenda items for the next Governing Board meeting.

5. Any member of the DGC can contact the Speaker of his/her constituent group before the meeting day of the Steering Committee to request that a particular item be included on the preliminary agenda.

6. All meetings are open.

7. The DGC shall, every three years, conduct a Districtwide evaluation to ensure its effectiveness.

B. MEETING FREQUENCY

1. The DGC will meet on Tuesday within two weeks prior to the Governing Board meeting, from 1 p.m. to 4 p.m. at the District Office. Additional meetings and/or extensions of the meetings will require consensus.
   a) The Chancellor’s Office will make the necessary meeting room reservations and technology arrangements, in addition to the set-up of member name cards. Further, the Chancellor’s Office will maintain the DGC e-mail distribution list.

2. The Steering Committee will meet as needed.

3. The DGC Chair will prepare and present at the April meeting (1st reading) and May meeting (2nd reading) a draft DGC Calendar for the following fiscal year.

C. QUORUM AND CONSENSUS (Board Report No. 39-A, Approved 11/17/04)

1. Consensus means agreement by a quorum of constituent groups. The presence of a Speaker or alternate of at least three constituent groups at a regularly scheduled meeting constitutes a quorum. Consensus is determined in accordance with a), b), and c):
2. When the DGC cannot reach consensus on an issue after six months three meetings, then a vote will be taken using the “majority rule” standard and the vote forwarded will contain the majority and minority positions. Majority rule will mean: three of four speakers when four speakers are present; two of three speakers when three speakers are present. When there is a split vote (two votes for and two votes against), the motion is not carried and is returned to the DGC agenda for further discussion until a majority decision or consensus is achieved.

3. On the basis of consensus, the DGC will develop recommendations and forward them in writing within five working days from the decision to the Chancellor for review and response. If the chancellor does not agree with the recommendation of the Council, s/he will meet with the Steering Committee. If the issue cannot be resolved s/he will communicate the reasons for his/her disagreement in writing in a timely fashion, to be available for the subsequent meeting of the DGC. After further consultation with the Chancellor, and if s/he decides not to forward the recommendation of the DGC to the Board, the DGC may decide to do so and may charge its Steering Committee and/or its chairperson to communicate its recommendation to the members of the Governing Board directly.

D. COMMITTEES

1. All (sub)-committees and taskforces with the charge of developing and forwarding recommended Board policies and procedures of Districtwide impact to the Chancellor or the Board are constituted by members of DGC, with the exception of policies/procedures of an academic and professional matter as noted in Administrative Procedure 1009.01. All recommendations developed by said (sub) – committees and taskforces will be forwarded first to DGC proper, and DGC will determine which recommendations, if any, are to be forwarded to the Chancellor or the Board. Policies and procedures will be developed by DGC members with the following considerations:

a) The DGC reviews or determines the purpose or charge of the committee and its composition in terms of numbers of members from the constituent groups. The DGC decides further which constituent group should convene an initial committee or taskforce meeting.
b) The constituent groups use their own processes in selecting the membership of the sub-committees.

c) Once a committee has been constituted, the DGC will make changes only in close consultation with that committee.

d) Committees and taskforces report their recommendations/findings back to DGC.

e) It will be the responsibility of each constituency group and the DGC to keep each other informed on issues that may be of mutual concern.

f) The provisions under D-1 do not preclude the functions of advisory committees.

2. DGC sub-committees will be created as needed. All four constituencies will have the opportunity to be fairly represented on each subcommittee, consistent with the nature of the issue under discussion.

   a) Representation on each sub-committee will be determined by the DGC.

   b) Outside experts may be invited to participate on a sub-committee.

   c) Sub-committee issues will be consistent with the scope of the DGC.

VI. ARCHIVES

An archive for the DGC will be established and maintained at the District Office and will contain all agendas, minutes, and formal correspondence pertaining to DGC business.

VII. BYLAW CHANGE PROCESS

A. ANNUAL REVIEW

The annual review process of the DGC Bylaws for additional amendments will begin with discussions by the DGC in March. The first reading of amendments will take place in April. Action on the DGC Bylaw changes will occur in May, and final amendments will be recommended to the Governing Board for approval at the June Board meeting.

B. AMENDMENTS/WAIVER

If the case should arise that the DGC Bylaws must be amended out of cycle, or a waiver be granted, the DGC must reach consensus regarding the recommended change or waiver. Resulting amendments will be recommended to the Governing Board for approval.
Historical Annotation:
3/25/92: Bylaws presented to the Board (this document was approved on 2/25/92 by faculty, classified, management, and students)
8/24/93: Bylaws ratified at DGC meeting

Board Action:
10/27/93; 01/26/94; 10/25/95; 11/17/04; 06/29/05; 07/26/06; 11/19/08; 07/24/13; 7/23/14; 00/00/15
APPENDIX

TITLE 5 DEFINITION OF ACADEMIC AND PROFESSIONAL MATTERS

53200(c) (1) Curriculum, including establishing prerequisites and placing courses with disciplines.
53200(c) (2) Degree and certificate requirements
53200(c) (3) Grading policies
53200(c) (4) Educational program development
53200(c) (5) Standards or policies regarding student preparation and success
53200(c) (6) District and college governance structures, as related to faculty roles
53200(c) (7) Faculty roles and involvement in accreditation processes, including self study and annual reports
53200(c) (8) Policies for faculty professional development activities
53200(c) (9) Processes for program review
53200(c) (10) Processes for institutional planning and budget development
53200(c) (11) Other academic and professional matters as mutually agreed upon between the governing board and the academic senate
1. An administrative, business, curriculum and instruction, human resources, payroll, or student services procedure may be recommended to the Chancellor by any member of the staff, any organization representing employees of the District, District committees, or management personnel.

   Procedures which address academic and professional matters shall be considered and acted upon in accordance with Administrative Procedure 1009.02.

2. Administrative, business, curriculum and instruction, human resources, payroll, or student services procedures establish the manner of proceeding to carry out Governing Board policies, the laws of the State of California applicable to the operation of the District, or collective agreements with employee bargaining units. Procedures further serve as working tools and direction for the management of the District in areas not covered by Governing Board policy, statute or collective agreements. Procedures set forth a systematic series of actions directed to a particular end, or they interpret laws, policies or collective agreements for District management.

3. Recommendations to introduce new or modify/rescind existing administrative, business, curriculum and instruction, human resources, payroll, and student services procedures within an area of shared governance shall be forwarded for review and/or recommendation of the District Governance Council (which includes representatives of the Academic Senate, Classified Senate, management and students), United Faculty, Public Employees Union, Local One, and Management Council Executive Board and approval of the Cabinet and Chancellor.

   a. Each of the groups referred to in this section shall have for the review and/or recommendation period twenty (20) workdays one month for the first reading, and twenty (20) workdays one month for the second reading, and one month for the third reading to submit their input to the Chancellor. The Chancellor may extend this time limit upon a showing of good cause by the group requesting the extension. Such requests shall not be unreasonably refused.

4. After the Chancellor takes into consideration comments from the groups identified in Section 3, the Chancellor will finalize the procedure and forward the procedure to Cabinet for approval.

   a. Upon Cabinet approval, the procedure shall be printed and distributed as required, with a title, approval date and procedure number.
ADMINISTRATIVE, BUSINESS, CURRICULUM AND INSTRUCTION, HUMAN RESOURCES, PAYROLL, AND STUDENT SERVICES PROCEDURES

1. An administrative, business, curriculum and instruction, human resources, payroll, or student services procedure may be recommended to the Chancellor by any member of the staff, any organization representing employees of the District, District committees, or management personnel.

   Procedures which address academic and professional matters shall be considered and acted upon in accordance with Administrative Procedure 1009.02.

2. Administrative, business, curriculum and instruction, human resources, payroll, or student services procedures establish the manner of proceeding to carry out Governing Board policies, the laws of the State of California applicable to the operation of the District, or collective agreements with employee bargaining units. Procedures further serve as working tools and direction for the management of the District in areas not covered by Governing Board policy, statute or collective agreements. Procedures set forth a systematic series of actions directed to a particular end, or they interpret laws, policies or collective agreements for District management.

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### Business Procedures Review

**Jonah Nicholas – 1st Read**

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LOST, STOLEN AND STALED-DATED CHECKS

The District adheres to Government Code 50050 in regards to unclaimed and/or uncashed checks. Government Code 50050 states:

Except as otherwise provided by law, money, excluding restitution to victims, that is not the property of a local agency that remains unclaimed in its treasury or in the official custody of its officers for three years is the property of the local agency after notice if not claimed or if no verified complaint is filed and served. For purposes of this article, “local agency” includes all districts.

In the event that a District-issued check is lost, stolen or stale-dated before being redeemed, the payee may request a replacement check.

1. **Payroll Checks**: Requests to reissue a payroll check shall be directed to the Payroll Office at the employee’s assigned location. The employee must complete an affidavit of lost/stolen check which will be submitted by the location Payroll Office to District Payroll Services for processing.

2. **Vendor Checks**: Requests to reissue a vendor payment shall be directed to the District Accounting Office. The District Accounting Office will place a stop payment on the check and will reissue according to bank policies.

3. **Student Payments**: Students requesting a replacement check for financial aid payments or student fee refunds must fill out the Student Replacement Check Certificate (SRCC). Colleges may access the electronic version of this form and detailed instructions on the District Accounting Office Insite Portal.
INTERNAL CHANGE ORDER

The following procedure will be implemented by the Purchasing Department for all transactions relating to internal change orders.

Board Policy 5013, Purchasing, states:

"Invoices in excess of previously approved purchase order amounts may be paid by the District Accounting Office without reapproval of the Board when the excess amount is under ten percent of the approved purchase order amount or is due to sales tax, transportation charges, demurrage charges or terms."

Excess amounts due to sales tax or demurrage charges shall be paid by the District Accounting Office without issuance of a change order by the Purchasing Department.

All other excess amounts require issuance of a change order. The regular change order form will be prepared by the originating department for amounts over ten percent of the approved purchase order amount. The Internal Change Order will be prepared by the District Accounting Office for amounts under ten percent of the approved purchase order amount or for excess amounts due to transportation charges or terms.
## Payroll Procedures Review 2015
**Jonah Nicholas – 1st Read**

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# CONTRA COSTA COMMUNITY COLLEGE DISTRICT

## PAYROLL PROCEDURES MANUAL

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DELETE THIS PROCEDURE

**PAYROLL ACCOUNTING**

The District Payroll Department is responsible for the accuracy and timeliness of the payroll data used by the accounting staff. Since employee wages, benefits, and employment taxes are major costs, the accuracy of this data is crucial to the overall accuracy of the District’s accounting records and financial statements. The following are basic accounting concepts/procedures used within the District.

**Types of Accounts**

- **Asset Accounts**: Probable future economic benefits obtained or controlled by a particular entity as a result of past transactions or events.

- **Liability Accounts**: Probable future sacrifices of economic benefits arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions. Essentially debts or obligations of the District (taxes that have been withheld from employees’ paychecks and are awaiting payment to the taxing entity).

- **Accrued Payroll**: Amounts earned by an employee during a period.

- **Revenue Accounts**: Inflows or other enhancements of assets of an entity or settlement of its liabilities (or a combination of both) during a period from delivering or producing goods, rendering service, or other activities that constitute the entity’s ongoing major or central operation.

- **Expense Accounts**: Outflows or other using up of assets or incurrence of liabilities (or a combination of both) during a period from delivering or producing goods, rendering service, or carrying out other activities that constitute the entity’s ongoing major or central operation. Used to record costs for items that will be used before the end of the accounting period (salaries, payroll taxes, benefits).

- **Salaries Expense**: The total amount of the gross payroll for a period.

- **FIT Withheld**: Federal income tax withheld from employee paychecks for a period.

- **FICA Withheld**: Social Security and Medicare taxes withheld from employee paychecks for a period.

- **Other Deductions**: These deductions include 403(b) plans, group insurances, garnishments, levies, etc.

**Accounting Terminology**

- **Account**: A systemic arrangement that shows the effect of transactions and other events on a specific asset or equity. A specific record within the General Ledger consisting of a title, debit, section, credit section, and the balance.

- **Balance**: The net amount in an account after applying the debits and credits. Balance also describes the act of determining that an account balance is correct and proving that the debits and credits are equal.
General Ledger (GL) The General Ledger is a collection of all assets, liability, fund balance, revenue and expense accounts.

Journal Entry This is a single transaction or event where the essential facts and figures are initially recorded. This book of original entry then creates accounts that then make up a ledger.

Posting The mechanical (electronic) process of transferring the essential facts and figures from the book of original entry to the accounts in the ledger.

Fiscal Year versus Calendar Year
Most outside agencies use a calendar year; however, the District uses a fiscal year which ends on 6/30/xx. A common reason for using the fiscal year rather than a calendar year is to follow the natural cycle of business (known as “the natural business year”). As a school district, we are required to follow the state’s fiscal year (7/1/xx to 6/30/xx). The District Payroll Department is required to accumulate information on both a fiscal and calendar year basis due to the federal and state wage and tax reporting requirements.

Vacations
The District has a policy that an employee is paid for any vacation time earned but not taken at the time of separation. Under this type of policy, it is usually required under generally accepted accounting principles that pro-rata vacation be accrued on an annual basis. This accrual is necessary because unused vacation time represents a liability to the employer.

Payroll Distribution
The Payroll and General Ledger system is interfaced. When the system generates a payroll, the amounts are automatically distributed to various ledger accounts in the General Ledger.

In a payroll distribution, expense accounts must agree with the total gross payroll. The deductions from gross are credited to various withholding liability accounts, and net pay is a credit against the asset account called “cash.”

Internal Control
Internal controls are defined by the Certified Public Accountants (AICPA) as “the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability of the financial records.”

The payroll system needs an effective internal control structure to ensure appropriateness, reliability, and timeliness of the data provided to management. The internal control structure is composed of three essential elements – the control environment, the accounting system, and the control procedures.

Control Environment
Control environment reflects the overall attitudes and the philosophies of the District. In order to strengthen internal controls, a segregation of duties exists between the payroll and human resources departments. In the payroll/human resources arena, such factors include, but are not limited to:
Management's philosophy and operating style - internal control within these two separate departments depends on authorization and approval of documents, computer security, limited access, documentation and accurate recording and review of input.

Organizational Structure - payroll/human resources should have direct responsibility of authority to implement policies set by the District administrative procedures or as provided in regards to federal and state regulations.

Function of Board-appointed audit committee - one or more of the audit committees should be involved in the audit control procedures for payroll/human resources.

Human Resources policies and practices - a human resources and payroll manual or an employee handbook should set forth the policies and practices followed by the District.

External influences that affect the District’s operation and practices - it is the payroll/human resources function to meet on regulations issued by the federal government of other regulatory agencies, including periodic audits by such agencies, as well as an independent audit which is completed annually.

Control Procedures

Control procedures are the policies and procedures that management has established to provide reasonable assurance that objectives are met. Control procedures penetrate both the control environment and the accounting system and data processing levels.

- Segregation of job duties
- Proper authorization
- Design and use of adequate documents and records
- Adequate safeguards over access to and use of records

The payroll process typically depends on two categories of data: constant data and current period variables. Constant data are defined as those items contained in the employee’s record, such as rate of pay, cost center, and eligibility for benefits. Current period variables interact with constant data and change from period to period, such as regular hours worked and overtime hours worked.

Proper Treatment of Deductions

- The employee requests deduction from their pay and signs an authorization for such deductions (except for wage attachments allowed under federal and state law).
- The Payroll and Human Resources departments ensure employee eligibility of benefits or personal deductions as requested.
- The Deduction notice is filed in employee’s payroll files.
- Copies of signed documents are passed on to other areas, if required.

Distribution of Payroll Checks

It is practice that all paychecks are placed in secured locked bags to be picked up by the authorized employee from each college location. District checks are delivered to each department to be distributed by the designated personnel staff member or manager. Checks are released only to employees, unless the employee has provided written authorization to release the check to another individual. Employees are
required to sign for their checks as they are picked up from the designated locations. Policy prohibits checks from being left in a desk drawer or other areas that are not secure from theft. Undelivered paychecks are returned to the District Payroll Department after ten (10) days of the check date.

Blank Check Storage

- Blank checks are stored in a secured area in the fifth floor Accounting Department.
- The MIC printer with the signature plate is secured in a separate location not open to employees or the public.
- Blank checks are released to the Payroll Department as requested from the controlling area.

Management Reports

As a final safeguard against errors and fraud, it is crucial that all information relating to personnel and compensation be provided to immediate supervisors, department heads, and senior management for review.

Summary

The impact of payroll on the financial reporting process should not be underestimated. As taxes and benefits costs continue to increase and as the District strives for more efficient means of ensuring accountability and internal control, payroll management and staff will also be expected to sharpen their accounting and financial skills.
DELETE THIS PROCEDURE

HEALTH PLAN COVERAGE
FOR EMPLOYEES 65 AND OVER

1. The District must comply with health insurance benefit requirements for active employees who are 65 through 70 years of age. These requirements are established by the Federal Tax Equity and Fiscal Responsibility Act amendments to the Age Discrimination in Employment Act.
DELETE THIS PROCEDURE
(Covered in BP 2003)

RELEASE OF PAY WARRANTS

Board Policy 2003 authorizes employment of certificated and classified employees prior to approval by the Governing Board. As a consequence, it is not necessary to withhold pay warrants pending Board action. It is necessary, of course, that all required employment and time reporting documents are received in the District Office according to established deadlines and that the employment recommendation be scheduled for the next Board meeting.
DELETE THIS PROCEDURE  
(Covered in HR 1070.01)

**SALARY OVERPAYMENTS**

Reimbursement of a salary overpayment, if based on a written contract, has a four-year statute of limitations for recovery.

Where payment of wages is based on a mistake, a three-year statute of limitation is applicable for recovery.

California Code of Civil Procedure, Section 337
DELETE THIS PROCEDURE
(Covered in Bus. 18.04)

HONORARIA FOR ACADEMIC SENATE SERVICE

4. The annual honorarium will be approved by the Governing Board each August for faculty members elected to the academic senate positions.

2. Payment will be made as an additional monthly stipend.

3. The GL expense number to be charged for each person will be based on the employee's home base as follows:

<table>
<thead>
<tr>
<th>GL number</th>
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<tbody>
<tr>
<td>Contra Costa College</td>
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<tr>
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<td>Los Medanos College</td>
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</table>
DIRECT DEPOSIT FACTS AND PROCESS

What is Direct Deposit?

Direct Deposit is the method the District Payroll Department uses to pay employees by having their net pay (pay after taxes and other deductions) deposited directly into their checking account at a financial institution.

Who can have Direct Deposit?

Any Contra Costa Community College employee can have Direct Deposit.

How does Direct Deposit work?

On paydays, the employees' net pay is deposited into their account by electronic fund transfer.

How does an employee know how much they have been paid?

The employee receives an earnings statement (advice pay stub) which shows earnings, taxes, and deductions just like a regular paycheck.

Why does the Contra Costa Community College District provide Direct Deposit?

The college district provides this service to employees because it is safe, fast, and convenient. It is a valuable employee benefit.

Must an employee designate a particular bank?

Employees can have their pay deposited to the financial institution of their choice.

How does the employee sign up for Direct Deposit?

Employees can visit their Payroll or Human Resources department for an authorization form (Exhibit A). When completed, the Direct Deposit form is forwarded to the District Payroll Department.

How does it start?

It takes one pay period for Direct Deposit to begin. For the employee's safety sake and protection, the District Payroll Department has directed the electronic transfer through a process called “re-notification” to ensure the financial institution is part of the system and the employee's account number is properly recognized.

What is the risk?

Direct Deposit is extremely reliable, but it is not perfect because of the possibility of a human or machine error. If the employee feels an error has occurred, they must contact the Principal Accountant at the District Payroll Department.
District Office Payroll provides direct deposit to all District employees upon request. The employee’s net pay (pay after taxes and other deductions) is deposited directly into a financial institution of the employee’s choosing by electronic fund transfer. The employee will still receive an earnings statement to track what has been paid to them.

Employees may request direct deposit by completing the Direct Deposit Authorization form (Exhibit A) and forwarding the completed form to District Office Payroll for processing. Processing of the direct deposit takes one pay period to begin.
Contra Costa Community College District
DIRECT DEPOSIT AUTHORIZATION

Name

SS or ID #

Home Phone:

Work Phone:
Campus
CCC
DVC
LMC
District

Name of Bank, Credit Union or Institution

Branch and Location

Address of Bank

Bank Phone Number

Routing Number

Bank Account Number
Checking
Savings

I hereby authorize the above named Contra Costa Community College District (CCCD) and their agents, to initiate electronic deposits and as necessary, debit corrections to previous deposits, to the above account.

I understand,
* Direct Deposit is not activated for 31 days following a Prenote, verified by Wells Fargo Bank for New or Change authorization.
* I must submit a new authorization form if I change my account (name, branch, type of account, etc.)
* Direct Deposit status may be suspended or rescinded by the CCCCD and payment made by warrant, if necessary to meet payroll deadlines or under other extreme conditions.

I agree to hold harmless and indemnify the CCCCD and their officers and employees from any claim or demand of whatever nature of failure or delay in making deposits and or corrections to deposits as herein authorized.

This authorization replaces any previously made by me and is to remain in effect until changed or cancelled by submission of a new Direct Deposit Authorization form.

Signature: __________________________ Date: __________________________

ATTACH VOİDED CHECK HERE

District Payroll Use Only

Processed by: __________________________ Date: __________________________
PROCESSING OF FINAL PAYMENT FOR TERMINATED SEPARATED EMPLOYEES

Occasionally, the District Payroll Department will receive a demand from a terminated employee requesting final salary payment within a 72-hour period per Labor Code.

Employees may cite California Labor Code Sections 201 or 202 (unpaid wages to employees are due and payable immediately and the reasonable time shall not exceed 72 hours). The California Labor Code, time payment provisions are not applicable to school districts per the exemption for municipal corporations contained in the California Labor Code Section 220.

Final payments for terminated separated employees will be processed as indicated:

1. If notified in a timely manner, final payment will be issued during the regular payroll cycle (pay date) established each calendar year for all employees of the Contra Costa Community College District. If not, final pay will be processed on the next scheduled payroll date.

2. If notification of a termination separation occurs after the regular payroll cycle has been processed, the supplemental payroll (emergency checks) process will be available only if requested by the Director of Business Services, College locations) or the Vice Chancellor, Finance and Administration Chief Financial Officer or the Chief Administrative Services Officer (District Office).

Vacation pay off, late reporting, or other circumstances may complicate matters. It is not unusual for there to be some delay, but it should be kept to a minimum. Information on terminations should be processed immediately to the District Payroll Department.

Labor Code 201, 202, 220
**FORM W-4, EMPLOYEE’S WITHHOLDING ALLOWANCE CERTIFICATE**

**Withholding from Employees’ Wages**

A Form W-4, Employee’s Withholding Allowance Certificate, must be filed for every employee hired. If a new employee does not provide the District Office Payroll Department with a completed Form W-4, federal taxes must be withheld as if he or she is single, with no withholding allowances. A Form W-4 remains in effect until the employee provides a replacement for the existing Form W-4. The California Form DE 4, Employee’s Withholding Allowance Certificate, may also be completed and filed with the federal certificate.

**Exemption from Income Tax Withholding**

A Form W-4 claiming exemption from withholding is valid for only one year. To continue to be exempt from withholding in the next year, an employee must file a new Form W-4 by February 15th of that year. If the employee does not provide the Payroll Department with a new Form W-4, withholding tax will be deducted as if the employee is single with zero withholding allowances.

**Sending Certain Form W-4’s to the IRS**

Employees who claim (a) more than ten (10) withholding allowances or (b) exemption from withholding, must have a copy of his or her Form W-4 filed with the IRS (District Payroll submits copies to the IRS).

**Invalid Forms W-4 Certificates**

Any unauthorized change or addition to Form W-4 makes it invalid. This includes taking out any language by which the employee certifies that the form is correct.

Employees may use the Withholding Calculator on the IRS website at www.irs.gov/individuals for assistance in determining how many withholding allowances to claim on their Form W-4. Federal and state withholding forms and helpful web links may be found on the District Payroll Department website.

A supply of Form W-4’s may be ordered through the local office of the IRS or on the Internet at www.irs.gov/formspubs/index.html.
DELETE THIS PROCEDURE
(Covered in UF Contract Article 12)

STRS DEDUCTION FOR EXTRA PAY

The State Teachers’ Retirement Law regulates that retirement must be paid on earnings to teachers on sabbatical leave who work extra hours.

STRS has cited Education Code sections 22901 and 22151 as requiring retirement be paid.

22901. “Each member of this system shall contribute to the Teacher’s Retirement Fund an amount equivalent to 8 percent of salary earned, excluding salaries for overtime service.

22151. "Overtime’ means the aggregate service performed as a member of the system in excess of the hours of work considered normal for employees on a full-time basis.”

Employees returning from sabbatical leave are allowed to "buy back" enough service credit to give them a full year of service under STRS.
DELETE THIS PROCEDURE

FEDERAL AND STATE WITHHOLDING

Withholding Taxes from Gross Pay

Withholding the right amount of federal and state taxes from employees’ pay is a vital function of payroll. The payroll computerized system automatically handles this task but it is important for the District Payroll Department to understand all federal and state tax regulations that are mandated to be withheld from the employee’s gross wages.

Federal and State Income Tax Withholding

Federal income tax (FIT) is based on the employee’s annual federal taxable income. FIT must be withheld when the liability is incurred. The liability is generally incurred when wages are paid or physically received by the employee.

Social Security and Medicare Tax Rates Constant

The overall Federal Insurance Contributions Act (FICA) tax rate of 7.65% has remained the same for years - 6.2% for the Social Security (OASDI) portion and 1.45% for the Medicare portion (IRC Sections 3101 and 3111). The Social Security portion of the tax applies only to the wage base which is indexed for inflation each year.

No Medicare Wage Base

The 1.45% Medicare Tax applies to all of an employee’s FICA taxable income.

California State Tax Withholding

California state tax withholding is handled in the same manner as federal tax withholding (for California residents.) California state taxes are based on the employee’s annual state taxable income.

Withholding on Supplemental Payments (FX Payroll)

Supplemental payments are wages paid to employees in addition to regular wages (monthly). If supplemental payments were paid at the same time as regular wage payments, the payments would be combined and treated as a single wage payment for the regular payroll period. Where a supplemental wage payment is paid separately (10th of the month), there are withholding choices for the employer.

1. The employer can aggregate the supplemental payment with regular wages for the most recent payroll period, figure the tax on the total, then subtract the tax already withheld on the monthly wage payment. The remainder is the tax on the supplemental wages.

OR

2. The employer can withhold on the supplemental wages at a flat rate, disregarding any withholding allowances the employee claimed on their Form W-4.

The Contra Costa Community College District has selected the #2 option of the IRS, Circular E.
**Federal Unemployment Tax**

Federal unemployment (FUTA) tax is not a withholding tax. The employer, not the employee, is liable for this tax.

**Workers’ Compensation**

Workers’ compensation is not a withholding tax. The employer, not the employee, is liable for this deduction.

**Payroll Reporting Responsibilities**

Employers must keep accurate records of all deductions from employee paychecks. Accurate year-end totals of benefits received are vital to the correct completion of employees’ Forms W-2.
MANDATED MEDICARE TAX
HOURLY CERTIFICATED RETIREES

All retirees and new employees, except for student employees, hired after March 31, 1986, are subject to Medicare Tax withholding regardless of their age. The withholding Medicare tax applies even if they are employee is eligible to receive Medicare benefits while working.

All Contra Costa Community College District retirees (certificated) returning to work on a part-time basis qualify under the Medicare Tax law as new hires and meet the Medicare mandated tax deduction.
DELETE THIS PROCEDURE
(Covered in UF Contract Article 3)

UNITED FACULTY ENROLLMENT/WAIVER CARD

Part-time Employees: (3.7, 3.7.1, United Faculty Contract)

The District agrees to deduct dues in uniform amounts from all temporary (part-time) members within the unit recognized who have signed an authorization card for such deductions in a form approved by the District.

Agency Shop: (3.7, 3.7.2, United Faculty Contract)

Each Contract I, Contract II, Contract III and regular part-time employees shall, as a condition of initial and continue employment with the District, become a member of the United Faculty or shall pay a service fee equal to the monthly dues of the United Faculty. The agency shop agreement continues for the life of the contract for all current eligible employees.

The Payroll Office will process the dues or agency shop fee deduction for employees electing such deduction.
DELETE THIS PROCEDURE
(Covered in Local 1 Contract Article 3)

LOCAL 1 ENROLLMENT/WAIVER CARD

1. New classified monthly employees in bargaining unit positions are required to complete an
   enrollment/waiver card, form 4cd-191, upon initial employment as part of the required employment
   procedure.

2. The enrollment/waiver card will be submitted to the District Payroll Office.

3. The Payroll Office will process the dues or agency shop fee deduction for employees electing such
deduction.
TAX SHELTERED ANNUITIES AND DEFERRED COMPENSATION PLANS

All employees, including Governing Board Members, may participate in the tax sheltered annuity program. This is not a payroll deduction, but a reduction in annual salary with the amount of the reduction going to pay the premiums for the tax sheltered annuity. The District forwards the annuity deduction amount for the employee to the elected insurance company. The procedure will be as follows:

The Internal Revenue Service (IRS) allows employees of education institutions to participate in tax sheltered annuity (TSA) plans and deferred compensation plans. A TSA is also known as a 403(b) plan. A deferred compensation plan is also referred to as a 457 plan. Contributions to a TSA and/or deferred compensation plan are deducted from the participant’s paycheck and forwarded to a District approved vendor selected by the participant. Contributions made are not taxed, with income tax deferred until retirement, when the funds are withdrawn. The annual limit on a TSA and deferred compensation plan contribution is set by IRS laws.

General Procedures

1. In order to effect the necessary reduction in annual salary, the employee must enter into an amendment contract, reducing the base gross salary by the amount of the annuity premium.

2. If an employee wishes to participate in the annuity program, he/she must contact the insurance company of his/her choice. This company must be one meeting criteria developed by the State College system and listed by this system. After selecting the appropriate program, the employee must fill out an amendment to the contract in triplicate. This must be properly signed and in the Payroll Department by the 15th of any month in order for the initial reduction to be made in that month.

3. An employee’s contract for the purchase of an annuity shall be effective until changed or terminated by the employee. All notices to change or terminate an annuity must be in writing and be submitted to the Payroll Department by the 15th of the month to be effective for salary for that month.

4. The maximum reduction is set by the 403 B regulations with the exception that an employee who does not participate when first employed, may authorize catch-up deductions. An employee should consult with his/her insurance company representative to determine the catch-up amount.

5. The Contra Costa Community College District and the County of Contra Costa disclaim any responsibility that the annuity, the amount of the premium, or any of the procedures set forth herein qualify as a tax sheltered annuity for Federal or State income tax purposes.

6. Before an amendment to a contract will be approved by the Assistant Secretary, the insurance company from which the annuity is to be purchased must provide qualifying information and complete an agreement form.

1. If an employee wishes to participate in a TSA and/or deferred compensation plan, s/he must choose a preferred vendor from the deferred compensation vendor list available on the Human Resource Department’s website and complete the Payroll Deduction Authorization form (Exhibit A).

2. The Payroll Deduction Authorization form shall be returned to District Office Payroll by the 15th of the month for the initial reduction to be made in that salary month.
3. An employee’s authorization for a TSA and/or deferred compensation plan deduction shall be effective until changed or terminated by the employee in writing and submitted to District Office Payroll by the 15th of the month to be effective in that salary month.

Employer Responsibility

The District Office Payroll Department is responsible for maintaining files of current salary reduction agreements payroll deduction authorization forms. The file is reviewed when any employee modifies or establishes a new agreements authorization form.

Payroll's administrative responsibility regarding tax sheltered annuities is limited. Any employee who participates in a 403(b) or the CalPERS 457 plan is the direct owner of the TSA annuity contract plan and is entitled to exercise all policyholder rights without intervention of the employer.

The employee is provided an opportunity to review investment companies currently on file with the District. An employee can only enter into two (2) agreements per fiscal year. The Amendment of Employment Contract signed by the employee and provided to District Payroll establishes the payroll deduction.

The TSA agreement reduces the employee’s taxable gross for the calendar year.

Tracking Contribution Limits

District Office Payroll routinely monitors individual employees contributing to a 403(b) or CalPERS 457 plan to ensure compliance with the Internal Revenue Code, Section 402(g).

Important Note:
The Contra Costa Community College District Payroll Department does not provide tax advice. Employees requiring further explanation should be referred to their TSA agent or qualified tax advisor. In the event of a tax audit, it is the employee’s responsibility to justify the deferred amounts.
Contra Costa Community College District

Payroll Deduction Authorization Form

Employee Name: ________________________________

Employee ID/SSN: ________________________________

Address: ______________________________________

City: __________________ State: ______ Zip Code: ______

Home Phone: (_____) ___________________________ Email: ______________

Please check one of the following:

New Deduction: ______ Terminate Deduction: ______ Change Deduction: ______

Organization __________________________________________

Address: __________________________________________

City: __________________ Zip: ________________________

Phone: __________________ Current Amount/Percentage: ______

New Amount/Percentage: __________________ Effective Date: ______________

I hereby authorize Contra Costa Community College District (CCCD) to initiate a payroll deduction, terminate a payroll deduction, or change a payroll deduction, as appropriate based on the selection I have checked above.

I understand that if I am initiating or changing a payroll deduction, the deduction may not be made if I have insufficient income in a pay period to cover this and other required and authorized deductions, and will not hold CCCCD liable for any deductions not made.

I understand that if I am terminating a payroll deduction, the deduction may still be taken during the current pay period due to the time needed to process the termination, and will not hold CCCCD liable for any deductions made.

I understand that I am changing a payroll deduction; the change may not take effect during the current pay period due to the time needed to process the change.

I agree that this deduction shall be made each month until changed or cancelled by submission of a Payroll Deduction Authorization Form.

CCCD shall have no liability for any loss suffered by the Employee with regard to his/her selected company; or for funds transmitted in the manner authorized by its Tax Sheltered and Investment Programs and/or a 457 CalPERS plan. All deductions shall be made in accordance with Education Code Sections 22810, 22811 and 22812; Internal Revenue Code of 1954 as amended; Section 17512 of the California Revenue and Taxation Code and of the Plan adopted by the Governing Board of CCCCD.

Employee Signature: _____________________________ Date: ______________

Entered By ___________________________ Date: ______________ Deduction Code: ___________________________
PAYROLL DEDUCTIONS

An employee may authorize the following deductions from his/her salary payment without charge for any of the following:

1. Any group insurance policy for life, health, accident, disability or automobile liability insurance which is approved by the Governing Board;

2. Purchase of shares in or repayment of loans to a credit union financial institution;

3. Payment of United Bay Area Crusade Way contributions;

4. Scholarship fund contributions for students of the District;

5. Dues for membership in employee organizations of the District;

6. Board-approved dues for membership in any educational organization;

7. Contributions to foundations formed to support District programs; and

8. Deposits in individual retirement accounts of a Federal or State licensed institution.

9. Purchase of shares in or repayment of loans to a Federal or State licensed institution;
WAGE GARNISHMENTS

What is a Garnishment?

A wage “garnishment” means any legal or equitable procedure through which an employee’s earnings are required to be withheld for the payment of a debt incurred by the employee. Most garnishments are made by court order. Other types of legal or equitable procedures for garnishment include Internal Revenue Service or state tax collection agency levies for unpaid taxes and federal agency administrative garnishments for non-tax debts owed the federal government. Wage garnishments do not include voluntary wage assignments. The District shall adhere to all federal and state guidelines regarding wage garnishment.

“Wage attachment” is another term for garnishment and often refers to the court or agency order mandating that an employee’s earnings be withheld against a debt. Employee wages can be attached, or garnished, because of debts to creditors, federal and state tax levies, or unpaid alimony and child support.

Unfortunately, the District Payroll Department has to contend with pay deductions that are extremely unpopular with employees—wage garnishments. The complex regulations, procedures, and timetables mandate that the District Payroll Department stay current on all withholdings.

Keeping Track of Involuntary Deductions and Remittances

- Stamp all incoming garnishment documents with the date of receipt.
- Log garnishment orders by date received, employee name, and type of garnishment (creditor, tax levy, support payment.)
- Create a tracking file for employee.
- Prepare a worksheet for each garnished employee indicating all the pertinent data for each wage garnishment.
- Track each deduction from pay and the date payment was remitted to the proper authority.
- File the completed garnishment worksheets when payments have been remitted.

Child Support

Explanation of when the different maximum percentages apply for child support:

- 50% of disposable earnings is the maximum percentage allowable if the payor provides proof that he/she is providing more than half the support of dependents other than those whom the support is to be deducted and the payor has not accrued an arrearage.
- 55% of disposable earnings is the maximum percentage allowable if the payor provides proof that he/she is providing more than half the support of dependents other than for those whom the support is to be deducted, and the payor has accrued an arrearage.
Payroll Procedure 6.01

- 60% of disposable earnings is the maximum percentage allowable if the payor has not provided proof that he/she is providing more than half the support of dependents other than those for whom the support is to be deducted, and if the payor has not accrued an arrearage, if the person is not supporting another spouse or dependent child.

- 65% of disposable earnings is the maximum percentage allowable if the payor has not provided proof that he/she is providing more than half the support of dependents other than those whom the support is to be deducted, and if the payor has accrued an arrearage.

THE PERCENTAGE AMOUNTS WILL ONLY BE DEDUCTED IF THE EMPLOYEE DOES NOT HAVE SUFFICIENT DISPOSABLE EARNINGS TO ALLOW FOR THE FULL ORDERED AMOUNT TO BE DEDUCTED.

State of California Franchise Tax Board

Since 1951, the Franchise Tax Board has been issuing administrative levies to collect delinquent personal income taxes. Administrative levies, allowed by law, are issued without a court order which allows the delinquencies to be collected quickly.

In 1992, the California Legislature gave the Franchise Tax Board authority to use administrative levies for collecting delinquent child support. The Franchise Tax Board issues administrative levies to collect delinquent taxes, family and child support, vehicle registrations, court-ordered debts, and Department of Industrial Relations fines and assessments.

Wage Levy Percentages

- Past due family or child support 50%
- Delinquent income tax 25%
- Delinquent vehicle registrations 25%
- Delinquent court-ordered debts 25%
- Unpaid fines, penalties or wages 25%

Hierarch of Levies

- 1st Priority Wage assignment for current family support
- 2nd Priority Federal Tax Levies (IRS)
- 3rd Priority State or county order for delinquent family support
- 4th Priority State order for taxes
- 5th Priority State order from Franchise Tax Board for delinquent:
  1. Wages
  2. Vehicle registrations or parking violations
  3. Court-ordered debts
  4. Industrial health and safety deposits

IF A GARNISHMENT IS PROVIDED TO THE EMPLOYER WITH THE WORD “JEOPARDY” ASSIGNED TO THE DOCUMENTS, IT HAS PRIORITY OVER ALL OF THE ABOVE LISTED PRIORITIES, WITH THE EXCEPTION OF CHILD SUPPORT.
Federal Tax Levies

Federal tax levies are wage garnishments from the federal government for the collection of employee's earnings for unpaid federal taxes. Federal tax levies are different than most involuntary deductions because the Internal Revenue Service (IRS) gives the employee an exemption of a certain dollar amount and the rest of their net pay goes to the IRS.

The IRS does not relieve an employer of its obligation to withhold pursuant to a federal tax levy without an official release of levy. Therefore, if an employee's wages are attached under a federal tax levy and a bankruptcy notice is later received by the employer, the employer is required to continue withholding under the federal tax levy until it receives a “Release of Levy.” However, if the federal tax levy is received by the employer “after a bankruptcy order has been issued,” the employer is instructed to return the federal tax levy to the IRS with a copy of the bankruptcy order attached.

Terminated Employees. If an employer receives a federal tax levy for a terminated employee or an employee who is due no pay, the employer is instructed to complete the back side of IRS Form 668-C, attach to the front, and return it to the IRS. Employers should keep a copy of Form 668-C, including the date it was returned to the IRS, for a period of no less than four years from the date the levy was received.

Penalties for Failure to Honor and IRS Levy. If an employer fails to withhold wages under an IRS Notice of Levy, it is liable for 100% of the amount it fails to withhold. Additionally, a penalty assessment of up to 50% of the amount not withheld may be imposed if the employer’s failure to withhold was not due to “reasonable cause”.

The Federal Family Loan Program (Student Loan Program)

The Federal Family Education Loan Program was created by the Higher Education Act of 1965. The Program funds low-interest, long-term loans for postsecondary and vocational education. Once a student loan is obtained through a lender, the loan is guaranteed by an agency approved by the U.S. Education Department.

If the borrower fails to repay the loan, the lender is paid the amount of the unpaid loan by the guarantee agency and collection activity on the loan begins. If the borrower does not make repayment arrangements on the defaulted student loan(s), the next step is assignment to the Administrative Wage Garnishment Program.

Instructions:

- Review the “Order of Withholding from Earnings” for accuracy.
- Complete and return the “Acknowledgment of Order of Withholding from Earnings” within 10 days.
- If the employee is no longer employed, complete and return the “Employer Notice of Change in Employment”.

Dealing with Employee Disputes

If an employee disputes the garnishments that the employer is making pursuant to a Notice of Levy, the employee must be instructed to contact the agent or agency whose name appears on the Notice of Levy.
**Release of Levy and Notice of Release**

In order to release a levy, a “Release Authorization or Modification” from the agency must be submitted to the District Payroll Department. “Original” copies must be submitted. If a “Release of Levy” is received after the payroll process, it will be honored on the next payroll date.

**The Law**

The changes made in 1997 with the passage of AB519 added section 706.034 to the California Code of Civil Procedure which states that an employer may deduct from the earning of an employee the sum of $1.00 for each payment withheld due to an Earnings Withholding Order.

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Principles of Payroll Administration, Section 5
American Payroll Association, Section 4
California Code of Civil Procedure 706.074
Senate Bill No. 1466

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Historical Annotation:
8/10/04, 00/00/15

June 16, 2015  68 of 150  DGC
POST MONTHLY/VARIABLE PAYROLLS

1. Salary and benefit expenditures will be posted monthly after each payroll run.

2. The GL number determines which salary expenditure is to be charged.

3. Benefit expenditure distribution is based on the GL expense number.

4. Unemployment insurance is calculated and posted for all employees except student employees.

5. Workers' compensation insurance is calculated and posted for all salaries.

Salary and benefit expenditures will be processed and posted after each payroll has been completed by District Office Payroll. Expenditures will be posted to the District accounting system based on the assigned general ledger number to the employee salary being paid.
DELETE THIS PROCEDURE
(Covered in HR 1120.04)

SALARY CONTINUANCE INSURANCE POSTING

1. All active full-time management, academic and classified employees are eligible for salary continuance insurance. Monthly classified employees working 20 hours or more per week are also eligible. (A contract academic is an employee with greater than 50% full-time teaching load on a recurring basis.)

2. The eligibility waiting period is completed on the first day of the month following three (3) continuous months of service.

3. Premiums will be paid by the District on a monthly basis.

4. On a monthly basis, a remittance report is produced indicating the total premium payment.
DELETE THIS PROCEDURE
(Covered in UF Contract Article 12 and HR 2030.07)

SICK LEAVE - ACADEMIC

4. This procedure is conceptualized on a 40-hour work week for teaching and non-teaching personnel for contract periods as specified.

2. Individuals must be in active employment or on paid leave to earn or use sick leave. Employees on extended illness leave are eligible to earn or use sick leave whether or not they have reported for work on the first day of the school year. Sick leave may be applied only on those days when the employee is required to report for duty but cannot do so because of illness or injury. Employees who become ill or are injured but are not required to report, such as those on leave or vacation, may not use sick leave credits.

Leave does not apply to temporary substitute employees, except when employed by contract or for a continuous period of 20 days or more. Those employed for 20 or more days qualify for leave. They earn and may use as appropriate for their employment classification.

3. Leave Tabulation. All leave earned shall be accumulated into one entitlement for each employee, and all leave used shall be charged against the same account.

If an employee is separated prior to rendering a complete fiscal year of service, the sick leave entitlement for the partial year shall be that proportion of 12 days leave as the number of months in the fiscal year he was employed bears to 12.

Sick leave entitlement shall be reduced by one day for each month an employee is on personal leave without pay. Entitlement shall be granted for all other leaves.

Any accumulated leave benefits shall be forfeited at the end of the fiscal year succeeding the year of termination. Absence from service covered by any District leave policy has no bearing on continued sick leave eligibility.

4. Regular and Contract. Leave entitlement of 12 days per contract year shall be credited at commencement of employment or at the start of each succeeding fiscal year (July 1) to full-time employees. Fractional assignments shall receive proportionate leave entitlement.

Full-time employment consists of a full teaching load and related responsibilities, or its equivalent, to constitute a 40-hour week of five eight-hour days, for the defined contract year.

Teachers and other academic employees who are absent due to illness for a full day shall be charged one day's leave. Lesser absences of teachers shall be charged to the full hour on a proportionate basis according to that day's assignment. The hours to be charged shall be the lesser of the part of that day's assignment or the full week's assignment. See Exhibit A for an example.

Other academic employees (e.g., librarians and counselors) shall be charged for the number of hours they are absent.

Any part of an hour will be charged as a whole hour.
5. **Summer and Semester Teaching (temporary or variable service).** Sick leave is earned at the rate of one hour for each nine hours taught. Leave is charged on a one hour used to one hour charged basis.

6. **Counseling (temporary or variable service).** Employees earn leave at the rate of one day for each 20 days of service, to be credited when earned. The basis for leave used shall be at the rate of one day charged for each day absent.

7. **Other Academic (temporary or variable service).** Sick leave is earned at the rate of one day for each full-time (40 hour week) calendar month worked. Those employed a lesser time earn leave on a proportionate basis, measured to the nearest one-tenth hour. Leave is charged on the basis of time absent.

8. **Special Programs (temporary).** Sick leave is earned as outlined in Personnel Procedure 3001.04, at the rate of one day for each full-time (40-hour week) calendar month worked. Those employed a lesser time earn leave on a proportionate basis, measured to the nearest one-tenth hour. Leave is charged on the basis of time absent.
### PARTIAL SICK LEAVE CALCULATION FOR FACULTY

Partial sick leave for a contract faculty should be calculated as follows:

<table>
<thead>
<tr>
<th>Day</th>
<th>Class Hours</th>
<th>Class Hours</th>
<th>Sick Leave Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday</td>
<td>3</td>
<td>2</td>
<td>5*</td>
</tr>
<tr>
<td>Tuesday</td>
<td>2 ½</td>
<td>1 ½</td>
<td>4**</td>
</tr>
<tr>
<td>Wednesday</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thursday</td>
<td>2 ½</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friday</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>15</td>
<td></td>
<td>15</td>
</tr>
</tbody>
</table>

*2/15 x 40 or 2/3 x 8
**1.5/15 x 40 not 1.5/2.5 x 8 which would be 4.8, rounded to 5
DELETE THIS PROCEDURE
(Covered in HR 1050.04)

PERSONAL NECESSITY LEAVE FOR ACADEMIC
TEMPORARY (PART-TIME) SERVICE

1. Sick leave is available to employees for personal necessity leave, but it is limited to seven days annually. This is for full-time employees working a full year (fall and spring terms). Part-time employees (monthly) are eligible for seven pro-rated days.

2. Academic employees in an extra pay assignment or working in a temporary (part-time) assignment only also may use sick leave for personal necessity leave on the following basis.

   **Teaching Service**

   1 hour PNL is available for 1 hour of scheduled instruction for 18 weeks. For example, a teacher with a 3 hour class may use 1 day (one 3 hour class). In the summer PNL would be available on the same basis, 1 hour for each 18 hours taught.

   Whenever PNL is used for an extra pay or temporary (part-time) assignment, an analysis of actual service will be made to determine the projected entitlement for the year. All hours taught will be counted.

   **Counseling Service**

   1 day PNL is available for each 30 days of service.

   Whenever PNL is used, an analysis of actual service will be made to determine the projected entitlement for the year.

   **Other Academic Service**

   1 day PNL is available for each 30 days of full-time (40-hour week) service, or 1 hour for each 30 hours worked.

   Whenever PNL is used, an analysis of actual service will be made to determine the projected entitlement for the year.
DELETE THIS PROCEDURE
(Covered in HR 1050.11 and HR 1050.12)

INDUSTRIAL ACCIDENT OR ILLNESS LEAVE
(ACADEMIC AND CLASSIFIED)

See Board Policies and employee contracts for regulations on Industrial Accident or Illness Leave. The procedures for reporting this type of leave are as follows:

1. "Employer's Report of Industrial Injury" is to be completed for each reported injury.

2. Days off shall be indicated on the Absence Report by the letter "I". If off less than a full day, the number of hours off shall be entered in addition to the letter "I".

3. If Workers' Compensation denies the claim, the employee will not be permitted to take industrial accident or illness leave but will be permitted to take regular sick leave earned but not taken.
JURY DUTY/WITNESS LEAVE

Jury Duty and Witness Leave

When monthly employees are called for jury duty in the manner provided by law, the employee shall be excused from work without loss of pay for the time they are required to 1) serve on jury duty or 2) when subpoenaed to appear in a court of law. If the employee is a primary party to the legal action or a prospective beneficiary of it, the jury duty policy will not apply.

Definition

Jury duty is defined as time spent when required to appear in court to serve as a juror.

Eligibility

This applies to all Contra Costa Community College employees.

Procedures

The employee must notify his/her manager/supervisor for each day she/he serves on the jury. The jury duty summons or court-ordered subpoena must be presented to document the necessity of the absence.

Compensation

Monthly Employees

If an employee is called to jury duty or as a witness, he/she will be paid their regular salary for the days they serve on jury duty and are required to remit the check issued to them by the court to the District Payroll Department. If travel is included in the check issued by the court, reimbursement is paid to the employee.

Note: All hourly employees, including students, are not compensated by the District for jury duty or a subpoenaed witness. Any court fees and travel payment are retained by the employee.

Deposits

The District Payroll Accountant is responsible for securing the reimbursement and depositing it to the appropriate account.

Guide to California Courts

California Labor Code, Section 230
California Code of Civil Procedure, Section 196
Education Code, Sections 87035, 87036
DELETE THIS PROCEDURE
(Covered in Local 1 Contract Article 9)

ANNUAL VACATION FOR CLASSIFIED UNIT MEMBERS

Regular classified employees are entitled to annual vacation with pay on the following basis:

Article 9, Collective Bargaining Agreement, CCCCD and Public Employees Union Local 1, Leaves

9.10 Vacation Leave: Employees are entitled to vacation allowance with pay. The base date for calculating vacation entitlement shall be established as the first (1st) of the month of employment, if employed between the first (1st) and fifteenth (15th) calendar date of that month, or the first (1st) of the following month if employed on or after the sixteenth (16th) calendar date of the month.

9.10.1 Employees shall earn vacation leave with pay as follows (effective July 1, 2002):

9.10.1.1 For the first two fiscal years of service - 8.67 hours per month

9.10.1.2 Beginning with the third fiscal year of employment through the 10th fiscal year of employment - 12.00 hours per month (18 days annually)

9.10.1.3 Beginning with the eleventh (11th) fiscal year of employment and thereafter - 15.33 hours per month (23 days annually)

9.10.4 Employees working less than full-time shall be entitled to vacation allowance at the same ratio as their work schedule bears to the allowance of a full-time employee.

9.10.5 An employee must work or be on paid leave of absence in order to earn full vacation leave for that month. An employee in a paid status for less than a month shall accrue vacation for each hour of paid service, excluding overtime, as follows:

9.10.5.1 For the first two fiscal years of service - .050000 hours

9.10.5.2 Beginning with the third fiscal year of employment through the tenth (10th) fiscal year of employment - .69231 hours

9.10.5.3 Beginning with the eleventh (11th) fiscal year of employment and thereafter - .088462

9.10.7 Vacation leave may, with the approval of the District, be taken at any time after it has been earned. If a probationary employee uses vacation prior to the completion of six (6) months of service and separates from employment with the District prior to six (6) months of service, the employee’s final compensation will show a deduction for the used vacation hours.

9.10.10 Vacation leave, at the option of the employee, may be used to extend sick leave, when necessary. However, if vacation leave is taken for purposes of illness or injury, the rules regarding its usage shall be identical to sick leave usage.

Upon separation from the District, accrued vacation shall be paid at the employee’s current rate of pay.
ABSENCE REPORTS FOR MONTHLY EMPLOYEES

The recording of presence or absences of regular and contract academic, management and classified personnel paid a monthly salary shall be maintained on a negative basis, that is, only absences are to be indicated on monthly absence report form. Absences shall be recorded and reported as follows:

1. Absence Reports will be forms shall be completed submitted to District Office Payroll for each employee prior to the first tenth of the month following the month of reporting. The name, social security number or assigned ID (identification) number, location and month and year will be indicated on the card.

2. Absences are to be recorded in units of hours and half hours only for classified staff and management personnel. Appropriate symbols as indicated on the Absence Report form will be used to report the type of absence. A full day of service on a scheduled work day is represented by leaving the box for that date blank.

3. Prior to receiving his/her payroll check, the employee shall sign the Absence Report with ball-point pen form. Any corrections in reporting are to be made before the Absence Report is signed by the employee. Any corrections shall be initiated by the employee. A revised Absence Report form must be submitted to District Office Payroll to correct current or prior usage.

4. Absence forms for all employees are also to be verified and shall be signed by the employee’s immediate supervisor. For academic personnel, the first-level manager must sign the Absence Report.

5. The original Absence Reports for each month are to be sent to the District Payroll Department by the tenth of the month following the month of reporting.

(The following, highlighted text for No. 5 only was moved, with changes highlighted in gray, from Pay. 9.04)

5. Absences reported due to the following reasons will result in a reduction of pay:

- unauthorized absence
- leave without pay
- furlough period for classified employees
- overuse of personal necessity
- overuse of vacation
DELETE THIS PROCEDURE

FURLough/ExTended SICK Leave/Leave Without Pay absenCe rEporting

FURLough REPORTING

Employees Hired Less Than 12 Months

July 1 of each fiscal year, the District Payroll Department is provided with a furlough schedule for those employees hired for less than a 12-month schedule.

Each month the schedule is reviewed, employees who are reported on a non-work schedule for the month, week or weeks are docked on that month’s payroll.

Revisions to the original July listing are processed from each college location, forwarded to the District Human Resources Department and to the District Payroll Department.

EXTENDED SICK LEAVE REPORTING

Local 1 (Agreement, Local 1, Article 9.9.7)

If an employee’s absence due to either industrial or non-industrial illness or injury extends beyond the accumulated leave for this purpose, the employee will be paid at fifty percent (50%) of his/her regular rate for a period not to exceed one hundred (100) working days. The one hundred (100) working day period shall run concurrently with other paid leaves. An employee may use vacation accumulation to provide an amount equal to a full day’s pay during any time when the employee is on pay status. In no event shall this benefit extend beyond one hundred (100) working days in a fiscal year. A regular classified employee shall be required to present a doctor’s report stating the nature of the illness or injury and the date the employee is able to return to work to qualify for these benefits. Upon expiration of paid leaves, the employee may also apply for coverage to the disability insurance carrier, according to its procedures.

United Faculty (Agreement, United Faculty, Article 12, 12.7.9)

When a unit member has exhausted his/her sick leave benefits and is absent from work because of illness or accident for a period of five (5) school months or less, whether or not the absence arises out of or in the course of the employment of the unit member, the unit member shall receive the difference, if any, between a substitute’s salary, if hired, and his/her regular salary during the period of such absence to a maximum of five (5) school months within the regular college year.
Management, Supervisors, Confidential (Management Manual, Leaves, 12.17.2)

If an employee's absence due to either industrial or non-industrial illness or injury extends beyond accumulated leave for this purpose, the employee will be paid at fifty percent (50%) of his/her regular rate for a period not to exceed one hundred (100) working days. The one hundred (100) working day period shall run concurrently with other paid leaves. An employee may use vacation accumulation to provide an amount equal to a full day's pay during any time when the employee is on 50% pay status. The employee shall be required to present a doctor's report stating the nature of the illness or injury and the date the employee is able to return to work to qualify for these benefits. Upon expiration of paid leaves, the employee may also apply for coverage to the disability insurance carrier, according to its procedures.

(The following text highlighted in gray was moved, with changes, to Pay. 9.01)

Absences due to the following reasons will result in a reduction of pay:

- unauthorized absence
- leave without pay
- furlough period for classified employees
- overuse of personal necessity
- overuse of vacation

Absences for the above reasons are reported on the absence reports submitted by the 10th of the month or in writing by the college locations or the District Human Resources Department.
DELETE THIS PROCEDURE
(Covered in UF Contract Article 20)

PAYMENT BASIS FOR HOURLY AND DAILY CERTIFICATED EMPLOYEES
(EXCLUDING SPECIAL PROGRAMS)

1. Instructors (Semester and Summer Session): 1 hour’s pay for each 50 minutes of instruction, except that equivalent hours for any class period of two hours duration or longer shall not exceed the total clock hours (60 minute hours) in the period. Further 5 minute intervals in the instructional period shall not be considered in calculating equivalent hours.

Examples:

<table>
<thead>
<tr>
<th>Instructional Period</th>
<th>Equivalent Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:00-8:50 (no break)</td>
<td>1.0</td>
</tr>
<tr>
<td>8:00-9:00 (no break)</td>
<td>1.0</td>
</tr>
<tr>
<td>8:00-9:10 (no break)</td>
<td>1.4</td>
</tr>
<tr>
<td>8:00-9:20 (no break)</td>
<td>1.6</td>
</tr>
<tr>
<td>8:00-9:30 (no break)</td>
<td>1.8</td>
</tr>
<tr>
<td>8:00-9:40 (no break)</td>
<td>2.0</td>
</tr>
<tr>
<td>8:00-9:50 (10 minute break)</td>
<td>2.0</td>
</tr>
<tr>
<td>8:00-10:40 (10 minute break)</td>
<td>3.0</td>
</tr>
<tr>
<td>8:00-10:50 (2-10 minute breaks)</td>
<td>3.0</td>
</tr>
<tr>
<td>8:00-11:30 (10 minute break)</td>
<td>3.8</td>
</tr>
<tr>
<td>8:00-11:40 (2-10 minute breaks)</td>
<td>4.0</td>
</tr>
<tr>
<td>8:00-11:50 (3-10 minute breaks)</td>
<td>4.0</td>
</tr>
</tbody>
</table>

2. Counselors: 1 hour’s pay for each 60 minutes.

3. Other Certificated Personnel: 1 hour’s pay for each 60 minutes.

PAY PERIOD

Pay periods will be from the 1st through the end of each month, with warrants normally issued on the 10th of the succeeding month.

HOLIDAYS

A certificated hourly or daily employee is entitled to pay for holidays if the following three conditions are met:

1. The holiday is one of the employee’s regularly scheduled working days.
2. The school calendar designates the day as an academic holiday, and
3. The day falls between the beginning and end of the semester or summer session as designated by the school calendar (excluding Christmas and Easter recess).

SICK LEAVE

Sick leave will be earned on a pro-rata basis.
Salary payments to certificated employees who are employed for services that are reimbursed on an hourly salary schedule will be made currently on either of three types of forms paid on the FX (A/C hours) and PX (C hours) payrolls. These salary payments are submitted to the District Office Payroll for processing and shall be in the following formats:

1. Excel spreadsheets based on data extracted from course file separated by FX and PX payrolls
   - Assignments paid on the Teaching for Extended Day Programs Salary Schedule
     - Semester length classes (Pay by Course)
     - Short-term classes
   - District Payroll Department Requirement
     - Excel spreadsheets must be in two separate groups:
       a. “A/C” (FX Payroll)
       b. “C” (PX Payroll)
   - For hours associated with salary schedule B-2 (Teaching for Extended Day Programs, Temporary Part-Time Day Faculty and Summer Session), each campus shall prepare and submit a spreadsheet listing pay hours by individual to District Office Payroll. In order to correctly calculate load factor adjustments, the submitted spreadsheets must identify the instructional method of each course and whether the pay hours are “A/C” or “C”.

2. Time cards for Certificated Employee Variable Service Report—Teaching Services (Forms 7117 and 7129)
   a. Substitute teaching (hourly and daily)
      (Services paid on the Teaching for Extended Day Programs Salary Schedule)
   b. Special program (Teaching/Hourly)
      (Instruction paid on the Academic Special Programs Hourly Schedule)

   The following certificated hours shall be reported on a time card and submitted to District Office Payroll for processing:
   - substitute teaching hours associated with salary schedule B-2 (Teaching for Extended Day Programs, Temporary Part-Time Faculty and Summers Session);
   - other academic service hours associated with salary schedule B-3 (Other Academic Services, Extended Day Programs, Temporary Part-Time Day Faculty and Summer Session);
   - non-instructional certificated hours (counselors, librarians, and disability specialists) associated with salary schedule B-4 (Counseling, Librarian, and Disabilities Specialist for Extended Day Programs, Temporary Part-Time Day Faculty and Summer Session); and
   - special program hours associated with salary schedule B-5 (Academic Special Programs).

3. Faculty Variable Services Report—Counseling/Other Services (Form 7129)
- Other Certificated Services Extended Day Programs Salary Schedule
- Counselor (Hourly)
  (Counseling, Librarian, and Disabilities Specialist for Extended Day Programs Salary Schedule)
- Personnel Related Services (Hourly)
  (Personnel Related Services Salary Schedule)
- Special Program (Hourly)
  (Academic Special Programs Salary Schedule)
- Librarian
  (Counseling Librarian, and Disabilities Specialist for Extended Day Programs Salary Schedule)

District Payroll Department Requirement:
All time cards should be submitted in alphabetical sequence to the District Payroll Department in two groups:

1. “A/C” - FX Payroll
2. “C” - PX Payroll
TIME CARDS FOR CLASSIFIED HourLY AND SHORT-TERM/SUBSTITUTE EMPLOYEES

Classified hourly and short-term/substitute employees are required to submit time cards.

1. The time card to be used is titled Time for classified short-term and substitute employees shall be reported on the Classified Hourly Employee Time Card, form number 7277.

2. On the first day the employee works during the pay period, the supervisor will give the employee a card to complete as to name, payroll title, social security number or employee identification number, position number, hourly pay rate, and months covered in the pay period.

3. Enter the time in, time out and the hours worked in the appropriate box for the date(s) worked. Time is reported in units of hours and half hours only.

4. If an employee is to be paid at more than one rate, or if an employee worked at more than one job and a different position number is to be charged, a card shall be completed for each separate position.

5. It shall be the supervisor’s responsibility to audit the time worked on a daily basis.

6. On the last working day of the pay period both the employee and the supervisor shall check the card to be sure that the time shown as worked is correct and sign as provided. The supervisor shall enter the position control number, hourly rate and total the hours worked.

7. The supervisor shall turn cards in to the College site Payroll Department Clerk. If the last day of the pay period is a holiday, a Saturday or a Sunday, time cards shall be submitted to the College Payroll Department the next last working day of the pay period.

8. The College site Payroll Clerk shall verify the total hours worked and, the rate of pay, and that the assigned position number has been linked to the employee.

9. The original cards for classified substitutes shall be submitted to the District Office Payroll Department as indicated on calendar schedules. Any cards not forwarded to meet this deadline should be retained at with the College site Payroll Department Clerk for submission with cards for the following pay period.

10. The pay period for hourly classified short-term/substitutes will be from the 21st calendar day through the 20th calendar day of the following month, with warrants normally issued on the 10th of the month.

Substitutes shall be employed only upon approval of the College President.
DELETE THIS PROCEDURE

TIME CARDS FOR CLASSIFIED HOURLY EMPLOYEES

1. Time for hourly classified employees shall be reported on the Classified Hourly Employee Time Card, form number 7277.

2. On the first day the employee works during the pay period, the supervisor will give the employee a card to complete as to name, payroll title, social security number or employee's identification number, and months covered in the pay period. A separate time card is to be completed for each position number.

3. Enter the time in, time out and the hours worked in the appropriate box for the date(s) worked. Time is reported in units of hours and half hours only.

4. If an employee is to be paid at more than one rate, or if an employee worked at more than one job and a different position number is to be charged, a card shall be completed for each separate position.

5. It shall be the supervisor's responsibility to audit the time worked on a daily basis.

6. On the last working day of the pay period, both the employee and the supervisor shall check the card to be sure that the time shown as worked is correct and sign as provided. The supervisor shall verify total hours worked. If the employee is required to work on a holiday, the supervisor must authorize the time worked.

7. The supervisor is to submit the time cards to the college payroll office. If the last day of the pay period is a holiday, a Saturday or a Sunday, time cards shall be submitted to the college payroll office the next working day.

8. The college payroll clerk shall verify total hours worked and that the assigned position number has been linked to the employee.

9. The original cards for classified hourly shall be submitted to the District Payroll Department as indicated on the calendar schedule. Any cards not forwarded to meet this deadline should be retained at the college payroll office for submission with cards for the following pay period.

10. The pay period for hourly classified employees will be from the 21st calendar day through the 20th calendar day of the following month, with paychecks normally issued on the 10th of the month.
TIME CARDS FOR CLASSIFIED OVERTIME AND EXTRA TIME

Employees who are overtime eligible or who work extra time shall report overtime or extra time on a time card. Time cards shall be completed as follows:

1. Overtime and extra time for regular classified employees shall be reported on the Classified Regular Employee Time Card, form 7128.

2. On the first day the employee works during the pay period, the supervisor will give the employee a card to complete as to name, payroll title, social security number or employee identification number, and months covered in the pay period.

3. The time worked shall be entered on a positive basis and indicated in units of hours and half hours only.

4. If an employee is to be paid at more than one rate, or if the work is to be charged to more than one GL general ledger number, or if an employee worked at more than one job or special event, a card shall be completed for each position number.

5. It shall be the supervisor's responsibility to audit the time worked on a daily basis.

6. On the last working day of the pay period, both the employee and the supervisor shall check the card to be sure that the time shown as worked is correct and sign as provided.

7. The supervisor shall turn the time cards in to the College site Payroll Department Clerk. If the last day of the pay period is a holiday, a Saturday or a Sunday, time cards shall be submitted to the College Payroll Department by the next on the last working day of the pay period.

8. The College site Payroll Clerk shall verify the hours worked and if the position number indicated has been linked to the employee.

9. The original cards for classified overtime and extra time payments shall be submitted to the District Payroll Department as indicated on the calendar schedule. Any cards not forwarded to meet this deadline should be retained at with the College site Payroll Department Clerk for submission with cards for the following pay period.

10. The pay period for classified overtime and extra time will be from the 21st calendar day through the 20th calendar day of the following month, with pay checks issued on the 10th of the month.
CERTIFICATION OF TIME CARDS AND ABSENCE REPORTS

All classified employees are responsible for the accurate completion of time cards and absence reports. It is the responsibility of each manager to review and certify the accuracy of time card and absence reports.

The procedures for certification of time cards and certification of absence reports is appended. These following procedures describe requirements regarding reporting of time card hours and absences, employee and management responsibilities for time cards and absence reports, and the consequences associated with improper reporting of hours and absences.
Certification of Timecards

Employee’s Responsibility

Employees must fill out all timecards completely, accurately, and in ink. Timecards submitted in pencil will be returned. The employee must sign his/her own timecard. An employee’s signature certifies that all of the information is correct and that he or she actually worked the hours reported on the days indicated and in the month reported.

If an employee is unable to sign the timecard due to illness or extenuating circumstances, the Manager or designee must attach a written explanation to the timecard and submit it to the Payroll Office. The timecard will then be marked “not available for signature” and approved by Payroll.

Management’s Responsibility

When a manager or designee signs an employee’s timecard, it is the manager’s or designee’s responsibility to certify the following:

1. To the best of the manager or designee’s knowledge, the employee worked the hours reported on the days and month indicated.
2. The work was necessary to contribute to the College’s/District’s mission and purpose.

Managers and designees should also ensure that timecards are completed accurately in ink and submitted on schedule to the Payroll Office in order to ensure paychecks are distributed on time.

Designating Approval Authority

Managers should submit a list of employees who have been designated to approve timecards in their absence to the College and District Payroll offices. The designee should sign his/her own name on the timecard as follows “Jane Smith for John Dean”.

Pay Increases

Please note that all pay increases must be approved and authorized by the Governing Board. No manager or designee is authorized to effectively give an hourly or monthly employee a bonus or a raise by:

1. Authorizing the employee to report additional hours he or she has not actually worked;
2. Making payment to the employee from local funds held at the College or District; or
3. Making payment to the employee by any method to avoid submission of a timecard.

Falsification

Falsification of a timecard is falsification of a government record which is a crime under California law pursuant to Government Code §6200-6203 and may also constitute unlawful forgery under Penal Code §470. Falsification includes but is not limited to:

- reporting hours that one did not actually work
- submitting a timecard for a fictitious employee
Payroll Procedure 11.05

Exhibit B -3-

- continuing to submit timecards for an employee that no longer works in the District
- submitting a timecard with an unauthorized or forged manager’s or designee’s signature
- reporting hours worked not on the actual days worked but on different days in order to avoid exceeding the 165 day limit
- submitting a timecard with an unauthorized position

Consequences

The above guidelines represent the District's procedure regarding certification of timecards. The guidelines have been issued to clarify employees’ and managers'/designees’ responsibilities to avoid inadvertent violations of policies or state law. Employees found falsifying timecards or manager's/designee's knowingly certifying false timecards may be subject to disciplinary actions including termination and may also be subject to criminal prosecution.

Questions???

Please contact the Payroll Office at your location or the Director of Payroll Services if you have questions.

Certification of Absence Reports

Employee’s Responsibility

All absences are to be reported in accordance with the guidelines set forth for each classification of employee. Employees are responsible for knowing these guidelines and for reviewing and signing monthly absence reports.

The employee must sign his/her own absence report. An employee's signature on the absence report certifies that all of the information is correct and that he or she has included all reportable absences on the days indicated and in the month reported.

If an employee is unable to sign the report due to illness, extenuating circumstances, or is not scheduled to work, the Manager or designee must notify the location site Payroll Office. The absence report will then be marked “not available for signature” and approved by Payroll.

Management’s Responsibility

When a manager or designee signs an employee's absence report, it is the manager’s or designee's responsibility to certify that to the best of the manager or designee's knowledge, the employee has included all reportable absences.

Managers and designees should also ensure that absence reports are completed accurately in ink and submitted on schedule to the Payroll Office.

Delegating Approval Authority

Managers should submit a list of employees who have been designated to approve absence reports in their absence to the College and District Payroll offices. The designee should sign his/her own name on the absence report as follows “Jane Smith for John Dean”.

June 16, 2015
Falsification

Falsification of an absence report is falsification of a government record which is a crime under California law pursuant to Government Code §6200-6203 and may also constitute unlawful forgery under Penal Code §470. Falsification includes but is not limited to:

- under-reporting or failing to report vacation, sick, personal necessity, or bereavement leave
- reporting sick, personal necessity or other types of leaves without having met the requirements described in the union contract or management personnel manual
- submitting an absence report with an unauthorized or forged manager's or designee's signature

Consequences

The above guidelines represent the District's procedure regarding certification of absence reports. The guidelines have been issued to clarify employees' and managers'/designees' responsibilities to avoid inadvertent violations of policies or state law. Employees found falsifying absence reports or manager's/designee's knowingly certifying false absence reports may be subject to disciplinary actions including termination and may also be subject to criminal prosecution.

Questions???

If you have any questions, please contact the Payroll Office at your location or the Director of Payroll Services.
STUDENT SUMMER EMPLOYMENT PROCEDURE

The District employs student workers as part of the financial aid program and/or to provide work experience for actively enrolled students. Student workers are a valuable resource for the District in meeting its educational mission of providing outstanding learning opportunities for all students.

1. Student employees hired between July and May of the fiscal year may work during June at the student salary rate. Students not previously employed who are hired to work July June 1 must be enrolled in at least three units of summer session classes and complete student employment forms.

2. Students who are not currently enrolled in summer session classes shall be employed as classified hourly short-term employees if employed during July and August (prior to start of the fall semester).
UNEMPLOYMENT INSURANCE EXEMPTION FOR STUDENT EMPLOYEES

Student employees are not covered by unemployment insurance. Section 642 of the California Unemployment Insurance Code provides that indicates, “employment does not include service performed in the employ of a school, college, or university if such service is performed: a) by a student who is enrolled and is regularly attending such school, college, or university.”

Section 642(a)(1) of Title 22 (Employment Development Department) provides that indicates, "a student is “regularly attending classes’ when he/she meets the minimum attendance requirement for his/her course of study established by the school, college, or university."
DELETE THIS PROCEDURE
(Covered in Bus. 18.05)

COLLEGE WORK STUDY STUDENT EMPLOYEES

1. Salary accounts for students will be established in the Work Study Fund for all activities when accounts are established in the operating fund.

2. Work Study student accounts shall not be established for restricted fund accounts.

3. Bookstore, cafeteria, student government or any other on-campus activity which is expected to pay for the local share outside of the operating fund will be treated as an outside agency for work study fund purposes. The local share will be invoiced by the Comptroller.
GOVERNING BOARD MEMBER PAYMENTS

1. After each Board meeting the Executive Coordinator to the Chancellor will submit the Governing Board Members’ Compensation form to the Payroll Department. Attendance will be certified by the Chancellor.

2. The compensation form will indicate the following:
   a. Date of Meeting.
   b. Names of Board Members present.
   c. Address of Board Members.
   d. Monthly compensation payable.

3. Payments will be made on payroll checks. If payments are to be received the 10th of the succeeding month, the form must be forwarded to the Payroll Department no later than the 26th of the month.

(The following yellow highlighted text was moved, with changes highlighted in gray, from Pay. 13.06)

ARE GOVERNING BOARD MEMBERS EMPLOYEES?

The California Government Code states Governing Board members are not employees, but are considered elected officials. District Governing Board members are compensated monthly for their service as elected officials. In order for compensation to occur, the Chancellor shall certify that each Governing Board member attended the meeting or, if absent, ensure the recording of the absence in the Board meeting minutes. This certification is communicated to District Office Payroll who will process payment on a payroll warrant.

ARE GOVERNING BOARD MEMBERS ELIGIBLE FOR TSA’s?

Elected or appointed California school board members or appointed members of a personnel commission are not employed for TSA purposes and are not eligible for TSA’s (403b) plans; however,

ARE GOVERNING BOARD MEMBERS ELIGIBLE FOR 457(B) ELIGIBILITY (CalPERS)?

Governing Board members may contribute to the District’s 457(b) Deferred Compensation Plan.

ARE GOVERNING BOARD MEMBERS ELIGIBLE FOR TAX WITHHOLDING?

Internal Revenue code Sections 3401c and 3121(b)(F)(iv) states that the term “employee” includes an officer, employee or elected official of the United States, a state, or political subdivision thereof.

ARE GOVERNING BOARD MEMBERS ELIGIBLE FOR SOCIAL SECURITY COVERAGE?

Prior to July 1, 1994, Governing Board members had the option to elect into PERS so the option clause qualified them for social security coverage. Effective July 1, 1994, Government Code 20362c excluded Governing Board members from elective coverage into PERS.
COOPERATIVE VOCATIONAL EDUCATION SUPERVISION

1. The District Office shall establish a budget allocation to cover supervision costs based on agreements between the Chancellor and the College Presidents.

2. Funds will be placed in the hourly teaching salaries host account.

3. Employment of staff serving only as temporary (part-time) supervisors shall be submitted for prior Board approval on the Academic Personnel Requisition (form 7001). Indicate the hourly salary in the spaces provided for class and step. List the Payroll title as “Cooperative Vocational Education Supervision.”

The compensation for academic employees who supervise cooperative vocational education students shall be according to the number of units each student earns, except where a student completes less than three units, in which case the instructor shall be paid as if the student has completed three units. The rate of compensation for supervision of cooperative vocational education students is associated with salary schedule B-6.

4. Payment will be processed in accordance with the following:

District Office Payroll will process payments for cooperative vocational education supervision in the following manner:

a. College completes two copies of the Cooperative Vocational Education Supervision Authorization (form 7280). The form is filled out for each Cooperative Vocational Education instructor for each term at the College level. The form has to be signed by the instructor’s supervisor and certified by the College President or designee.

In addition, the ‘Section Student Roster Information’ printout showing the following information for each course taught, for each instructor, is attached to the form by the college:

(1) course title and number;
(2) section number;
(3) students enrolled; and
(4) number of units of credit.

b. College submits the original form 7280 with attachment(s) to the District Office, Comptroller/Assistant Chief Financial Officer Payroll; and retains the second copy for verification of enrollments and salary computations.

c. Payments for the semester will be based on first census week enrollments and will be made as follows in four equal installments.

<table>
<thead>
<tr>
<th>Fall Semester</th>
<th>Spring Semester</th>
</tr>
</thead>
<tbody>
<tr>
<td>25% October 10*</td>
<td>25% March 10*</td>
</tr>
<tr>
<td>25% November 10</td>
<td>25% April 10</td>
</tr>
<tr>
<td>25% December 10</td>
<td>25% May 10</td>
</tr>
<tr>
<td>25% January 10</td>
<td>25% June 10</td>
</tr>
</tbody>
</table>

d. Payments will be made on payroll warrants. If payments are to be received the 10th of the succeeding month, the form must be forwarded to the District Payroll Department no later than the 24th of the month. All payments for the semester will be based on one payment authorization form for each employee.
e. Payments for summer will be based on units of enrollment. If enrollments can be verified on census rosters by the 20th of the preceding month. If not, the initial payment of 50% will be made November 10 and April 10.

Salary Schedule – Supervision of Cooperative Vocational Education Students.
DELETE PROCEDURE

RETIREDF CERTIFICATED EMPLOYEE CONSULTING PAYMENT AUTHORIZATION
(EMERITUS CONTRACTS)

1. After the Emeritus faculty consultant returns his/her signed “Emeritus Faculty Consultant's Contract” to the Comptroller/Assistant Chief Financial Officer, the Comptroller forwards the “Emeritus Certificated Employee Consulting Payment Authorization” forms to the College President based on the performance schedule.

2. Payments will be processed in accordance with the following:
   a. College completes three copies of the payment authorization form 4cd-141, including the certification section. Copies are distributed as follows:
      White – District Payroll Office
      Canary – College Business Office
      Pink – Consultant
   b. Payments will be made on payroll warrants. A form 4cd-141 must be submitted for each payment due. If payments are to be received by the 10th of the succeeding month, the form must be forwarded to the District Payroll Department no later than the 24th of the month.
DELETE THIS PROCEDURE
(The following text was moved, with changes, to Pay. 13.01)

CONTRACOSTA COMMUNITY COLLEGE DISTRICT
GOVERNING BOARD MEMBERS PAYMENT PROCESSING

ARE GOVERNING BOARD MEMBERS EMPLOYEES?
The California Government Code states the Governing Board members are not employees, but are considered elected officials.

ARE GOVERNING BOARD MEMBERS ELIGIBLE FOR TSA’s?
Elected or appointed California school board members or appointed members of a personnel commission are not employed for TSA purposes and are not eligible for TSA-s.

ARE GOVERNING BOARD MEMBERS ELIGIBLE FOR 457(B) ELIGIBILITY (CalPERS)?
Governing Board members may contribute to the District’s 457(b) Deferred Compensation Plan.

ARE GOVERNING BOARD MEMBERS ELIGIBLE FOR TAX WITHHOLDING?
Internal Revenue code Sections 3401c and 3121(b)(F)(iv) states that the term employee includes an officer, employee or elected official of the United States, a state, or political subdivision thereof.

ARE GOVERNING BOARD MEMBERS ELIGIBLE FOR SOCIAL SECURITY COVERAGE?
Prior to July 1, 1994, Governing Board members had the option to elect into PERS so the option clause qualified them for social security coverage. Effective July 1, 1994, Government Code 20362c excluded Governing Board members from elective coverage into PERS.
PRE-RETIREMENT REDUCTION OF FACULTY EMPLOYEE ANNUAL WORKLOAD

**State Teachers' Retirement Law - 22713**

(a) The governing board of a school district or community college district or a county superintendent of schools may establish regulations that allow an employee who is a member of the Defined Benefit Program to reduce his or her workload from full-time to part-time, and receive the service credit the member would have received if the member had been employed on a full-time basis and have his or her retirement allowance, as well as other benefits that the member is entitled to under this part, based, in part, on final compensation determined from compensation earned the member would have been entitled to if the member had been employed on a full-time basis.

(b) The regulations shall include, but shall not be limited to, the following:

1. The option to reduce the member's workload shall be exercised at the request of the member and can be revoked only with mutual consent of the employer and the member.

2. The member shall have been employed full-time to perform creditable service subject to coverage under the Defined Benefit Program for at least 10 years including five (5) years of full-time employment immediately preceding the reduction in workload.

3. The member shall not have a break in service during the five (5) years immediately preceding the reduction in workload. For purposes of this subdivision, sabbaticals and other approved leaves of absence shall not constitute a break in service.

4. The member shall have reached the age of 55 years prior to the reduction in workload.

**United Faculty Agreement - 14.2**

14.2.5 Workload

The minimum workload for reduced load employment shall be the equivalent of one-half (\( \frac{1}{2} = 50\% \)) of the annual full-time workload as defined elsewhere in the agreement.

Pre-retirement reduction in workload is limited to a period of five (5) years.

**Contra Costa Community College District Procedures**

1. The Human Resources Department, in conjunction with the staff of the State Teachers’ Retirement System, shall verify the member’s eligibility for the reduced workload program.
Conditions and eligibility for a pre-retirement reduction of a faculty annual workload are set forth in Article 14.2 of the United Faculty Agreement.

2. After Governing Board approval of a reduction of a faculty member’s annual workload (United Faculty Agreement 14.2), a copy of the contract signed by the employee will be sent to the District Office Payroll Department, and the following procedures are applicable.

3. The District Office Payroll Department codes the employee’s deduction to the State Teachers’ Retirement Fund to be the same contribution that the member would have contributed had the member performed creditable service on a full-time basis subject to coverage under the Defined Benefit Program.

4. The employer’s contribution shall be at the rate defined by the State Teachers’ Retirement System.

5. The District Office Payroll Department shall maintain the necessary records to separately identify each State Teachers’ Retirement System member who participates in the reduced workload program.

6. The Reduced Workload contract will specify the payment schedule for employees with schedules of “one semester on - one semester off.” The employee has the option to receive six (6) or twelve (12) monthly salary payments.

7. Payments are processed during the normal payroll calendar schedules.
CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM (CalSTRS)

A Brief History of CalSTRS

The California State Teachers' Retirement System was established by law in 1913 to provide retirement benefits to California public school teachers. Membership in the CalSTRS Defined Benefit Program includes all employees in California public schools from kindergarten through community college in positions performing creditable service under the Defined Benefit Program.

The Teachers' Retirement Board

The Teachers' Retirement Board sets the policies and makes the rules for the California State Teachers' Retirement System and is responsible for ensuring that benefits are paid by the system in accordance with law.

The Teachers' Retirement Fund

The Teachers' Retirement Fund is a special trust fund established by law that holds the assets of the CalSTRS Defined Benefit, Defined Benefit Supplement, and Cash Balance benefit Programs. The assets come from contributions from employees, employers and the State of California. The fund's investments create income to add to those assets.

Membership-Defined Benefit Program

Membership in the CalSTRS Defined Benefit Program is available to employees of the California public school system, kindergarten through community college, in positions that require a credential, certificate or permit or require the employee to meet minimum standards adopted by the Board of Governors of the California Community Colleges.

Mandatory Membership

If employed to perform creditable service on a full-time basis, membership begins on the first day of employment. For those who are hired to work less than full-time, membership also begins on the first day of employment.

CalPERS Member Changes to CalSTRS Position

Certain members of CalPERS who subsequently are employed to perform CalSTRS creditable service can elect within 60 days of their new hire date to continue coverage under CalPERS for all subsequent CalSTRS creditable service.

Member Contributions

As a member of the CalSTRS Defined Benefit Program, the employee contributes 8% of his or her creditable compensation (salary) as defined in the Teacher's Retirement Law.
Contributions are withheld from creditable compensation by payroll deduction and credited to the Defined Benefit account. The contributions accrue interest at a rate determined annually by the Teachers’ Retirement Board.

**Employer Contributions**

The employing community college district or county superintendent of schools contributes an amount equal to 8.25% of the creditable compensation paid to every employee who is a member of the CalSTRS Defined Benefit Program.

**Service Credit**

Service credit is the accumulated period of time, in years and partial years, during which you receive creditable compensation for service as a member of the CalSTRS Defined Benefit Program. In addition to credit for actual service, it is possible to receive service credit for creditable compensation received for certain employer-approved leaves of absence.

Service credit is used to calculate service retirement benefit, as well as the surviving spouse benefit. The employee is notified of the accumulated service credit each year when they receive their Annual Statement of Account.

**Purchase of Additional Service Credit**

A CalSTRS member may be eligible to purchase service credit for past employment or an approved leave of absence for which CalSTRS retirement contributions were not made.

**Redeposit**

If a CalSTRS member returns to teaching or other CalSTRS-covered employment or becomes eligible for retirement with another public system in California, they may elect to redeposit past Defined Benefit Program refunds plus regular interest. The longer the elapsed time between refund and redeposit, the higher the redeposit amount will be. A member can choose to redeposit a portion, rather than all of a refund, along with applicable interest.

**Disability Benefit Program**

As a member of the CalSTRS Defined Benefit Program, the member qualifies for disability protection under one of CalSTRS disability benefit programs.

Disability benefits are available if the member meets the eligibility requirements and they have a medically determinable physical or mental impairment that prevents them from performing their usual job or comparable duties.

**If An Employee Terminates His/Her CalSTRS-Covered Employment**

Termination of CalSTRS-covered employment refunds the employee’s contributions, plus interest, and cancels any eligibility for monthly benefits from CalSTRS as a retiree.
Service Retirement

An employee will be vested with a right to lifetime benefits when they have reached the age of 55 with five years of service credit under the CalSTRS Defined Benefit Program.

When Can A CalSTRS Member Retire?

A member may retire at age 60; however, the normal retirement age factor of 2% will be reduced for each month the employee is younger than age 60. The earliest an employee can retire is age 50 with at least 30 years of service credit. An employee can also retire at age 55 with at least five years of service credit.

Under the Early Retirement Limited Term Reduction Program, a CalSTRS member must be at least age 55, but under age 60, and have at least five years of credited service. The CalSTRS member will receive one-half the monthly benefit amount calculated as if they were age 60.

Survivor Benefits

The CalSTRS Defined Benefit Program provides benefits to survivors of members who die, either before or after retirement.

If a member has less than one year of service credit, the benefit payable to the death benefit recipient(s) is a refund of accumulated Defined Benefit.

Information Services

Call CalSTRS automated system at 800-228-5453.

Contacting CalSTRS

The CalSTRS website is www.calstrs.com. The CalSTRS website provides current information for members, employers, and CalSTRS stakeholders. The CalSTRS site includes such useful features as the RETIREMENT BENEFIT CALCULATOR.

The CalSTRS address is: CalSTRS, P. O. Box 15275, Sacramento, CA 95851-0275.
CalSTRS provides retirement, disability and survivor benefits for full-time and part-time California public school educators through its Defined Benefit, Defined Benefit Supplement, and Cash Balance Benefit programs. The Teachers’ Retirement Fund is a special trust fund established by law that holds the assets of the CalSTRS Defined Benefit, Defined Benefit Supplement, and Cash Balance Benefit programs. The assets come from contributions by employees, employers and the State of California.

**Membership**

If you are an educator or are performing other activities that are creditable service, you may be a member of the Defined Benefit Program as mandated by law or you may be eligible to elect membership. You are eligible for the Defined Benefit Program if you’re an employee of a California public school system, prekindergarten through community college, in a position that requires you to:

- have a credential, certificate or permit; or
- meet the minimum standards adopted by the Board of Governors of the California Community Colleges.

*Only activities identified as creditable service count toward years of service for CalSTRS retirement.*

**Full-Time Educators**

If you are employed to perform creditable service on a full-time basis, you will automatically become a member of the Defined Benefit Program on your first day of employment.

**Part-Time Educators**

If you are a part-time, substitute or temporary employee performing creditable service in the California public school system, you can choose to belong to the Defined Benefit Program or an alternative program offered by your employer, such as the Cash Balance Benefit Program. Your employer must formally notify you of your right to elect membership in the Defined Benefit Program within 30 days of hiring. You can elect membership only during a pay period in which you actually performed creditable service and on the appropriate form provided by your employer. The date of membership is the first day of the pay period in which you made your election. If you participate in the Cash Balance Benefit Program and later become a full-time employee, you automatically will become a member of the Defined Benefit Program.

**Programs**

CalSTRS administers the Defined Benefit, Defined Benefit Supplement, and Cash Balance Programs. A brief description of each program’s benefits is provided. In addition, the District offers social security for part-time, substitute, adjunct, or temporary educators who elect not to participate in either the defined benefit or cash balance program.

**Defined Benefit**

The Defined Benefit Program is mandatory for full-time California public school prekindergarten–12 teachers, community college instructors and public school administrators. Part-time educators can choose to become members. With five years of service credit, individuals are eligible for a guaranteed lifetime retirement benefit based on a formula set by law.
Defined Benefit Supplement

The Defined Benefit Supplement Program is a supplemental cash balance plan that is payable at retirement.

Cash Balance Benefit

The Cash Balance Benefit Program is a cash balance retirement plan employers can choose to offer their part-time, substitute, adjunct or temporary educators as an alternative to the Defined Benefit Program or Social Security that is payable at retirement. The Cash Balance Benefit account balance includes member contributions, employer contributions, guaranteed interest and any additional earnings credits.

Social Security

Part-time, substitute, adjunct or temporary educators can elect to take social security in lieu of CalSTRS defined benefit or cash balance plans.

Membership Program Options

The following table shows membership program options by employee type.

<table>
<thead>
<tr>
<th>CalSTRS Eligible Positions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined Benefit</td>
</tr>
<tr>
<td>Full-Time</td>
</tr>
<tr>
<td>Part-Time</td>
</tr>
</tbody>
</table>

Switching or Retaining Retirement Systems

If you are a CalSTRS member and change to employment covered under certain other public retirement systems in California, such as the California Public Employees’ Retirement System (CalPERS), you can continue your existing CalSTRS coverage or change to that other system.

If you are a Defined Benefit member and become employed by the same or a different school district, community college district, county office of education or have limited State of California employment to perform service that requires membership in CalPERS, you may elect to continue coverage under CalSTRS. If you do, service in your new position will be treated as creditable service under the CalSTRS Defined Benefit Program.
The election to stay within CalSTRS:

- must be made within 60 days of the date of hire into your new position;
- must be done on the appropriate CalSTRS form provided by the District;
- is effective as of the date of hire into your new position; and
- is irrevocable and applies to all service for that employer.

If election is not made pursuant to these parameters, the employee will be switched to the pension system assigned to his/her new position.

**Working After Retirement**

If you return to work after service retirement in a position with the California public school system as an employee, an employee of a third party, or an independent contractor, there are restrictions.

You cannot:

- work in a classified position except, under certain circumstances, as a teacher’s aide;
- earn more than the annual postretirement earnings limit without affecting your CalSTRS retirement benefit;
- earn any pay without affecting your retirement benefit if you return to work before a 180 calendar day separation from service; or
- keep the additional service credit you received under the CalSTRS Retirement Incentive Program, if you return to work within five years of retirement with the employer that offered the incentive.

You can continue to receive your full CalSTRS retirement benefit, with no earnings limitation, if you take a job outside of CalSTRS-covered employment, including work in:

- private industry outside the California public school system;
- private schools;
- public schools outside California; or
- University of California or California State University system.

If the employee is also a member of another public retirement system, that system’s earnings limitations may also apply.
DELETE THIS PROCEDURE
(Content Covered in Pay 15.01)

PART-TIME HOURLY “C” AND “A/C”
(CalSTRS)

CalSTRS Membership

Federal law requires all certificated employment be covered under a retirement plan. California State law requires all public school employers to provide the CalSTRS Defined Benefit Program. For employees whose time basis is less than half-time (50%), public school employers must also offer either Social Security or Cash Balance.

Retirement Membership Options (Hourly – “C”)

When employees are hired by a K-12 district, county office of education or a community college district, the district is required to notify them that they can elect one of the following:

- Cash Balance - Employee is hired on an hourly basis and is working less than 50%.
- Defined Benefit Program - An employee who is a non-member and elects to participate in the CalSTRS Defined Benefit Program.
- Social Security - The employee is currently contributing to Social Security or prefers to pay into Social Security.

Mandatory Membership - Defined Benefit Program (Hourly – “C”)

First day of pay period following the pay period in which creditable service in one school district, community college district or county superintendent’s office is performed for 60 or more hours.

OR

First day of pay period following the pay period in which creditable service in one school district, community college district or county superintendent’s office is hired to teach 50% or more.

Per Diem

Shall become a member on the first day of the pay period following the pay period in which the employee was hired on a per diem basis for 10 days of creditable service during one school year.

Substitute - Daily

First day of pay period following the pay period in which creditable service in one school district, community college district or county superintendent’s office and has completed 100 working days during the fiscal year.

Exclusions From Membership

Persons serving as exchange teachers from outside of this state are excluded from membership in this plan.

Employers Who Offer CalSTRS Cash Balance (Hourly – “C”)

In school districts, county offices of education or community college districts that do offer the CalSTRS Cash Balance Benefit Program, the following mandatory transfer to CalSTRS Defined Benefit Program membership requirement applies:
First day of pay period in which the Cash Balance Program employee is hired to work 50% or more.

**Defined Benefit Supplement Program (Hourly “C”)**

Effective July 1, 2002 all “A/C” and only those “C” hourly employees whose employment status qualifies them (“C” who are annually employed in other school districts) are mandated to participate in the Supplemental Program.

**Contributions**

Each member of the Defined Benefit Program continues to contribute 8% of their CalSTRS-covered salary toward retirement.

CalSTRS will automatically establish an account under the Defined Benefit Program for all Defined Benefit Program members who perform creditable service and make contributions to CalSTRS on creditable compensation earned for that service.

**Part-time Teachers (“C”) - How Final Compensation is Calculated**

Final compensation is equal to the highest average annual earnable compensation for three consecutive years, or 12 consecutive months, if they have earned 25 years of service credit.

**Part-time Teachers (A/C) - How Service Credit is Calculated**

For part-time faculty, service credit for one school year is equal to how much they actually earned in an assignment divided by their earnable compensation for that assignment. When a member works multiple assignments, service credit is the sum of the service earned in each individual assignment, up to one year of service credit in a school year (fiscal).

**Consolidating Benefits Under the Defined Benefit Program and the Cash Balance Benefit Program**

An employee may have benefit coverage under both the Defined Benefit Program and the Cash Balance Benefit Program due to past Cash Balance-covered employment. If they meet the eligibility requirements, they may elect to have CalSTRS consolidate their benefit coverage under the Defined Benefit Program. To be eligible, they must currently be making contributions under the Defined Benefit Program, they can no longer be contributing to their Cash Balance account, and they must have eligible Cash Balance service to convert and funds in the Cash Balance account. CalSTRS will determine the service credit that could be added to the Defined Benefit account based on the amount of the funds in the Cash Balance account, and will apply those funds toward the cost of covering the eligible Cash Balance service under the Defined Benefit Program.

**General Information**

Web site – [www.calstrs.com](http://www.calstrs.com)

General Questions – 1-800-228-5453

For Employees - employees can access certain account information online. CalSTRS has provided access to their Annual Statement of Account since 2002.

California State Teachers' Retirement Law
CalSTRS Handbook
CalSTRS Internet Site
DELETE THIS PROCEDURE  
(Covered in Pay. 15.01)

CASH BALANCE
STATE TEACHERS’ RETIREMENT SYSTEM

State Teachers’ Retirement Law – 26400

(a) A person employed to perform creditable service for less than 50 percent of the full-time equivalent for the position shall become a participant on the later of the first day on which creditable service is performed for an employer that provides Cash Balance Benefit Program, provided the person is not subject to mandatory membership in the Defined Benefit Program.

(b) If the employers’ governing board’s action to provide the Cash Balance Benefit Program gives the employee the right to elect coverage under social security or the Defined Benefit Program, the employee may elect within 60 days of the later of the first day on which creditable service is performed.

(c) If subdivision (b) is applicable, the employer shall inform employees pursuant to subdivision (b) of Section 26300 of their right to make an election and the election shall be made on a form prescribed by the system and filed with the employer.

(d) If the participant’s basis of employment with an employer that provides the Cash Balance Benefit Program changes to employment to perform creditable service for 50 percent or more of the full-time equivalent for the position, contributions to the Cash Balance Benefit Program on behalf of the participant shall no longer be made and creditable service performed for the employer shall be subject to coverage by the Defined Benefit Program as of the first day of the pay period in which the change in the participant’s basis of employment occurred.

Cash Benefit Balance Program

- The employee contributes 4 percent of their gross salary.
- The Cash Benefit deduction is tax deferred.
- No minimum of service years is required. Participants are immediately vested.
- If the participant leaves all CalSTRS-covered employment before retirement, they must wait a year before receiving the funds in their account.
- The employer continues to deduct the mandated Medicare tax of 1.45 percent, in addition to the Cash Benefit contribution.

Process Procedures

- The College Human Resources Department provides the employee with a packet for the Cash Benefit Program.
- The employee must complete the “Employee Notification and Election Form” provided to them in the packet.
- The District Payroll Department reviews the form of election and verifies non-participation in a CalSTRS retirement through the CalSTRS employer internet access system.
- Determination of eligibility is processed, contributions are deducted from the employee’s pay check, and funds are forwarded to the CalSTRS Cash Benefit Program.
DELETE THIS PROCEDURE

CALIFORNIA STATE TEACHERS’ RETIREMENT SYSTEM
GLOSSARY OF TERMS

This glossary of terms has been provided to assist everyone in understanding words or phrases used in materials provided by CalSTRS or when visiting online.

Age Factor — A percentage used to determine by the employee’s age on the last day of the month in which their retirement becomes effective. It equals 2% at age 60 and is reduced by \( \frac{2}{3} \) of 1% for each month or fraction of a month in which the member is under 60 but at least 55.

Annual Statement — A statement mailed directly to active and inactive members each year that provides a summary of Defined Benefit Program and Defined Benefit Supplement Program transactions during the prior year, service credit, contribution and interest balances, key provisions of the CalSTRS and Defined Benefit Programs and death benefit recipient information as of the previous June 30.

Beneficiary — Any person or entity or entitled to receive payments because of the death of a member. Only a person (not an estate, trust or corporation) may be designated to receive an option benefit upon the death of a member.

Benefit — A monthly amount payable to a retired member, disabled member or beneficiary.

CalPERS — California Public Employees’ Retirement System

CalSTRS — California State Teachers’ Retirement System

Cash Balance — Alternative CalSTRS retirement plan for educators hired to work part-time. Cash Balance Benefit Program is an alternative to Social Security, private plans or the CalSTRS Defined Benefit Program.

Creditable Compensation — Salary and other remuneration payable in cash by the employer to a member for creditable service.

Creditable Service — Specific employment activities such as teaching, vocational or guidance counseling, services related to school curriculum and a variety of administrative duties performed for a school district, community college district or county superintendent of schools.

Credited Service — Service credit for which required contributions have been paid.

Defined Benefit — A retirement benefit in which the benefit is guaranteed and generally based on a formula.

Defined Benefit — A distinct component of the State Teachers’ Retirement Plan that
Program provides retirement and ancillary benefits for California’s public school educators who are members of the program.

Disabled Benefit A feature of the Defined Benefit Program selected by and offered to (Coverage A) individuals who became members before October 16, 1992, that provides income replacement for disabled members.

Disabled Retirement A feature of the Defined Benefit Program for individuals who became (Coverage B) members after October 15, 1992, or elected this feature during the special election held October 1992 to April 1993. Those receiving payments under Coverage B are retired and will be paid as long as they are disabled, without respect to age.

Earnings Limit The amount a disabled or retired member may earn in a month without a reduction in the CalSTRS benefit.

Final Compensation The highest average annual compensation earnable by a member during a specified period of CalSTRS-covered paid employment. The period is three consecutive years for members with fewer than 25 years of service credit.

Full-Time The number of days or hours of creditable service the employer requires a class of employees to perform in a school year under a collective bargaining or employment agreement to receive the earnable compensation.

Member Any person who has performed creditable service in the Defined Benefit Program for an employer and has earned compensation for that service and has not received a refund for that service, unless specifically excluded by law.

- Active Member: A member who earns creditable compensation during the school year.
- Inactive Member: A member who, by the pay period ending June 30, has not earned creditable compensation during the school year.
- Disabled Member: A member to whom a disability benefit is payable.
- Retired Member: A member who has terminated employment and has retired for service or has retired for disability and to whom a retirement benefit is payable.
- Vested Member: A member who had accrued five years of credited service to be eligible for service retirement, disability retirement or disability benefit.

Redeposit The buying back of service credit represented by previously withdrawn contributions after terminating CalSTRS-covered employment.

Reduced Workload A feature under which eligible members may reduce their workload from full-time to part-time (a minimum of 50% of full-time) and still receive a full year of service credit.

Refund A distribution of all Defined Benefit Program members post-tax contributions, tax-deferred contributions, and interest credited on those contributions after a member has terminated employment with the California public school system.
Retirement Benefit——A monthly benefit paid to a member each month after retirement.

Service Credit——Accumulated period of time in years, including partial years, for which a member earned creditable compensation and made contributions under the Defined Benefit Program.

Vested Member——A member of the CalSTRS Defined Benefit Program with five years of credit service.

CalSTRS Internet Site
CalSTRS Retirement Laws
CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (CalPERS)

INTRODUCTION

The County Superintendent of Schools was mandated into the Public Employees’ Retirement System, effective July 1, 1949, by the State Legislature. Retirement coverage of CalPERS school members is uniform throughout the State.

DEFINITION

School members are those employees in non-teaching positions within the jurisdiction of a school employer or those covered under the State Teachers’ Retirement System.

CalPERS Membership Eligibility

The following employees should enter membership immediately upon employment (Section 20281, CalPERS Retirement Law).

- Monthly Employees
  1. Full-time classified positions
  2. Part-time (monthly) working 50% of full-time. (Note: This criteria can be met by employees who are working more than one position under the same employer.)
  3. Currently a member of School CalPERS.
  4. Employment in a full-time position continues longer than six (6) months.

- Hourly Part-Time Employees
  An hourly employee qualifies for membership when working 1000 hours or 125 days in a fiscal year. Overtime hours are included for qualifying purposes.

  The District Payroll Department monitors the hours worked by classified short-term or substitute employees on a month-to-month basis. Once qualified, they are enrolled in CalPERS no later than the first day of the pay period following the pay period in which 1,000 hours or 125 days are completed.

- Membership Exclusions
  1. A full-time employee whose employment is six (6) months or less.
  2. An employee hired for on-call, emergency or substitute work on an irregular basis.
  3. All persons who are members of CalSTRS and elect to continue that membership.

Notice of Exclusion Form

The CalPERS’ “Notice of Exclusion” should be completed for those employees who do not qualify for CalPERS membership. This form is used to inform employees of the specific reason for their exclusion and to fulfill the employer’s responsibility of notification. The form can be found on the CalPERS internet site.
Member Action Request Form (AESD-1)

The CalPERS “Member Action Form” is used to report an employee’s identification, address, employment, changes in employment conditions, and including resignations and leaves. This form must be completed by the employer, not the employee. The form can be transmitted via the internet by the District Payroll Department.

Employer’s Responsibility

It is the employer’s responsibility to determine if its employees are eligible to participate in CalPERS. If an employer failed to enroll an eligible employee into membership with CalPERS within 90 days of qualifying, when the employer knows or can reasonably be expected to have known of that eligibility, the employer will be responsible for the member’s contribution and a $500 administrative cost per member.

Beneficiary Designation Form (Prior to Retirement)

The purpose of the Beneficiary Designation Form is to provide a means for a member who is not retirement eligible (active employment) to:

1. Designate beneficiaries other than the statutory beneficiaries provided by retirement law.
2. Change the order of the statutory beneficiaries.
3. Change the designated beneficiaries.

The form can be completed by the employee on the CalPERS internet site, College Human Resources Department, or District Payroll Department.

Annual Member Statement

At the end of each fiscal year, all CalPERS reportable service for each eligible employee is consolidated and a statement of account is generated for each member. Statements are mailed (U.S. mail) to employees by CalPERS.

Employees can also review their personal CalPERS Annual Member Statement online (www.calpers.ca.gov).

Report of Separation

Upon receipt of notice from the employee indicating a permanent separation from the CalPERS-covered employment (resignation, termination, lay-off), the District Payroll Department will notify CalPERS through an on-line process. CalPERS, once notified, will send a letter of instruction directly to the member.

Service Retirement

The employee shall be retired from service upon written application to the College of District Human Resources Department.

To be eligible for retirement, the member must be at least 50 years old and have five (5) years of credited service.
An application for retirement should be forwarded to CalPERS Benefit Services Division not more than 90 days prior to the desired effective date. **Disability Retirement**

The employee must have at least five (5) years of credit service to qualify for disability retirement.

Employees, if filing for Disability Retirement, must complete the Disability Retirement Election Application form. This form can be located on the CalPERS internet site.

**Death Benefits**

The death benefits payable depend on the member’s age, years of service, job classification, employer’s contract with CalPERS, eligible beneficiary, date of separation from employment, and whether or not they were eligible to retire at the time of death. Because there are several factors that can affect the benefits, it’s not possible to specifically say what benefits are payable. CalPERS will determine this after they receive all needed documentation.

**CalPERS Headquarters Address**  **CalPERS Customer Contact Service Number**

CalPERS_______________________________916-225-7377
Lincoln Plaza
400 P Street
Sacramento, CA 95814

CalPERS provides a variety of retirement, disability and survivor benefits for eligible members (non-certificated) within the state of California through contributions from employers and CalPERS members. The defined benefits are payable upon retirement.

**Membership**

To be eligible for the CalPERS school member benefit retirement formula, you must be employed in a classified position within the District. It is the responsibility of the District to determine if its employees are eligible to participate in CalPERS. For employees who do not qualify for CalPERS, the District will provide a “Notice of Exclusion” form to inform the individual of the reason for not qualifying. Employees who do qualify for CalPERS will be enrolled online by District Office Payroll within 90 days.

**Full-Time Classified**

CalPERS considers full-time employment to be between 34 and 60 hours per week. Employers generally have the ability to determine what constitutes full-time for an employee provided that the employee works between 34 and 60 hours per week. However, Government Code section 20636.1 specifies that for all non-certificated school members full-time is considered 40 hours per week. This means that all hours up to 40 hours per week must be reported to CalPERS for non-certificated school members at the straight time rate.

Persons in full-time employment whose appointment/employment does not fix a term of employment longer than six months should be monitored; if full-time employment actually continues for more than six months, membership is compulsory, and the effective date of membership cannot be later than the first day of the first pay period of the seventh month of employment.
Less than Full-Time Classified

The standard to consider for the membership eligibility of less than full-time employees is whether they work 1,000 hours (if paid on an hourly basis) or 125 days (if paid on a daily or per diem basis) in a fiscal year (July 1 through June 30). Overtime service is included in computing the 1,000 hours or 125 days.

Time during which the member is paid for time excused from working due to vacation, sick leave, etc., is included in the 1,000 hours.

Once an individual reaches the 1,000 hour threshold within a fiscal year, every subsequent hour worked for the duration of his or her employ is CalPERS eligible.

Local Safety

District employees who are sworn peace officers within the unit shall receive the 2% at 50 Safety PERS plan from the Public Employees Retirement System. Employees within this unit are not enrolled in Social Security.

Separation

Upon receipt of notice from the employee indicating a permanent separation from the CalPERS-covered employment (resignation, termination, etc.), District Office Payroll will notify CalPERS through on-line reporting. Once notified, CalPERS will send a letter of instruction to directly to the member.

Switching or Retaining Retirement Systems

If you are a CalPERS member and change to employment covered under certain other public retirement systems in California, such as the California State Teachers' Retirement System (CalSTRS), you can continue your existing CalPERS coverage or change to that other system.

The election to stay within CalPERS:

- must be made within 60 days of the date of hire into your new position;
- must be done on the appropriate CalSTRS form provided by the District;
- is effective as of the date of hire into your new position; and
- is irrevocable and applies to all service for that employer.

If election is not made pursuant to these parameters, you will be switched to the pension system assigned to your new position.

Working After Retirement

California retirement law and federal tax law provide specific employment restrictions for retirees who, without reinstating from retirement, return to work with an employer in the same public retirement system from which they receive a benefit. While certain exceptions and unique situations can arise, the hiring of a CalPERS retiree (retired annuitant) will generally be subject to the following conditions.

- The retired annuitant must meet the bona fide separation requirement.
- A 180-day waiting period from separation of service must be met.
- The retired annuitant has specialized skills needed to perform work of limited duration or their employment is needed during an emergency to prevent stoppage of public business.
• The hours worked do not exceed 960 hours in a fiscal year (July 1 through June 30) for employment with all CalPERS employers combined.
• The pay rate received is not less than the minimum nor exceeds the maximum paid to other employees performing comparable duties, divided by 173.333 to equal an hourly rate.
• No benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate is given.
• You cannot be appointed as a retired annuitant if you received unemployment insurance payments for prior retired annuitant work for any CalPERS employer within 12 months prior to the appointment date. Upon accepting employment, you must certify in writing to the employer that you comply with this requirement.

CalPERS Website: www.calpers.ca.gov
CalPERS Benefit Booklet
CalPERS Retirement Law Book
CalPERS Employer Procedures Manual
DELETE THIS PROCEDURE
(Content Covered in Pay. 15.10)

LOCAL SAFETY - 2% AT 50
CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM

Definition

A Local Safety member is those employed by a public agency or special district that has contracted with CalPERS and who are involved in law enforcement, fire suppression, the protection of public safety, or in a position designated by law as a local safety member.

Contra Costa Community College District

A Resolution of Intention was filed with CalPERS on July 1, 2002.

School Safety Members

“School Safety Member” includes any officer or employee of a school district or a community college district which has established a police department pursuant to Section 39670 or 72330 of the Education Code, whose principle duties consist of active law enforcement service. (Government Code 20444)

Each employee must sign a “New Member Ballot” authorizing the District Payroll Department to deduct the CalPERS Safety benefit from their check.

1959 Survivor Benefit

This benefit is available to the Local Safety member not covered under Social Security. The employee must complete and sign a “Payroll Deduction Card” requesting the deduction of $2.00 per month.

Retirement Benefits - Service Retirement

The employee shall be retired from service upon written application to the College or District Human Resources Department. The employee must be at least age 50 and have five years of CalPERS credited service.

An application for retirement should be forwarded to the CalPERS Benefit Services Division not more than 90 days prior to the desired effective date.

Disability Retirement

There are two types of disability retirement. There is no minimum age requirement for either type. To qualify for the benefit, the employee must have at least five years of credited service.

Employee filing for Disability Retirement must complete the “disability Retirement Election Application” form. This form can be located on the CalPERS internet site.
**Beneficiary Designation Form (Prior to Retirement)**

The purpose of the Beneficiary Designation form is to provide a means for a member who is “not retirement eligible” (active employment) to:

1. Designate beneficiaries other than the statutory beneficiaries provided by law.
2. Change the order of the statutory beneficiaries.
3. Change the designated beneficiaries.

The form can be completed by the employee on the CalPERS internet site, College Human Resources Department, or District Payroll Department.

CalPERS Local Safety Booklet
CalPERS Payroll Procedure Manual
CalPERS Retirement Law Book
CalPERS Web Site: www.calpers.ca.gov
DELETE THIS PROCEDURE
(Content Covered in Pay. 15.10)

EMPLOYMENT AFTER RETIREMENT
PUBLIC EMPLOYEES—RETIREMENT SYSTEM

There are basic rules about working after retirement members need to know so that their retirement benefits from CalPERS will not be jeopardized.

1. You may work without restriction for any employer not participating in the CalPERS retirement program. However, if retired on disability, are under the age of 50, and the member’s employment would cause them to perform work very similar to that done prior to their disability retirement, CalPERS may reevaluate their medical condition to determine if they should be reinstated from disability retire.

2. If a retired member accepts permanent full-time employment with a CalPERS-covered agency, they must be reinstated from retirement (return to active membership) unless the employment qualifies for membership in the University of California Retirement System or the State Teachers—Retirement system.

   If a retiree reinstates, they will accrue service credit from their new employment, which will be used when they retire again.

   If the retirement included additional service credit as a retirement incentive (Golden Handshake), this additional service credit will be forfeited when they reinstate membership.

3. A retired member may work for a CalPERS-covered employer without reinstatement if their employment is temporary in nature or is in one of the categories permitted by law. However, the retired member will not receive any service credit or acquire any retirement rights for this employment.

Circumstances under which a retired member can be employed:

Temporary Employment—All CalPERS Employers

A retired CalPERS member may be employed by a State agency, a CalPERS contracting agency, a school employer, the University of California or the California State University, based on these conditions:

5. The employment must be either during an emergency to prevent stoppage of public business or because they have skills needed in performing work of limited duration.

6. The pay rate of employment may not be less than the minimum, nor more than the maximum, paid to other employees performing comparable duties.

6. The combined amount of time the retired member may work for all employers is limited to 960 hours. This may be based on either a calendar year or fiscal year, depending on the employer and type of employment.
**Consequences of Employment Not Allowed By Law**

The CalPERS retirement law provides consequences for employment outside of the described limits. The consequences may apply to both the retired CalPERS member and the employer.

If the retired member accepts employment in a permanent full-time position with a CalPERS employer before CalPERS has provided written approval of reinstatement, the retiree may be subject to mandatory reinstatement from retirement. The law provides that the retired member will have to reimburse CalPERS for any retirement allowance received during the period of employment in violation of the law.

The retired member will also have to pay CalPERS the amount of employee contributions which would be due if they had been brought into active membership on a timely basis, plus interest. There also may be a requirement to contribute toward reimbursement for any administrative expenses incurred by CalPERS.

The agency employing the retired member in violation of the provisions of the law will have to pay to CalPERS an amount of money equal to the employer contributions which should have been paid for the period of employment, plus interest. The employer may also have to contribute toward reimbursement of administrative expenses incurred by CalPERS.

The retired member may need to know how working after retirement may impact their CalPERS benefits. They can review CalPERS online information on these rules [http://www.calpers.ca.gov](http://www.calpers.ca.gov). They may also want to contact Social Security at (800) 772-1213 to see if going back to work impacts any benefits they may be receiving.

**CalPERS Benefit Services Division**
**California Public Employees – Retirement Law**
DELETE THIS PROCEDURE

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
GLOSSARY OF TERMS

This glossary has been provided to assist everyone in understanding words or phrases used in materials provided by CalPERS or when visiting online.

Active Employee — A person currently employed by the State of California, a CalPERS contracting public agency, or a school district.

Benefit Factor — A percentage (determined by your retirement formula and age) that is applied to an employee’s final compensation to determine his/her retirement benefit.

Beneficiary — A person eligible to receive a benefit after the death of a member or other benefit recipient.

Contracting Agency — A public agency, school district, or county that contracts with CalPERS for retirement.

Disability — An inability to substantially perform the duties of hire, due to an illness or injury, and is determined to be permanent or of an extended and uncertain duration.

Final Compensation — The member’s average salary for a specific period of time that is used as part of the formula to determine his or her retirement benefit. For State and school members, this is the highest compensation earned during any one-year period (12 months).

Fiscal Year — CalPERS operates on a fiscal year calendar, which is July 1 to June 30 each year.

Golden Handshake — An early retirement incentive program that provides you with additional age or years of service credit, enabling the employee to receive a higher retirement benefit than otherwise possible.

Member — An employee who qualifies for membership in CalPERS, and whose employer has become obligated to pay contributions into the Retirement Fund. “Member” also describes CalPERS retirees, survivors, beneficiaries, or anyone receiving a benefit.

PERL — This is the Public Employees’ Retirement System, another acronym sometimes used in place of CalPERS (California Public Employees’ Retirement System).

PERS — California Public Employees’ Retirement System.

Service Credit — The credit years of employment with a CalPERS employer. This amount of service is credited to the employee’s CalPERS account and used as part of the formulas to determine his or her retirement benefit.
<table>
<thead>
<tr>
<th>STRS</th>
<th>California State Teachers' Retirement System, also known as CalSTRS.</th>
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<tbody>
<tr>
<td>System</td>
<td>Another name often used for CalPERS or the California Public Employees' Retirement System.</td>
</tr>
<tr>
<td>Vested or Vesting</td>
<td>The right to specified benefits granted to eligible employees after a fixed period of employment and membership.</td>
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When a CalSTRS or CalPERS member changes employment to a position in a public school subject to coverage by another system, he or she has the opportunity to continue coverage in their current membership or to change.

**CalSTRS Member Changes to CalPERS Position**

If the employee is a member of the CalSTRS Defined Benefit Program and becomes employed by the same or a different school district, community college district or county superintendent of schools which requires membership in the California Public Employees’ Retirement System, he or she must elect, within 60 days of the date of their new employment, to continue coverage under the CalSTRS Defined Benefit Program. Service in the new position normally subject to coverage by CalPERS would be treated as creditable service under the CalSTRS Defined Benefit Program.

1. The election must be made within 60 days of the date of hire in the new position.
2. The election must be done on the appropriate form provided by the District Payroll Department.
3. The effective date is the date of hire into the new position.
4. The election is irrevocable and applies to all service in that position.

**CalPERS Member Changes to CalSTRS Position**

Employees who are members of the CalPERS program who subsequently are employed to perform CalSTRS creditable service can elect within 60 days of their new hire date to continue coverage under CalPERS for all subsequent CalSTRS creditable service. This applies to CalPERS members employed:

- by a school district.
- by the Board of Governors of California Community Colleges.

The election:

- must be made within 60 days of the date of hire into the new position.
- must be done on the appropriate form provided by the District Payroll Department.
- is effective as of the date of hire into the new position.
- is irrevocable and applies to all service in that position.

If the employee elects to become a member of the new retirement system, he or she has another decision to make regarding their old retirement system.

1. To retain their account with the old retirement system, which would give them dual membership in both systems. (They must have five years of creditable service to retain either system.)
2. Take a refund of their account in their old system. CalSTRS and CalPERS have different
refund restrictions. The employee must remember if he or she were to request a refund, they would be forfeiting all rights to benefits from that system.
The District Payroll Department will forward the elections to:

**CalSTRS**
Membership Division
P. O. Box 15275
Sacramento, CA 95851-0275

**CalPERS**
Member Services Division/Unit 844
P. O. Box 942704
Sacramento, CA 94229-2704

There are a number of factors that might influence an employee’s decision about coverage under one system or the other:

1. CalPERS members have Social Security (FICA) coverage, whereas CalSTRS does not.
2. The Benefit Factors, based on age for service retirement, may be different.
3. The employee contribution rates may be different.

The District Payroll Department will contact CalSTRS or CalPERS regarding specific questions or if additional information relating to the employee’s choice of coverage is required.

CalSTRS website: [www.calstrs.ca.gov](http://www.calstrs.ca.gov)
CalPERS website: [www.calpers.gov](http://www.calpers.gov)
CalPERS Procedure Manual
CalSTRS Procedure Manual
DELETE THIS PROCEDURE

STATE TEACHERS’ RETIREMENT SYSTEM
WORKING AFTER RETIREMENT

If an employee is retired, the county superintendent of schools, school districts, community college districts, and any employing agencies that employ CalSTRS members to perform creditable service must be aware of the retiree’s earnings limitations (the earnings limitation is adjusted each July 1).

The Teachers’ Retirement Board adjusts the earnings limitation each year based on the percentage increase of the average earnable salary paid to the Defined Benefit Program active members. (Education Code Section 24214)

The earnings limitation is for the period of July 1 through June 30 of the fiscal year. (Education Code Section 22461)

If a retiree exceeds the post-retirement earnings limitation, Education Code Section 24214(g) requires CalSTRS to reduce the member’s retirement benefit by the excess amount. The member’s benefit will be reduced dollar-for-dollar until the amount withheld equals the excess earnings amount.

Action

The employer is required to maintain accurate records of the retired members’ earnings and to report those earnings monthly to CalSTRS and to the retired members regardless of the method of payment or the fund from which the payments were made.

The employer is required by Education Code Section 22461 to inform CalSTRS retired members who perform creditable service about the annual earnings limitation.

All information provided to CalSTRS is subject to audit by CalSTRS Office of Audits pursuant to Education Code Section 22206.

Education Code 22206, 22461 and 24214
CalSTRS Employer Directive 2003-05
An important function of the Principal Accountant in the District Payroll Department is to ensure that wage and tax records are accurate and that employment tax returns are filed correctly and on time. The importance of the employment tax function is critical to both employers and employees. The penalties and interest the employer may be assessed for inaccurate information statements (e.g., Forms W-2), returns, and deposits are higher than in the past. The integrity of wage and tax data is affected by every step in the payroll cycle from the first payroll of the year to the Form W-2.

Reconciling Wage and Tax Information

It is important to understand that payroll reports, tax deposits, tax returns, and information statements have a direct relationship to each other. The information they contain should agree. It is important that reconciliations take place throughout the payroll process.

Phases of Reconciliation:

$   Current Period Reconciliation. This reconciliation is performed after each payroll is processed.
$   Tax Deposits Reconciliation. This reconciliation is performed before each deposit (or tax payment) is made.
$   Quarterly (Form 941) Reconciliation. This reconciliation is performed before the last deposit for the quarter is made. The tax deposit is compared to a quarterly Form 941 worksheet.
$   Annual (Form 941/W-2) Reconciliation. This reconciliation is performed before the last deposit of the year is made. Wages and taxes, as reported on Form W-2, are compared to the payroll system totals and the Form 941 filed for the year. Adjustments are included in the final tax payment of the year and appear on the fourth quarter Form 941.
$   Federal and State Unemployment Reconciliation. This reconciliation is performed before the Form 940 or fourth quarter state unemployment returns are filed.

Information Used in Reconciliation:

$   Gross wages
$   Social Security taxable wages
$   Medicare taxable wages
$   Federal taxable wages
$   Federal income tax withheld
$   Social Security tax withheld
$   Medicare tax withheld
$   FUTA taxable wages
$   State taxable wages

Current Period Reconciliation:

When the payroll is processed by an automated system, the integrity of the wage and tax information that it stores must be monitored on a regular basis. Failure to backup files, or one of any number of other circumstances, can cause vital information to be deleted from, or improperly updated to, the payroll files. Because the quarterly returns and Forms W-2 are produced from information stored by the payroll system, the accuracy of the data is essential.
Tax Deposit Reconciliation:

A reconciliation of the tax deposit total to the tax information provided by the payroll system should be audited each pay period before the tax payments are made. This is important for two reasons. First, the information stored by the payroll system is used to prepare the Form 941 and the various state returns. Second, a close review of the tax data prior to each deposit helps ensure that the correct amount of taxes are paid.

Quarterly Reconciliation:

Before making the final federal tax payment for the quarter, the Form 941 should be completed in draft form. This rough draft would serve as a worksheet in verifying that the total tax liability per the Form 941 agrees with the federal tax payments for the quarter.

Annual Reconciliation:

The last and final phase of reconciliation—the annual reconciliation—is completed before the last tax deposit is made for the year and before employment tax returns and information statements are processed and filed.

Reconciliation of Fourth Quarter Form 941 to Forms W-2:

To ensure that the Form 941 for the year agrees with the Forms W-2, several steps should be taken prior to filing the fourth quarter Form 941.

1. From the Form W-2 file, print a report that shows the total taxable wages, Social Security taxable wages, Medicare taxable wages, federal income tax withheld, Social Security tax withheld, and total Medicare tax withheld.

2. Complete an annual reconciliation worksheet that shows the total taxable wages—Social Security taxable wages, Medicare taxable wages, federal income tax withheld, Social Security tax withheld, and Medicare tax withheld—as reported on the form 941 for the first three quarters of the year.

3. Compute the difference between each amount in steps 1 and 2. These differences should agree with the fourth quarter payroll system amounts.

4. If the amounts do not agree, reconcile the discrepancies.

5. Compare the taxes deposited QTD and YTD (from the tax deposit totals) to the amounts reported on the Forms 941 for all four quarters of the year. If there is a difference, it needs to be reconciled. Include any adjustments in the final federal tax payment for the year.

Federal Employer Tax Returns:

The employers’ federal tax return (Form 941) is filed quarterly and is used by the IRS primarily to match the employer’s tax liabilities to the federal payroll tax payments that it made for the period.
Form 941 Due Dates

General Due Dates:

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Saturday, Sunday, and Nonbanking Days

If the last day for filing the Form 941 falls on a Saturday, Sunday, or nonbanking day (federal holiday), the due date of the return is postponed until the next banking day.

The Form W-2

The Form W-2, Wage and Tax Statement, performs three important functions:

1. As an information statement:
   It provides employees with vital information for preparing their federal and state income tax returns.

2. As an information return:
   It provides the Social Security Administration (SSA) with information necessary to update an individual’s earnings records for retirement, disability, and Medicare benefit purposes.

3. As an annual reconciliation:
   It is used by the IRS and state reporting authorities as a verification of the wage and tax information that individuals provide on their tax returns and also serves as a verification of information provided by the employer on the federal employment tax return.

Due Date of Form W-2 Information Statement

Employees—forms W-2 must be postmarked no later than January 31 of the year following the year for which the statement applies.

Saturday, Sunday, and Federal Holidays

If the federal Form W-2 filing due date falls on a Saturday, Sunday, or federal holiday, the due date is postponed until the next business day.

Terminated Employees

If an individual’s employment is terminated prior to the end of a calendar year, the employer may furnish the Form W-2 to the employee any time after termination, but no later than January 31.
Magnetic Media Reporting Requirements for the Form W-2 is the Form W-3

Employers are required to report on magnetic media filing 250 or more Form W-2. The 250 threshold applies to the number of Forms W-2 and not to the number of employees.

Due Date of the Magnetic Media

Magnetic media must be filed with the SSA no later than the last day of February (or the next business day) following the year to which the Forms W-2 relates.
UNEMPLOYMENT INSURANCE CLAIMS

The Unemployment Insurance program pays benefits to workers who have lost their job and meet the program's eligibility requirements. If you have become unemployed, you may file an unemployment insurance claim. You may be eligible for unemployment insurance benefits if you meet all eligibility requirements. After you have filed a claim, you must continue to certify for benefits and meet eligibility requirements in order for the Employment Development Department (EDD) to pay you benefits.

Unemployment Insurance Claims

Unemployment Insurance (UI) provides workers, whose jobs have been terminated through no fault of their own, monetary payments for a given period of time or until they find a new job. In California, the Employment Development Department (EDD) administers the Unemployment Insurance Program according to guidelines established by the Unemployment Insurance Code and the California Code of Regulations, Title 22.

In the United States, unemployment insurance is based on a dual program of federal and state statutes. The program was established by the federal Social Security Act in 1935. Today, Section 100 of the California Unemployment Insurance Code (CUIC) states that there shall be setting aside funds to be used as a UI system to provide benefits for persons unemployed.

Unemployment Insurance for School Employees

The Unemployment Insurance Program covers persons who are employed by education institutions, specifically preschools, elementary or secondary schools, as well as community colleges or higher educational institutions and nonprofit education institutions. Section 642 of the California Unemployment Insurance Code excludes from benefits students who are enrolled and regularly attending classes at the school where employed. Students who continue working when school is not in session are reportable as covered employees for that period of time.

Unemployment Procedures

Unemployment Insurance benefits are available to former employees, to part-time employees, to employees who are unemployed temporarily (including intermittent employees) and to employees whose work during a given week has been reduced.

A claimant’s initial eligibility for benefits is based on the reason his/her employment ended with the very last employer for who he/she worked. The last employer that an individual worked for prior to filing a Unemployment Insurance claim will be mailed a Notice of Unemployment Insurance Claim Filed, DE1101CZ.

District Office Payroll Department

The District Office Payroll Department has ten days from the mailing date to respond if the claimant should be disqualified. The “Notice of Unemployment Insurance Claim Filed, DE1101CZ,” if received by the college, should be forwarded immediately to the District Office Payroll Department.
It is not necessary to respond to the DE1101CZ if the former employee has been laid off due to lack of work and the District Payroll Department knows of no other issue that may affect that employee’s eligibility for benefits. However, if it is the District’s position that the individual is not entitled to benefits, and the District’s reserve account should not be charged, the District Payroll Department should respond immediately to the third party processor (TALX UCexpress) with an explanation and, if required, documented facts. A response to disqualify the claimant will be prepared automatically for the following claimants:

1. Student employee
2. Monthly employee who was dismissed for cause or who resigned or retired
3. Monthly employees with a work year under 12 months who are scheduled to return to work at the end of the recess period or after the non-scheduled work months
4. Employees currently working and earning over the weekly benefit

Meeting Eligibility Requirements

An employee who files for unemployment insurance benefits must meet specific eligibility requirements before benefits can be paid. Employees must:

- have received enough wages during the base period to establish claim,
- be totally or partially unemployed,
- be unemployed through no fault of their own,
- be physically able to work,
- be available for work which means to be ready and willing to immediately accept work,
- be actively looking for work,
- meet eligibility requirements each week benefits are claimed,
- be approved for training before training benefits can be paid.

Reasons for Separation from Work

An employee’s work ends due to a layoff, discharge, or voluntary quit. An employee who is no longer working, or is working part-time, can call the EDD office and file a claim for Unemployment Insurance benefits.

1. Laid Off - Lack of Work

An employee who is laid off is out of work through no fault of his/her own, is generally eligible for benefits.

2. Voluntary Quit

Voluntarily quitting a job does not disqualify the claimant from receiving benefits if the quit was for a “good cause.” The California Code of Regulations, Title 22, section 1256-3, defines good cause as:

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A good cause exists for leaving work, when a substantial motivating factor is causing the claimant to leave work, is real, substantial and compelling and would cause a reasonable person genuinely desirous of retaining employment to leave work under the same circumstances.
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3. Discharge

Discharging an employee does not disqualify the claimant from receiving benefits if the
discharge was not for misconduct. The California code of Regulations, Title 22, section 1256-30, states:

misconduct connected with his or her most recent work exists for an individual’s discharge if all of the following elements were present:

It is the employer’s responsibility to prove the claimant was discharged for misconduct. The misconduct must be connected to work.

4. Alcohol and Drug Addiction

Unemployment Insurance Code section 1256.5(a)(2) provides, in part, that a claimant is disqualified from receiving unemployment insurance benefits if:

he or she otherwise left his or her most recent employment for reasons caused by an irresistible compulsion to use or consume intoxicants, including alcoholic beverages.

Eligibility determinations related to alcohol or drug addiction that involve information about the claimant’s participation in a drug or alcohol treatment program are considered to be of a confidential nature. Such information may not be disclosed to any unauthorized person.

5. Other Eligibility Issues

Listed below are the most common issues that may affect an individual’s eligibility for benefits. The Unemployment Department relies on information from employers to assist in making determinations of eligibility. The District Payroll Department relies on the college sites for verbal information related to the following:

a. quit without good cause
b. was discharged for misconduct
c. left work because of a trade dispute
d. is working and earning over his or her weekly benefit amount
e. is not physically able to work
f. is not available for or not seeking work
g. refused to take suitable employment
h. made false statements to secure benefits
i. is a school employee who has reasonable assurance of returning to work at the end of the recess period
j. performed services in an instruction, research, or principal administrative capacity for an institution of higher education and had a contract or reasonable assurance of continuing employment
k. short-term classified who worked maximum allowable days in the school year and was laid off

College Response

The District Payroll Department is to direct questions or request for required documentation regarding a claimant to the Business Director’s Office.
Forms and Publications

The EDD is required by law to mail specific documents to employers and claimants when employees file unemployment insurance claims.

Listed are some of the important unemployment insurance forms mailed to the District Payroll Department with a brief description.

1. Employment Development Department Appeal Form, DE1000M
   The DE1000M is used to file an appeal. It is included with all eligibility notices issued by the Unemployment Insurance Department to employers and claimants.

2. Notice of Determination and/or Ruling, DE1080CT
   The DE1080CT is mailed to employers and/or claimants and provides information on a claimant’s eligibility for benefits and may advise whether an employer’s reserve account will be charged for the claimant’s benefits.

3. Notice of Unemployment Insurance Claim Filed, DE1101CZ
   The DE1101CZ is mailed to the last employer when a new unemployment insurance claim is filed, or an existing claim is reopened. Specific information regarding the claimant will be entered on the form, including the claimant’s statement about the reason for separation. The last employer completes portions of the form and returns it to the third party administrator, TALX, within ten (10) days of the mailing date. (Fax to: 866-219-8836)

4. Benefit Audit, DE1296B
   The DE1296B is mailed to employers who reported wages in a week for which the claimant received unemployment insurance benefits. Specific information regarding the claimant will be entered on the form. The Unemployment Insurance Department uses the form to request wage information for specific weeks that claimants may have worked. The District Payroll Department completes portions of the form and faxes the form to TALX, 866-219-8836.

5. Notice of Wages Use for Unemployment Insurance Claim, DE1545
   The DE1545 is mailed to base period employers after the first payment has been made on a claim. The District Payroll Department completes portions of the form and returns the form to TALX within 15 days of the mailing date. (Fax to: 866-219-8836)

6. Response to Employer Communication, DE4614
   The DE4614 is an acknowledgment to the District Payroll Department that their correspondence was received. The form also advises what actions the EDD will take with regard to the correspondence. If the District wishes to contest the EDD’s actions, the response must be made within 15 days of the mailing date. (Fax to: 866-219-8836)
Unlike other employment taxes, state unemployment tax expense can be directly controlled by the District. The District’s state unemployment insurance (SUI) tax rate is directly related to the number and amount of benefit claims filed by employees. For this reason, responding to request for information and protesting claims, where possible, is essential to control unemployment tax expense.

EDD Claims Management Handbook for School Employees
EDD Managing Unemployment Insurance Costs
EDD web site: www.edd.ca.gov
EDD California’s Programs for the Unemployed
TALX Workshop/Procedures
Principles of Payroll Administration
UNEMPLOYMENT INSURANCE – NEW HIRES
EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD) REPORTING

Employment Development Department (EDD) Reporting

Effective July 1, 1998, all California employers, including private businesses, state and local government agencies, are required to provide information concerning newly hired employees to the California New Employee Registry.

An employer may comply with this requirement by submitting the following information to the EDD within 20 days after a newly hired employee begins working in California:

1. the employee’s full name;
2. home address;
3. social security number; and
4. start of work date.

The employer must also report its name, address, California employer account number, and federal employer identification number. Employees are submitted on a reporting form (DE 34) by the District Payroll Department. (Exhibit A)

An employer must report this new hire information for any employee who earns wages for employment with the employer, including part-time, student and temporary employees. The reporting requirement also applies to new hires who are terminated or who quit prior to the twenty-day reporting time period. This information is utilized by the State of California to locate parents who are not paying child support and the information will also be sent to the National Directory of New Hires to be utilized for the same purpose. This reporting requirement is mandated under federal law, the Personal Responsibility and Work Opportunity Reconciliation Act.

The information is sent to the Employment Development Department, P. O. Box 997016, MIC 23, West Sacramento, Ca 95799-7016 or by fax to (916) 653-5214. The state will penalize employer $24 if they do not report a new hire within the 20 days of the start-of-work date and up to $499 if they conspire with an employee to avoid or falsify the report.

More information is available on the EDD web page at www.edd.cahwnet.gov.
DELETE THIS PROCEDURE
(Covered in HR 1050.11)

INDUSTRIAL ACCIDENT OR ILLNESS LEAVE REPORTING PROCEDURES

Workers—Compensation covers work-incurred injuries and illnesses only; it does not cover illnesses or a disease of non-work origin or injuries sustained at other than the place of employment.

The responsibility for reporting industrial accidents or illnesses is assigned to the Police Department at each college, the District Payroll Department or the District Human Resources Department.

The following forms are forwarded to the Contra Costa County Schools Insurance Group:

$ Employer’s Report of Occupational Injury or Illness must be completed within five (5) days of knowledge.

$ Employee’s Claim for Workers’ Compensation Benefits.

A telephone call must be made immediately to the District Human Resources Department and the Contra Costa County Schools Insurance Group in the event of a serious injury or fatal accident.

Days off shall be indicated on the Absence Report by the letter A. If the employee is off less than a full day, the number of hours shall be entered in addition to the letter A.
DELETE THIS PROCEDURE
(Covered in HR 1050.11)

RESPONSIBILITY FOR PROCESSING REPORTS
OF INDUSTRIAL ACCIDENTS AND ILLNESSES

1. The responsibility for processing reports of industrial accidents and illnesses is assigned to the Police Services Lieutenant at each college and the District Principal Payroll Technician at the District Office. The employee's immediate supervisor shall report any industrial accident or illness immediately to the appropriate office. That office will prepare the required report for submission to the Contra Costa County Schools Insurance Group in accordance with Payroll Procedure 18.03 (or make the telephone call in the event of a serious injury or fatal accident). In addition, the employee will be provided the Employee's Claim Form for Workers' Compensation Benefits and the Workers' Compensation Benefits information sheet.

2. Reports will be distributed within 24 hours after the injury/illness as follows:
   - Original and 1 copy - CCCSIG
   - 1 copy - Originating Office file
   - 1 copy - District Principal Payroll Technician
   - 1 copy - Location Director of Business Services

3. Subsequent to filing the report all contacts for additional information, etc. and written communications concerning the report are to be directed to the following managers at each location:
   - Contra Costa College: Business Director
   - Diablo Valley College: Business Director
   - Los Medanos College: Business Director
   - District Office: District Principal Payroll Technician

4. The employee's immediate supervisor shall report immediately to Police Services and to the District Principal Payroll Technician when an injured employee returns to work.

5. In the case of an industrial accident which results in an employee's death, the appropriate Police Services Lieutenant is responsible for notifying Cal-OSHA immediately. The designated position listed in section 3 should call Cal-OSHA within 24 hours of the accident to confirm that the agency has been notified.

The same Cal-OSHA notification procedure will be followed when:

a. In-patient hospitalization for more than 24 hours is required (except for medical observation).
b. The accident involves the loss of any member of the body.
c. The result of the accident is any serious degree of permanent disfigurement.
DELETE THIS PROCEDURE
(Covered in HR 1050.11)

CONTRA COSTA COUNTY SCHOOLS INSURANCE GROUP (CCCSIG)
WORK-INCURRED ACCIDENT PROCEDURES

1. Injury Reporting

Workers' Compensation covers work-incurred injuries and illnesses only; it does not cover illnesses or diseases of non-work origin nor injuries sustained at other than place of employment. If you are unable to decide if an injury is work-related, report it to us and we will make this decision.

Immediately report all work-related injuries to employees which require the services of a physician, or result in lost time beyond the date of injury. This information should be forwarded by the designated office to:

Contra Costa County Schools Insurance Group
550 Ellinwood Way
Pleasant Hill, CA 94523
1-866-9-CCCSIG (922-2744)
Fax (925) 692-1137

a. Immediately prepare "Employers' Report of Occupational Injury or Illness", Form 5020, and send the original and one copy to CCCSIG or process through the on-line network system. Retain a copy for your files. Distribute other copies in accordance with your district's procedure.

b. Do not send reports of any kind directly to the Workers' Compensation Appeals Board, Department of Industrial Relations, any physician or attorney.

c. DO NOT WAIT FOR THE REPORT FROM THE DOCTOR before filing your original report of injury. The details of the accident should be given in a simple statement of fact. In reply to Question 19 on the form, state in your own words the nature of the employee's injury as you observe it. We rely upon the physician for an accurate description and diagnosis.

d. In case of fatal accident or serious injury, the designated office shall immediately telephone CCCSIG and the Director of Payroll Services.

e. All reports required by law to be completed and filed by you with the Workers' Compensation Appeals Board or other State agency will be prepared by CCCSIG.

f. The following documents should be forwarded to CCCSIG upon receipt.

(1) Notice of Hearing or Application for Adjudication of Claim before the Workers' Compensation Appeals Board.

(2) Letters from attorneys or representatives of injured employees or from any State or Federal agencies.

(3) Letters, telephone calls or complaints made by employees or others.

(4) Subpoenas in industrial injury cases.

(5) Any notices or citations received from Cal/OSHA.
g. Send any report you may receive from an injured employee's private physician to CCCSIG.

h. Do not discuss information concerning employees' injuries with anyone. Refer all such inquiries to CCCSIG.

2. Medical Treatment

All employees should be required to report injuries— even though minor—to their immediate Supervisor who should be instructed to send the employees for first aid treatment at once. Many minor scratches, small lacerations, puncture wounds and contusions can be given adequate first aid by qualified personnel.

Employees with injuries requiring the attention of a physician should be sent for medical treatment to the designated medical facility. This facility has been especially selected for the treatment of your employees' injuries, and the doctor is familiar with Workers' Compensation laws regarding reporting and billing. The employee should never receive a bill.

An employee who has given written notice to the employer prior to an injury of his/her desire to be treated by a personal physician may immediately consult that physician. However, in the event of an emergency situation, proper medical aid should be rendered immediately.

3. Serious Injuries

 Seriously injured employees should be kept warm, moved as little as possible and made comfortable. If necessary, paramedics should be called; otherwise, the employee should be taken to the nearest available emergency facility.

Telephone CCCSIG immediately.

4. Medical Control

In accordance with Section 4600 of the Labor Code, the responsibility to provide all medical treatment necessary to cure or relieve an employee from the effects of an injury shall rest with the employer. After 30 days from the date the injury is reported, the employee may be treated by a physician of his/her own choice within a reasonable geographic area.

Thus, if one of your employees complains to you about the medical treatment being received or asks for a change of physician, please indicate that you will convey this information to your Workers' Compensation Administrator immediately. Then telephone or write CCCSIG, who will contact the employee and make suitable arrangements.

Please note that the medical treatment provisions of the Labor Code also state that if an employee has notified his employer in writing prior to the date of injury that he or she has a personal physician, the employee shall have the right to be treated by such physician from date of injury.

5. Return To Work

When an injured employee returns to work, the designated office shall immediately notify CCCSIG in writing or by telephone. This serves as notification to terminate the employee's disability benefits. It is also helpful if industrially injured employees who have lost time from work, are required to report to the location Payroll office before being permitted to return to their jobs.
6. Unusual Cases

From time to time, employees will claim injuries or disabilities and give an obscure or vague history. In other cases, your experience will indicate that the employee’s complaints are not work-related, and there may be instances in which you have reason to believe the employee’s claim is not legitimate.

In all such cases, personnel who are reporting industrial injuries should take a careful chronological history from the employee then immediately telephone the Director of Payroll Services. We will arrange for additional investigation if indicated and necessary medical opinions and/or treatment.
## DELETE THIS PROCEDURE

### PAYROLL PROCEDURES MANUAL DISTRIBUTION LIST

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DELETE THIS PROCEDURE

UNCASHED AND UNCLAIMED PAYCHECKS

Introduction

The State of California’s Unclaimed Property Law (Code of Civil Procedures, Section 1500) requires business associations, banking, financial organizations, life insurance and others (school districts included) to review their records each year to determine if they hold any funds that have been unclaimed for the required dormancy period (one year). The law requires these holders of funds to annually report such unclaimed paychecks, property, etc., to the State Controller’s Office.

Contra Costa Community College District Unclaimed and Uncashed Salary/Wage Paychecks

Every state has escheat (abandoned property) tax regulations requiring employers to hold unclaimed and uncashed employee checks for a specified period of time (California - one year, CCP Section 1513(g)). At the end of this period, and after the District Payroll Department has made every attempt to contact the employee, all monies (paychecks) held must be turned over to the appropriate state agency:

Office of the State Controller
Division of Collections, Bureau of Unclaimed Property
P. O. Box 942850
Sacramento, CA 94250-5873

These checks cannot be erased from an employee’s earnings record and must be reported on the annual employee Form W2. Employers must maintain records, and annually review these employee records for any escheat payments that may have to be remitted to the state.

College/District Office Procedure

The representatives responsible for distributing paychecks at the College locations or District Office are to make every effort to ensure that employees receive their paychecks on all scheduled pay dates. The College Payroll Departments and the Diablo Valley College Cashier’s Office hold paychecks not claimed by employees for a period of 10 days. On the 11th day, all paychecks not distributed are returned to the District Payroll Department, Principal Accountant.

District Payroll Principal Accountant Process

1. All paychecks not distributed are returned to the District Payroll Department.
2. Each returned paycheck will be listed on a tracking system, by pay date, name, net amount, and is to include the employee’s social security number. This information is requested by the state controller’s office, and the listing will also provide a ready reference.
3. A letter advising the employee that wages are being held for pickup through the District Payroll Department is to be sent certified mail. The letter will prevent an employee from filing a claim of nonpayment of wages with the state department of labor, and the correspondence will provide an acceptable record of attempt at delivery.
4. All returned and unclaimed checks are filed in a reference file. This file would provide an easy access to wage information if an employee were to contact the District Payroll Department.
5. All reissued payments are carefully monitored to ensure that the transactions are accurate and recorded through the Datatel Accounting System.
6. On an annual basis, the check dates are reviewed and identified for those checks that have reached the abandoned period (one year) when paychecks must be turned over to the state. Identify the amounts on the ready reference list and keep a copy of the list in the District Payroll tax records in case of an audit by the state at a later date.

State Retention Schedule for Unclaimed Wages

California - One (1) year

Notification Requirements

The District Payroll Department is required to send notices to former employees prior to submitting the paycheck to the state. After every attempt has been made to contact the employee, the District Payroll Department can also call on the IRS or Social Security Administration’s contact information.

What To Do

Because a person’s address is confidential as far as the government is concerned, the IRS and SSA will not provide the address to the District Payroll Department. Instead, the government may agree to forward a letter to the last known address on the IRS file or the address listed on the SSA file, if the reason is legitimate. A payment of wages does qualify as a legitimate reason.

There are different procedures depending on the number of letters needed to be forwarded through the IRS.

49 or Fewer Individuals - The IRS does not charge to forward letters to 49 or fewer individuals within a 12-consecutive-month period.

1. Prepare a cover letter directed to the local IRS disclosure Office that:
   - Explains the reason the District Payroll Department is seeking the employee (to deliver unpaid wages);
   - Lists the names, social security number (mandatory), and, if known, the last address for the individuals the District is trying to locate; and
   - Provides the name, address and telephone number of the contact person in the District Payroll Department so that the IRS can send a letter acknowledging receipt of the request and indicating whether the District is to be accepted into the letter forwarding program.

2. Enclose with your cover letter to the IRS a letter (three pages or fewer) directed to the former employee that includes:
   - The reason for the letter (on District letterhead);
   - Instructions as to how to contact the District Payroll Department;
   - A clear indication that a response is completely voluntary; and
   - The following disclaimer: In accordance with current policy, the IRS has agreed to forward this letter because we do not have your current address. The IRS has not disclosed your address or any other information and has no involvement in the matter aside from forwarding this letter. Your response to this letter is completely voluntary.
   - Signature by an authorized person.
50 or More Individuals - The IRS will charge a fee for the service.

The Social Security Administration - There is a $25.00 fee for the service when the letter is to inform the missing employee of money due him or her. Mail request to:

Social Security Administration
Letter Forwarding
P. O. Box 33022
Baltimore, MD 21290-3022

Report Requirements to the State Controller’s Office

The District Payroll Department, if reporting 50 or more unclaimed paychecks, is required to submit annual reports using the State Controller’s magnetic media format, or the diskette reporting program.

Reports submitted on paper that contain 50 or more names will be returned and the District would be subject to penalties.

Reports for less than 50 unclaimed paychecks must be reported on the state reporting forms and must be typed.

It is imperative the District file complete and accurate reports in accordance with the holder reporting instruction and the Unclaimed Property Law. Failure to follow regulations could result in an assessment of penalties.

If a report submitted is rejected, the funds will remain with the State Controller’s Office. The District would be responsible for paying any claims until an acceptable report is received by the State Controller’s Office. Once an acceptable report is received, the District would have to request reimbursement for claims paid.

Unclaimed property forms, reporting instruction, magnetic media specifications, diskette reporting program, and laws and regulations are available on the Internet at www.sco.ca.gov listed under Unclaimed Property Publications.

Due Dates

Unclaimed property reports and remittances must be submitted to the State Controller’s Office before November 1 each year.

Controller’s Office of the State of California Internet Site – www.sco.ca.gov

American Payroll Association
Social Security Administration
DELETE THIS PROCEDURE

403bCOMPARE
403(b) INFORMATION BANK

Purpose
Effective July 1, 2004, a newly created 403(b) retirement investment product information bank for school districts has been established. It contains information for all county superintendents of schools, school districts and community college districts who allow their employees to contribute to a 403(b) on a tax-deferred basis as described in Section 403(b) of the Internal Revenue.

Scope
This regulation contains information for all county superintendent of schools, school districts, and community college districts who allow their employees to contribute to a retirement savings product on a tax-deferred basis. This law does not replace any existing state and federal requirements or Contra Costa Community College District procedures related to 403(b) products.

Directive
Chapter 1095, Statutes of 2002, added Section 25100 to the California Education Code, which requires the California State Teachers’ Retirement System (CalSTRS) to establish and maintain a comprehensive, impartial, online information bank consisting of vendors who offer products as described in Section 403(b) of the Internal Revenue Code to all employees of California’s local school districts, community college districts, and county offices of education.

CalSTRS will administer and promote the online information bank under the name 403bCompare. Chapter 1095 applies to 403(b) products purchased by both credentialed and classified employees, regardless of whether they are CalSTRS members or members of another public retirement system.

Administrative Requirements
Employers are prohibited from processing salary reduction agreements for, or forwarding any funds to, unregistered vendors beginning August 27, 2004 for their employees. Established salary reductions agreements prior to July 1, 2004 for this directive will be referred to as “grandfathered.”

Employers must honor salary reduction agreements for a grandfathered account as long as the employee continues to make contributions to the grandfathered account.

Note: If an employee were to request a change to their grandfathered 403(b) to a different vendor, the new vendor is subject to audit of compliance with the new law through the 403bCompare regulations.

Each registered vendor will be issued a vendor identification number by 403bCompare. “Grandfathered” vendors will not have a 403bCompare vendor identification number.
Employer Participation

Beginning July 1, 2004, employers have the ability to login to 403bCompare.com to:

$ Designate their approved 403(b) vendors from a list of vendors who have registered with 403bCompare. This will allow employees to view the employer’s approved list of vendors online.
$ Update the District’s list of approved vendors registered with 403bCompare.

After August 27, 2004, all county offices of education, K-12 school districts, and community college districts cannot allow new Salary Reduction Agreements for unregistered vendors.

Employers are subject to audit of compliance with this new law by CalSTRS.

The website will automatically generate an e-mail notification to the District contact person (Principal Payroll Technician and Director of Payroll Services) when the following occurs on the 403bCompare site:

$ a vendor is added
$ a vendor changes its name
$ a vendor has been removed
$ a vendor had appealed removal
$ a vendor has been notified of a material inaccuracy
$ a vendor adds a product

The vendor registry website is known as 403bCompare, and is accessible at www.403bCompare.com.

California Education Codes
Assembly Bill 2056
California State Teachers—Retirement System Directive
403bCompare Administrators
Website Information Bank
RETIREE BILLING

The District provides subsidized health insurance for eligible retirees and their dependents. For those retirees whose premiums are not 100 percent District-covered, or who opt-in to District dental or vision coverage, the following billing procedure shall apply:

1. Monthly or quarterly invoices will be sent to each retiree by District Office Payroll; these invoices are generated through the District’s enterprise resource planning (ERP) system and create a receivable on the retiree’s account and the balance sheet. The payment is considered due upon receipt of the invoice.
2. Payments from retirees will be credited against the invoice within the ERP system by District Office Accounting, clearing the receivable.

Accounts past due are subject to immediate termination. Payments made on past due accounts shall be applied to the oldest open invoice in the ERP system. Notice of past due accounts shall include the following:

1. After 30 days past due, a follow-up letter from District Office Payroll shall be sent to the retiree with a copy of the past due invoice attached.
2. After 60 days past due, a second follow-up letter from District Office Payroll shall be sent to the retiree.
3. After 90 days past due, a certified letter shall be sent from District Office Payroll to the retiree, which shall include the account balance immediately due. Accounts 90 days past due may be terminated.
4. Accounts 120 days past due shall be terminated.

Retirees whose benefits have been terminated for non-payment may petition to re-enroll in District benefits during the next open enrollment period once the account is paid in full.