Date: July 20, 2015

To: Human Resources Officers
Benefit Officers

From: Evelyn Nazario
Associate Vice Chancellor
Human Resources Management

Ann Latham
Director, Benefits & HR Programs
Human Resources Management

Subject: CSU Contribution Rates for CalPERS Retirement Coverage – Fiscal Year 2015/2016

Dear Colleagues:

The attached technical letter (HR/Benefits_2015-04) provides campuses with the fiscal year 2015/2016 CSU Retirement Contribution Rates.

The technical letter should be reviewed in its entirety by Benefits Officers and any campus designees responsible for administration of retirement benefits.

If you have any questions, please contact Human Resources Management at 562-951-4411.

Warm regards,

Evelyn and Ann
Date: July 20, 2015

To: Human Resources Officers

From: Evelyn Nazario
Associate Vice Chancellor
Human Resources Management

Ann Latham
Director Benefits & HR Programs
Human Resources Management

Subject: CSU Contribution Rates for CalPERS Retirement Coverage – Fiscal Year 2015/2016

Summary

This technical letter announces the 2015/2016 CSU Employer/Employee contribution rates for CalPERS retirement.


The CSU retirement contribution rates for employers and employees covered by the CalPERS Member Categories are listed below:

<table>
<thead>
<tr>
<th>Member Category</th>
<th>CSU Employee Group</th>
<th>Employer Contribution Rate for FY 2015/16</th>
<th>Member Contribution Rate for FY 2015/16</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Classic Member (Prior to 1/1/2013)</td>
<td>New CalPERS Member as of 1/1/2013</td>
</tr>
<tr>
<td>State Miscellaneous – Tier 1</td>
<td>All other CSU Employees (Payroll Codes: 00, 08, 20, 2N, 2U, 2Z, 4U)</td>
<td>25.150%</td>
<td>5%</td>
</tr>
<tr>
<td>State Peace Officer/Firefighter</td>
<td>MPP Directors and Lieutenants of Public Safety (Payroll Codes: 53, 54, 3Q, 3R, 3W, 3Z)</td>
<td>38.985%</td>
<td>8%</td>
</tr>
<tr>
<td>State Safety</td>
<td>E99 – Police Officer Intermittent, Non-represented (Class Code 8347) (Payroll Codes: 82, 83, 1M, 1U)</td>
<td>19.264%</td>
<td>6%</td>
</tr>
<tr>
<td>State Peace Officer/Firefighter</td>
<td>Unit 8 (Payroll Codes: 51, 52, 3G, 3H, 3N, 3P)</td>
<td>38.985%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Distribution:

CSU East Bay, President
Cal Maritime, President
Executive Vice Chancellor and CFO
Vice Chancellor, Human Resources

Vice Presidents, Administration
Payroll Managers
Budget Officers
State Controller’s Office
Technical letter HR/Benefits 2014-02 announced the elimination of employer-paid monthly retirement contributions paid on behalf of SUPA members that are also classified as “new” members by CalPERS, effective July 1, 2014.

Please note: Payroll codes for retirement plans were updated in Technical Letter HR/EHDB 2012-03 and can also be found in the Personnel/Payroll Information Management System (PIMS) manual at: http://www.calstate.edu/hrpims/pims/index.html.

CMS Processing Instructions
The CSU retirement contribution rates are used in the CMS Baseline Absence Management GAAP Reports. The system will be updated to include changes as appropriate. Additional information will be provided in a future CMS communication.

Questions regarding this technical letter may be directed to Human Resources Management at (562) 951-4411. This technical letter is also available on the Human Resources Management website at: http://www.calstate.edu/HRAdm/memos.shtml

EN/AL/dw

Attachment
Circular Letter

April 16, 2015

TO: STATE EMPLOYERS

SUBJECT: 2015-16 STATE EMPLOYER CONTRIBUTION RATES

The purpose of this Circular Letter is to inform you of the following employer contribution rates that were approved by the California Public Employees’ Retirement System’s (CalPERS) Board of Administration on April 15, 2015. These rates become effective with the first payroll period that ends in July 2015 and is in effect for the 2015-16 Fiscal Year:

<table>
<thead>
<tr>
<th>MEMBER CATEGORY</th>
<th>EMPLOYER CONTRIBUTION AS A PERCENTAGE OF COMPENSATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Miscellaneous Member First Tier</td>
<td>25.068%</td>
</tr>
<tr>
<td>State Miscellaneous Member Second Tier</td>
<td>24.389%</td>
</tr>
<tr>
<td>State Industrial Member</td>
<td>17.775%</td>
</tr>
<tr>
<td>State Safety Member</td>
<td>18.082%</td>
</tr>
<tr>
<td>California Highway Patrol Member</td>
<td>45.406%</td>
</tr>
<tr>
<td>Peace Officer/Firefighter Member</td>
<td>37.338%</td>
</tr>
</tbody>
</table>

The employer contribution rate will continue to vary annually. The California State Legislature may adopt higher contribution rates than the ones in the table above, to redirect savings resulting from increases in member contribution rates for various state members that became effective July 1, 2013, July 1, 2014 and July 1, 2015. Government Code section 20683.2(c) of the Public Employees’ Retirement Law specifies that the “savings realized by the state employer as a result of the employee contribution rate increases required by this section shall be allocated to any unfunded liability, subject to appropriation in the annual Budget Act.” The Legislature adopted the increased rates for 2014-15, and it is anticipated that the Legislature will also adopt them for 2015-16.
The rates that include the additional contribution are located in the table below:

<table>
<thead>
<tr>
<th>Member Category</th>
<th>Actuarially Required Employer Contribution for 2015-16</th>
<th>Additional Statutory Contribution to Offset Increased Member Contributions</th>
<th>Total Contribution 2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Miscellaneous Member First Tier</td>
<td>25.068%</td>
<td>0.082%</td>
<td>25.150%</td>
</tr>
<tr>
<td>State Miscellaneous Member Second Tier</td>
<td>24.389%</td>
<td>0.889%</td>
<td>25.278%</td>
</tr>
<tr>
<td>State Industrial Member</td>
<td>17.775%</td>
<td>0.881%</td>
<td>18.656%</td>
</tr>
<tr>
<td>State Safety Member</td>
<td>18.082%</td>
<td>1.182%</td>
<td>19.264%</td>
</tr>
<tr>
<td>California Highway Patrol Member</td>
<td>45.406%</td>
<td>1.319%</td>
<td>46.725%</td>
</tr>
<tr>
<td>Peace Officer/Firefighter Member</td>
<td>37.338%</td>
<td>1.647%</td>
<td>38.985%</td>
</tr>
</tbody>
</table>

Note that in the event that a state budget is not passed by July 1, 2015, the actuarially required contribution rates set by the CalPERS Board will remain in effect.

Additional information is in the Finance and Administration Committee Agenda item dated April 14, 2015, item 8b. This can be found at [www.calpers.ca.gov](http://www.calpers.ca.gov) under About CalPERS, Board & Committee Meetings, Meeting Agendas. Further, the complete actuarial valuation report with additional information about how rates could change beyond the 2015-16 fiscal year is expected to be available on the CalPERS website this summer.

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

ALAN MILLIGAN  
Chief Actuary