

# BUDGET LETTER

NUMBER: 14-21

<b>SUBJECT:</b> 2015-16 SALARIES AND WAGES SPREADSHEET (AUTHORIZED POSITIONS AND COST ESTIMATES)	<b>DATE ISSUED:</b> AUGUST 22, 2014
<b>REFERENCES:</b> GOVERNMENT CODE SECTION 12439, STATE ADMINISTRATIVE MANUAL SECTIONS 6518, 6527, AND BUDGET LETTER 12-03	<b>SUPERSEDES:</b> BL 13-15 & BL 13-24

TO: Agency Secretaries  
 Department Directors  
 Departmental Budget and Accounting Officers  
 Department of Finance Budget and Accounting Staff

FROM: DEPARTMENT OF FINANCE

**BUDGET OFFICERS ARE REQUESTED TO FORWARD A COPY OF THIS BUDGET LETTER TO DEPARTMENTAL PERSONNEL OFFICERS.**

**This Budget Letter (BL) provides departments with instructions for preparing the 2015-16 Salaries and Wages Spreadsheet (Schedule 7A).**

**Note: Departments must build the 2015-16 Salaries and Wages publication from the final 2014-15 Salaries and Wages spreadsheets that will be provided electronically by your Department of Finance (Finance) budget analyst. Also see item 15 on page 5 for a new change this year.**

<i>Deadlines and Deliverables</i>	
<p align="center"><b>On or before September 26, 2014</b></p>	<p>Departments must complete and return the following documents:</p> <ul style="list-style-type: none"> <li>▪ Hard copy of the Salaries and Wages spreadsheet</li> <li>▪ Electronic version of the Salaries and Wages spreadsheet</li> </ul> <p>Departments must provide copies of the following backup documentation:</p> <ul style="list-style-type: none"> <li>▪ Schedule 8 Report</li> <li>▪ Supplementary Schedule 8 Report</li> <li>▪ Schedule 8 Summary (Form 33)</li> <li>▪ Temporary Help Blanket Reconciliation Form (Attachment 1)</li> </ul>

## I. SALARIES AND WAGES SPREADSHEET

Position and salary information is compiled and maintained on an Excel spreadsheet. An electronic file created from the final 2014-15 Salaries and Wages spreadsheet will be distributed to departments by their Finance budget analyst in August. Departments must reconcile position and salary information and **complete and return the following documents along with all required backup documentation to their Finance budget analyst no later than September 26, 2014:**

- Hard copy of the Salaries and Wages spreadsheet
- Electronic version of the Salaries and Wages spreadsheet

Departments must submit copies of the following backup documentation with the Salaries and Wages documents:

- Schedule 8 Report
- Supplementary Schedule 8 Report
- Schedule 8 Summary (Form 33)
- Temporary Help Blanket Reconciliation Form (Attachment 1)

## II. STATE CONTROLLER REPORTS

The State Controller's Office (SCO) has released the following reports directly to departments:

- Supplementary Schedule 8 Report
- Preliminary Abolished Vacant Position Report
- Blanket Balance Position Expenditure Report

**Any adjustments made to these reports must be reflected on the Salaries and Wages spreadsheet** in accordance with the guidelines outlined in the State Administrative Manual (SAM) Sections 6415, et seq. Attachment A describes the documents used by departments to develop the Salaries and Wages Publication.

## III. SALARIES AND WAGES SPREADSHEET PREPARATION

Departments must comply with the following instructions:

1. **Career Executive Assignment Positions**—Reflect the salary range for all Career Executive Assignment (C.E.A.) positions *not including* the 2 percent increase, effective July 1, 2014, as follows: C.E.A. A = \$6,173 - \$8,874; C.E.A. B = \$8,594 - \$10,237; and C.E.A. C = \$9,544 - \$10,836. Maximum rate for non-physicians, non-attorneys, and non-engineers is \$10,836. Maximum rate for physicians, attorneys, and engineers is \$13,782.

However, the new C.E.A. salary range, *including* the 2 percent increase, effective July 1, 2014, is as follows: C.E.A. A = \$6,296 - \$9,051; C.E.A. B = \$8,766 - \$10,442; and C.E.A. C = \$9,735 - \$11,053. Maximum rate for non-physicians, non-attorneys, and non-engineers is \$11,053. Maximum rate for physicians, attorneys, and engineers is \$14,058.

Do not include the 2 percent increase in your Salaries and Wages spreadsheet. It will be captured in the Governor's Budget display in the Changes in Authorized Position section.

2. **Merit Salary Adjustments**—Merit Salary Adjustment (MSA) expenditure projections, except for C.E.A. positions, are included on the Schedule 8 by the SCO. C.E.A. salary levels must be adjusted manually to reflect the proper levels. The current 2014-15 Budget does not include statewide funding for MSAs. Any net costs incurred by departments for this purpose must be absorbed within existing resources.
3. **Permanent Employees**—Generally, all permanent employees (full-time and part-time) must fill authorized and established positions. Permanent positions should not be budgeted in blanket authorizations on an ongoing basis.

4. **Salary Range**—Include a corresponding salary range for each classification. Within each segment of the Salaries and Wages spreadsheet, sort positions in descending order according to the **minimum step of the salary range**.
5. **Partial-Year Authorizations**—Positions that are authorized for less than a full fiscal year must reflect the **net position count** and the **net associated dollars**.
6. **Temporary Help Authorizations**—Display positions for all three years, including positions for student assistants, seasonal, and other personnel used for temporary purposes if they are not filling a permanent authorized position. Do not include permanent employees (full-time or part-time) other than permanent intermittent in the temporary help authorizations. Ensure the position equivalent and dollar value are based on realistic usage; do not create a position value if the dollar value will not result in hiring a person.
7. **Overtime**—Budget overtime as a separate line entry. Do not display positions for overtime.
8. **Temporary Help Blanket (Blanket) Authorizations**—Pursuant to SAM section 6518, Blanket authorizations must be reviewed on an annual basis. Attachment 1 should be used to complete an analysis of Blanket expenditures and position authority in prior years as well as determine the appropriate level of Blanket expenditure authority necessary moving forward. **Total Blanket expenditures and position authority for prior years must match the actual column of prior year Schedule 7As.** As part of the analysis, expenditure and position authority for each of the various categories of Temporary Help should be identified. While existing Blankets might not have been set up to track these categories separately, departments will need to split this information out on Attachment 1.

BL 12-03 eliminated certain vacant positions at that time. Authorized positions were reduced based on the analysis performed through that process. If no vacant positions exist, departments may need to hire permanent employees into the Blanket. When an authorized position becomes vacant, an employee should be moved from the Blanket into that permanent position. This may require a department to reclassify the authorized vacant position to accommodate moving the employee out of the Blanket and into the appropriate position.

Blanket expenditures should be used for the following:

- Permanent Employees (BL 12-03)—Employee compensation for permanent employees hired into the Blanket temporarily.
- Temporary Help—Employee compensation for temporary employees hired into the Blanket for the length of their appointment (e.g., Retired Annuitants, Student Assistants, etc.).
- Lump Sum Payments—Payments to separating employees for unused, accrued leave time.
- Personnel Settlements—Settlements for personnel issues, including settlements resulting from litigation.
- Disability Payments—If, and to what degree, the Blanket is used for disability payments.
- Other—Please specify in Attachment 1.

Instructions to complete Temporary Help Blanket Reconciliation Form (Attachment 1):

- Use the Schedule 7A to populate past year actuals for “Regular/Ongoing Positions,” “Overtime,” and total Blanket expenditures (“Temporary Help”) from 2011-12 through 2013-14 (i.e., use 2013-14 Schedule 7A to determine past year actuals for 2011-12, etc.).

- Separately identify past year actual Blanket expenditures for each of the five different categories provided on Attachment 1. If the Blanket is used for a category other than one of the five listed, please create a category title in the “Other” section. Departments will need to refer to internal personnel, accounting, and budgeting documentation to determine the character of Blanket expenditures.
- Determine the appropriate level of Blanket expenditures and positions for the current and budget year based on an analysis of past year actual Blanket activity, historical trends, and other known factors.
- This analysis could result in an adjustment to Blanket authority; however, total state operations funding will not change. Work with your Finance budget analyst to determine proposed levels. **After all corresponding adjustments, total expenditures should remain the same.**

Through this process, departments may need to adjust their budget display to accurately reflect position authority and budget expenditures. Should movement be necessary from “Regular/Ongoing Positions” to Blanket position authority, a Standard 607 to abolish the regular/ongoing position(s) must be submitted to your Finance budget analyst. If Blanket expenditure authority is adjusted, a corresponding/offsetting adjustment will need to be made to a line item within the Expenditures by Category (i.e., Staff Benefits, Operating Expenses and Equipment, etc.).

- 9. Reorganizations**—Reorganizations that are proposed for the 2015-16 Budget must first be approved by Finance. Upon Finance’s approval, reflect a condensed version of proposed reorganizations in the Governor’s Budget documents, not in the Salaries and Wages spreadsheet.
- 10. Limited-Term Positions**—A limited-term position is any position that has been authorized for a specific length of time with a set termination date. List all limited-term positions at the end of the Salaries and Wages presentation in footnote format following the “**Continuously Vacant Positions Abolished by the State Controller per Government Code Section 12439**” display.
- 11. Continuously Vacant Positions**—Government Code section 12439 pertains to the abolishment of continuously vacant positions. The major provisions include:
  - The SCO identifies and abolishes positions that are vacant for six consecutive monthly pay periods, irrespective of fiscal years (pursuant to Chapter 1124, Statutes of 2002).
  - The deadline for Departments to self-certify reestablishments was August 15 for positions that met specified conditions during the vacancy period.
  - Departments may not execute any personnel transactions for the purpose of circumventing the provisions of the section.
  - Each department is required to include information discussing its compliance with this section when it prepares its report pursuant to Government Code section 13405.

On July 1 of each year, the SCO abolishes the continuously vacant position(s). These abolished positions are not included on the Schedule 8. The SCO generated an initial listing of abolished positions for departments in mid-July. The positions identified for abolishment can be eliminated from the abolishment listing for any SCO technical errors, departmental self-certifications of positions to be exempted from the abolishment, or any Finance authorized reestablishments meeting specified criteria by specified deadlines (see BL 14-17

Vacant Position Reestablishments). Any of these approved adjustments must be added via Form 33 and the Salaries and Wages spreadsheet.

**12. Vacant Positions**—Reflect vacant positions at the first step of the appropriate classification, except for positions within interchangeable classes. Reflect vacant positions with interchangeable classes at the minimum step of the: (a) lowest salary range for groups consisting of two classes, (b) middle salary range for groupings which contain an odd number of classes, or (c) lowest salary range of the lowest classification of the two middle classes for groupings which contain an even number of classifications in excess of two.

**13. Subtotals**—Include the following subtotal lines below the **TOTALS, AUTHORIZED POSITIONS** line:

- Regular/Ongoing Positions
- Temporary Help
- Overtime

Do not include a subtotal line that displays zero for positions and dollars for all three years.

**14. Standard Abbreviations (Attachment B)**—Use only the abbreviations in the attached listing.

**15. FI\$Cal Current Service Level Adjustment (Attachment C)**—With the implementation of FI\$Cal, positions and salaries and wages as included in the enacted 2014-15 budget total have been reviewed and spread by the departments as the base (current service level or CSL) to be loaded into Hyperion. The bottom line on 7A must be consistent with the base upload. Departments will still need to reconcile the detail of the 7A with the Schedule 8, Supplemental 8, Vacant Abolished Positions, Blanket Expenditure Report, etc. The difference between this standard reconciliation of the Schedule 8 Total Authorized Positions and salaries and wages, and the CSL previously provided will be reflected on a "FI\$Cal Current Service Level Adjustment" line for current year and budget year.

**16. Salary Adjustments**—The 2014-15 funding adjustments for salary changes, including any General Salary Increases ratified by the Legislature, was centrally carried by Finance in the 2014 Budget Act. These salary adjustments will be distributed to departments through the upcoming Employee Compensation Adjustments BL. Departments **must not** include any General Salary Increases within the 2013-14, 2014-15, or 2015-16 columns of the Schedule 7A. Collective bargaining agreements can be viewed on the CalHR website <http://www.calhr.ca.gov/state-hr-professionals/Pages/bargaining-contracts.aspx>.

If you have any questions regarding this BL, please contact your Finance budget analyst.

/s/ Veronica Chung-Ng

Veronica Chung-Ng  
Program Budget Manager

Attachments

**DOCUMENTS USED IN THE DEVELOPMENT  
OF THE SALARIES AND WAGES PUBLICATION**

**Schedule 7A Spreadsheet**—The Schedule 7A spreadsheet represents a summary listing of all authorized regular/ongoing positions by classification within each reporting unit as of a specified point in time. The Schedule 7A spreadsheets display position information authorized as of June 30, 2013.

**Schedule 8**—A listing of approved established regular/ongoing positions with related personnel information, including past year expenditures by class code and estimated expenditures for the current and budget years for each position.

**Supplementary Schedule 8**—A listing of current year and budget year information on employees for which there are no established positions (by Standard Form 607 action) to continue beyond June 30 of the past year or for those positions with a non-existent class code. Past year expenditures, if any, for these employees are displayed on the Schedule 8.

**Abolished Vacant Position Report**—A listing of all positions that were vacant for six consecutive monthly pay periods. Any state position that is vacant for six consecutive monthly pay periods is to be abolished by the SCO on the following July 1. The six consecutive monthly pay periods may occur entirely within one fiscal year or between two consecutive fiscal years.

**Blanket Position Expenditure Report**—A listing of established blanket numbers (for overtime, temporary help, seasonal, etc.) with the corresponding dollars and personnel years expended and the remaining balance.

**Standard Form 607**—Standard 607 position documents received by the SCO by June 15 are normally reflected on the SCO's reports.

**Schedule 8 Summary Reconciliation**—This summary schedule is prepared by departments to reconcile the total authorized number of positions listed in the 2013-14 Governor's Budget as amended by the Legislature's actions and the Governor's vetoes. These amendments are reflected in the Final Change Book. Differences in the number of positions are to be explained with references to documents which support the changes (see SAM Section 6448).

**ATTACHMENT B  
BL 14-21**

*Word* ..... *Abbreviation*  
 academic ..... aad  
 academic year ..... acad yr  
 account(s) ..... acct(s)  
 accounting ..... acctg  
 administrative ..... adm  
 administration ..... admin  
 advisor ..... advr  
 affairs ..... affs  
 agricultural ..... agric  
 agriculture ..... agri  
 and ..... &  
 appointment ..... appt  
 apprentice ..... apmnt  
 assessment ..... assess  
 assistant ..... asst  
 associate ..... assoc  
 attorney ..... atty  
 automotive ..... auto  
 bilingual—bicultural ..... bi/bi  
 biology ..... biol  
 board ..... bd  
 branch ..... br/brch  
 building ..... bldg  
 bureau ..... bur  
 business ..... bus  
 Dept of Transportation ..... Caltrans  
 captain ..... capt  
 career executive appointment .. C.E.A.  
 center ..... cntr/ctr  
 certification ..... cert  
 chemistry ..... chem  
 clerk ..... clk  
 compensation ..... comp  
 conservation ..... cons  
 construction ..... constrn  
 control ..... cntrl  
 coordinator ..... coord  
 corporate ..... corp  
 corrections ..... corrs  
 correctional ..... corr  
 county ..... co  
 criminal ..... crim  
 curriculum ..... curr/curric  
 data processing ..... DP  
 department ..... dept  
 departmental ..... deptl  
 deputy ..... dep  
 determination(s) ..... determ(s)  
 development ..... dev/developmt  
 developmental ..... develmtl  
 disability ..... dis  
 dispatch ..... disp  
 district ..... dist  
 division ..... div  
 drafting ..... drftg  
 duplicating ..... dup  
 economic ..... econ  
 education ..... ed/educ

*Word* ..... *Abbreviation*  
 electrical ..... elec  
 electronic data processing ..... EDP  
 employee and employer ..... emp/emp  
 employment ..... empmt  
 engineer ..... engr  
 engineering ..... engrng  
 environment ..... envirn  
 environmental ..... envirnlt  
 equal employment opportunity .... EEO  
 equipment ..... equipt  
 evaluation ..... eval  
 examination ..... exam  
 executive ..... exec  
 federal ..... fed  
 federal fund ..... FF  
 field ..... fld  
 general ..... gen  
 government ..... gov  
 governmental ..... govntl  
 handicap ..... hndcp  
 health ..... hlth  
 high occupancy vehicle ..... HOV  
 highway ..... hwy  
 hospital ..... hosp  
 hydraulic ..... hyd  
 hydroelectric ..... hyd  
 identification ..... id  
 information ..... info  
 inheritance ..... inh  
 inspector ..... insp  
 institutional ..... instl  
 instruction ..... inst  
 instructional ..... instl  
 insurance ..... ins  
 intergovernmental ..... intergovtl  
 intermediate ..... inter  
 international ..... intntl  
 junior ..... jr  
 laboratory ..... lab  
 leadership ..... ldrshp  
 legislative ..... legis  
 level of care ..... LOC  
 licensing ..... lic  
 lieutenant ..... lieut  
 machine ..... mach  
 maintenance ..... maint  
 management ..... mgt/mgmt  
 manager ..... mgr  
 managerial ..... mgrl  
 mechanical ..... mech  
 medical ..... med  
 member ..... mbr  
 month ..... mo  
 mountain ..... mt  
 nonsupervisory ..... nonsuprvy  
 occupational ..... occ  
 office ..... ofc  
 officer ..... off/ofcr

*Word* ..... *Abbreviation*  
 operations ..... ops/oper(s)  
 operator ..... opr  
 organization ..... org  
 personnel ..... pers  
 pesticide ..... pest  
 physical ..... phys  
 planner ..... plnr  
 planning ..... plan  
 power ..... pwr  
 prevention ..... prev  
 principal ..... prin  
 processing ..... proc  
 production ..... prod  
 professional(s) ..... prof(s)  
 program(s) ..... pgm/prog(s)  
 project ..... proj  
 property ..... prop  
 psychiatric ..... psych  
 public ..... pub  
 recreation ..... recr  
 record(s) ..... recd(s)  
 registration ..... regis  
 regulatory ..... reg  
 rehabilitation ..... rehab  
 reimbursement ..... reimb  
 representative ..... rep  
 reproduction ..... reprod  
 residential ..... res  
 retirement ..... ret  
 river ..... rvr  
 secretary ..... secty  
 section ..... sec/sect  
 senior ..... sr  
 sergeant ..... sgt  
 service(s) ..... svc(s)  
 social ..... soc  
 southern ..... so  
 specialist ..... spec  
 standards ..... stds  
 statistics ..... stat  
 stenographer ..... steno  
 subdivision ..... sub  
 superintendent ..... supt  
 supervising ..... supvng  
 supervisor ..... supvr  
 supervisorial ..... supvrl  
 supervisory ..... suprvy  
 system(s) ..... sys(s)  
 technical ..... tech  
 technician ..... techn  
 technology ..... tech  
 telecommunication ..... telecomm  
 television ..... TV  
 training ..... trng  
 transportation ..... transp  
 veterinary ..... vet  
 vice president ..... VP  
 vocational ..... voc

FI\$Cal Current Service Level Adjustment

Info Technology Spec I	7.1	7.5	7.5	2,904-5,756	400,752	420,790
Office Techn-Typing <sup>2</sup>	-	1.0	-	2,510-3,050	30,120	-
Overtime	-	-	-	(156,776)	157,956	159,347
Totals	703.9	719.0	717.0	\$34,650,382	\$38,334,787	\$39,032,582
FI\$Cal Current Service Level Adjustment	-	-10.0	-12.0	-	-100,000	-120,000
<b>TOTALS, AUTHORIZED POSITIONS</b>	<b>703.9</b>	<b>709.0</b>	<b>705.0</b>	<b>\$34,650,382</b>	<b>\$38,234,787</b>	<b>\$38,912,582</b>
<i>Regular/Ongoing Positions</i>	676.9	684.0	680.0	32,785,444	36,306,199	36,981,838
<i>Temporary Help</i>	27.0	25.0	25.0	1,425,083	1,386,632	1,387,397
<i>Overtime</i>	-	-	-	439,855	541,956	543,347

TOTALS, AUTHORIZED POSITIONS  
must tie to the FI\$Cal base upload  
template (Current Service Level).