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Date: May 24, 1996

Code: TECHNICAL LETTER
HR/Benefits 6600
96-07

To: Personnel Directors
Payroll Supervisors

From: Cathy Robinson, Senior Director
Human Resources Administration

Subject: STUDENT ASSISTANTS AND SOCIAL SECURITY COVERAGE

Because of a change in retirement plan coverage policy (refer to HR 96-10), this technical letter amends HR 96-08 issued May 10, to reflect the fact that CSU “Bridge” Student Assistants cannot be enrolled in the University of California Defined Contribution (UC DC) retirement plan. Instead, they must be covered under the Department of Personnel Administration (DPA) Part-time, Seasonal, Temporary (PST) retirement plan.

Attachment A is a revision of the processing requirements for “Bridge” Student Assistants, reflecting the change in retirement treatment. It also reflects the fact that students with J-1 and F-1 visas are excluded from the federal retirement plan requirement. Revised sections of the attachment are in bold; please destroy the earlier version of Attachment A from HR 96-08.

If you have any questions, please call systemwide human resources administration at (310) 985-2669. Thank you.

CR/pb
Attachment

Distribution: (All with attachment)
Presidents
Vice Chancellor, Human Resources and Operations
Benefits Officers
ADDITIONAL INFORMATION: NEW STUDENT ASSISTANT CLASS

Processing Requirements:

Appointments to the current, standard CSU student assistant classification are placed on the employment history database via a “shell” A98 transaction. Because of the nature of the A98 transaction, there is no way to process appointments to the standard student assistant classification with a retirement account code to indicate that employment does not qualify for exclusion from Social Security/Medicare. Therefore, the following alternative class code is being established effective May 1, 1996, to accommodate student employment which does not qualify for exclusion from Social Security/Medicare:

<table>
<thead>
<tr>
<th>Classification Title</th>
<th>Current Standard Class Code (Excluded)</th>
<th>Alternative “Bridge” Class Code (Not Excluded)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Assistant</td>
<td>1870</td>
<td>1874</td>
</tr>
</tbody>
</table>

Appointments to the alternative (“bridge”) class code 1874 must be processed as hourly intermittent appoints via a Personnel Payroll Transaction (PPT) form, using transaction code A52.

Special Notes:

- Appointments to the new alternative (“bridge”) class code must have a retirement account code reflecting DPA PST coverage in lieu of Social Security. The correct code will normally be “TM”, which indicates the student assistant is covered by Medicare. (Use Code “TD” if the student is NOT covered by Medicare because he/she has been continuously employed with the CSU since prior to April 1, 1986.) Students holding a J-1 or F-1 visa are excluded from coverage and should be coded as “N”.

- To facilitate tracking of student assistant expenditures with and without benefits costs, a new serial number/sub-code is being established for student assistant appointments to the “bridge” class code 1874. Please use the following blanket serial number and sub-code:

<table>
<thead>
<tr>
<th>Classification</th>
<th>Serial Number</th>
<th>Sub-Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>1874 “Bridge” Student Assistant</td>
<td>961</td>
<td>3190</td>
</tr>
</tbody>
</table>
• Employment which qualifies for exclusion from Social Security/Medicare generally also meets the Unemployment Code Section 642 exclusion from unemployment insurance coverage. Employment which is not excluded from Social Security will generally be covered by unemployment insurance.

The following are answers to frequently asked questions:

Q. Do extension and extended education units count toward the safe harbor 12-unit requirement for exclusion from Social Security/Medicare and to student status for the new alternative class code?

A. Yes.

Q. Will the new alternative student class code be restricted to students?

A. Yes. The new “bridge” class code 1874 will be available only to continuing students to provide student assistant employment between academic years. Normally, this will mean the student has been eligible for or appointed to the standard class code 1870 during one academic year and is expected to be reappointed to that class code during the following academic year, but does not qualify for exclusion from Social Security/Medicare during the intervening summer. In this case, the student must be appointed to the alternative class code 1874 for the intervening summer.

Similarly, for quarter-year-round campuses, the alternative class code may be used to “bridge” any single quarter break in full-time student status. For example, if the student attends full time during summer, fall and winter quarters and chooses to take a break from classes during the spring quarter, class code 1874 may be used to provide employment during the spring quarter.

Q. If a student qualifies for exclusion from Social Security/Medicare during the academic year, but not during the summer, what dates must be used for the summer appointment?

A. This is determined by the campus’ own academic calendar. The appointment to the new class code would normally start the first day after the last academic work day of the Spring term and end with the last day prior to the start of the Fall term.
Q. Can students request retroactive placement in one of the new classifications?

A. No. The new classification is effective May 1, 1996, and is designed for prospective use only. It is the campus' responsibility to determine whether or not the student's employment meets the IRS guidelines for exclusion from Social Security/Medicare. This is not a matter of individual choice by the student employee.

Q. Are students eligible for overtime?

A. Yes. They are FLSA nonexempt employees and if they work more than 40 hours per week, they must receive overtime compensation. Such overtime must be paid in cash unless the student assistant's appointment letter provides as part of the employment terms that overtime may be compensated in Compensatory Time Off (CTO).

Q. Will students be eligible for shift differential?

A. No.

Q. Are there minimum or maximum duration of appointment requirements for DPA PST retirement plan purposes?

A. No. Students are ineligible for PERS retirement coverage. If they are not excluded from Social Security and Medicare, they must be placed in the DPA PST retirement plan, which has no minimum or maximum appointment requirements.

Q. Must the campus process separation transactions for the new classification?

A. Yes. Unlike the appointments processed on "shell" A98 transactions, the new class code 1874 requires the campus to process a separation when the student leaves employment or switches to other CSU employment status.

Q. When the student changes from the alternative class code 1874 to the standard student assistant class, will he/she be eligible to withdraw his/her DPA PST funds?

A. No. A DPA PST participant must be separated from all CSU or state employment for one year to be eligible to withdraw his/her funds.
Q. Is the new student assistant class code available only during the summer?

A. Generally, yes. However, class code 1874 may also be used on a quarter-year-round campus for any single quarter break in student enrollment.

Q. Can a class code 1874 student assistant have multiple appointments at different rates of pay?

A. Yes. However, each appointment will require a separate PPT document. Each appointment must reflect a different position number (i.e., a different agency/reporting unit).

Q. How will pay be requested for the new class code?

A. The student assistant should be appointed as an hourly intermittent employee, and the campus must use the PIP 672 time and attendance processes for class code 1874, just as for any other hourly intermittent employee.

Q. What payment type will be used for the new “bridge” classification?

A. The payment type will be 0 for regular pay.

Q. Can campuses submit requests for pay via magnetic tape for the new classification?

A. Yes. Contact the Data Management Unit in PPSD at the State Controller’s Office (SCO). This process requires the SCO’s permission, then the campus would create test tapes and obtain SCO’s concurrence that the data is usable.

Q. Does this change affect any other student classifications?

A. No. At this time, only the Student Assistant classification is affected.