The California State University
SYSTEMWIDE HUMAN RESOURCES

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Date: May 29, 2014

Code: **HR/Salary 2014-13**

To: Human Resources Officers
Payroll Managers

References: **HR/Salary 2005-21, Supplement #1**
HR/Salary 2005-21

From: Evelyn Nazario
Associate Vice Chancellor
Human Resources Management & CO HR Services

Subject: **Executive Compensation: Automobile and Housing Allowances**

Overview

Audience: Human Resources Officers and/or designee(s) responsible for administering executive compensation

Action Item: Information only

Affected Employee Group(s)/Units: Executive employees (M98)

Summary

This policy supersedes sections of HR/Salary 2005-21 and HR/Salary 2005-21 Supplement #1 pertaining to auto and housing allowances for Executive (M98) employees.

Campus Human Resources Officers and/or designee(s) responsible for administering executive compensation should review the remainder of this policy letter for further information.

The purpose of this policy update is to clarify and supersede specific provisions involving executive automobile allowance as discussed in HR/Salary 2005-21 and HR/Salary 2005-21, Supplement #1. Campuses are requested to review this policy letter update to ensure that current practices are in compliance with this policy. Housing allowance information remains unchanged, however, is included in this policy update for ease of reference.

Background

At the October 2005 Board of Trustees' meeting, the Trustees passed Resolution RUFP 10-05-03, which provided for salary increases, in addition to automobile and housing allowance increases for executives. The relevant documents can be found on the Web as follows:

- Agenda Item: http://www.calstate.edu/BOT/Agendas/oct05/UFP.pdf
- Resolution: http://www.calstate.edu/BOT/Resolutions/oct2005.pdf

❖ **Automobile Allowance:**
Presidents and designated Chancellor's Office executives have the option of receiving a $1,000 monthly automobile allowance in lieu of a university vehicle to support university related business travel requirements.

Distribution:

CSU East Bay President
Cal Maritime Academy President
Vice Chancellor, Human Resources
Vice Presidents, Administration
Benefit Officers
Budget Officers
Payroll Officers

This policy update serves to clarify that when an executive receives an automobile allowance, he/she is precluded from being reimbursed for mileage for university related business travel requirements when using their personal or a university provided vehicle.

The following processing instruction is provided in Attachment A:

⇒ Executive Automobile Allowance

❖ **Housing Allowance:**

Campus presidents are provided either a house or a housing allowance to aid them in performing official university-related business functions. Campuses are responsible for calculating and processing the housing allowances.

To ensure uniformity and consistency in reporting, campuses are required to process housing allowance payments via the SCO payroll system only. (Historically, housing allowance payments were permitted either through the SCO payroll system or through the accounting/accounts payable process; however, effective January 2006, campuses were asked to discontinue housing allowance payments via the accounting/accounts payable process and use the SCO payroll system only.)

The following processing instruction is provided in Attachment A:

⇒ Executive Housing Allowance

Questions regarding this policy should be directed to systemwide Human Resources at (562) 951-4411 or the campus HR department. This document is available on the Human Resources Management's Website at http://www.calstate.edu/HRAdm/memos.shtml

EN/tl

Attachment

PROCESSING INSTRUCTIONS

I. Executive Automobile Allowance

PIP PROCESSING INFORMATION:	
Processing Responsibility:	Campus
Processing Date(s):	Monthly
Earnings ID:	8CAR
Amount:	$1,000
Subject to Retirement Withholdings:	No
Taxable/Reportable:	Yes
Subject to Medicare/Social Security:	Yes
Included in Calculation for Overtime:	N/A
Included in the Calculation for NDI/IDL Payments:	No

CMS PROCESSING INFORMATION:	
Earnings ID:	AA2

II. Executive Housing Allowance

PIP PROCESSING INFORMATION:	
Processing Responsibility:	Campus
Processing Date(s):	Monthly
Earnings ID:	GP
Amount:	Current Rate approved by Board of Trustees resolution
Subject to Retirement Withholdings:	No
Taxable/Reportable:	Yes
Subject to Medicare/Social Security:	Yes
Included in Calculation for Overtime:	N/A
Included in the Calculation for NDI/IDL Payments:	No

CMS PROCESSING INFORMATION:	
Earnings ID:	GP