



**GEORGE W. LINDBERG**  
 COMPTROLLER  
 STATE OF ILLINOIS

August 27, 1975

PAYROLL BULLETIN  
 (12-75)

201 STATE HOUSE  
 SPRINGFIELD, ILLINOIS 62706  
 217/782-6000

TO: All State Agencies, Departments, Boards and Commissions  
 Attention: Payroll Office

SUBJECT: Retroactive Pay (\$45.00)

A recent Supreme Court decision has held that certain State employees shall be paid retroactive at the rate of \$50 per month for the period of December 4-31, 1974.

Employees who are not eligible for the retroactive pay include employees of the Lieutenant Governor, Secretary of State, Comptroller, Treasurer, Attorney General, Office of Education, employees subject to negotiated or prevailing rate agreement and employees whose salary is set by statute.

The Comptroller's Office will produce payroll prelists, citing the \$45.00 payment, to all agencies who did not submit their payroll on magnetic tape during December, 1974.

The employees will appear on the prelists for the agencies in which they were employed during December, 1974.

Tape submitting agencies are to prepare supplemental payrolls for submission on magnetic tape.

The payroll calculations are:

A. Base Pay

December 4-15	8/10 of \$25.00 = \$20.00
December 16-31	12/12 of \$25.00 = \$25.00
	<u>\$45.00</u>

B. Gross Earnings

\$45.00

C. Federal Tax

20% of gross earnings

D. State Tax

2.5% of gross earnings

E. F.I.C.A.

5.85% of gross earnings for employees eligible for F.I.C.A. No deduction for employees not electing F.I.C.A. The F.I.C.A. deduction is to apply to calendar year 1975. It is the agencies responsibility to assure that there is not overwithholding of F.I.C.A.

F. Employer Contribution to F.I.C.A. must be paid.

G. Insurance Eligibility Code

"C" ineligible

H. State Employees' Retirement System

If the employee is a member of the State Employees' Retirement System, the Retirement code must be "5".

The court order stipulates that the Employee Contribution to Retirement not be withheld.

All questions pertaining to the retirement deductions are to be referred to the State Employees' Retirement System.

I. Employer Contribution to State Employees' Retirement System must be paid at 6.4% of Base Pay.

J. Deductions must be taken for members of the Teachers' Retirement System.

K. Employer Contribution to Teachers' Retirement System must be paid.

L. If an employee has an active wage deduction summons and the total compensation being paid to the employee during the pay period in which the retroactive payroll is paid is in excess of the exempt amount as described in payroll bulletin 2-75 the wage deduction must be applied to the retroactive payment.

If an employee has had a social security number correction after January 1, 1975, the correct social security number must be entered on the payroll voucher to assure proper W-2 reporting.

The agency is responsible for computing broken time, percentages, shift differentials, lump sum vacations and overtime. All adjustments resulting from the retroactive increase are to be applied only to the period of December 4-31, 1974.

If a death payroll has been processed for the December 4-31, 1974 period, a supplemental payroll for the adjustment should be prepared. It will not be necessary to submit a death certificate, Small Estates Affidavit, Will, etc., with this supplemental payroll as these documents are already on file in the Comptroller's Office.

All payrolls are to be clearly marked "Supplemental" and "FY 75".

If the agency is uncertain as to the availability of funds to pay the retroactive pay, they should contact Marcia Cohen in the Bureau of the Budget at (217) 782-3500.

All supplemental payrolls must be in the Comptroller's Office no later than September 16 to insure they are paid as promptly as possible.

Questions concerning this matter should be referred to Charlotte McCormick or myself at (217) 782-4758.

Very truly yours,

George W. Lindberg  
Comptroller



By: Kermit W. Kerley  
Payroll Supervisor