



City of Riverside, California
Human Resources Policy and Procedure Manual

Approved:

Human Resources Director

City Manager

Number: V-14 Effective Date:

SUBJECT: TEMPORARY/SEASONAL EMPLOYEE BENEFITS

PURPOSE:

To establish and clarify the City of Riverside's benefit provisions for temporary/seasonal employees in order to ensure consistent interpretation and application.

POLICY:

Temporary/seasonal employees may be eligible for participation in City fringe benefits as required by State and/or Federal law. This includes participation in the deferred compensation plan or the California Public Employees Retirement System (CalPERS), and other fringe benefits including medical coverage, sick leave and bereavement leave. . .

1. **Deferred Compensation**

Enrollment in deferred compensation for temporary/seasonal employees is automatic and mandatory in accordance with Federal law, unless the employee has current membership with CalPERS.

This temporary deferred compensation plan serves as a replacement for Social Security participation. Under this plan, the City matches the required employee contribution of 3.75%. This plan does not apply to temporary employees hired through a contract agency.

2. **CalPERS**

Enrollment in CalPERS is mandatory for temporary employees when either of the following criteria is met:

- A. The temporary employee is an active CalPERS member at the time of hire. If the temporary employee becomes eligible for CalPERS membership through employment with another CalPERS covered agency after starting employment with the City. The employee must notify the Human Resources department immediately.
- B. The temporary employee works 1,000 hours in a fiscal year, including overtime, or if the expectation at appointment is that the employee will reach 1,000 hours in the fiscal year. It is the department's responsibility to track hours worked and to submit a Personnel Action Form to the Human Resources Department to enroll the employee in CalPERS. See Policy V-13 Retirement (CalPERS) for additional information.

Enrollment in CalPERS applies to temporary employees hired through a contract agency.

3. Withdrawal of Contributions from Deferred Compensation or CalPERS

- A. The temporary deferred compensation plan is subject to the same Internal Revenue Service (IRS) regulations as the regular deferred compensation plan. Employees may only withdraw funds in the event of separation or death. In accordance with Section 457(e)(9)(A) of the Internal Revenue Service (IRS), an employee who is still employed with the City and is no longer eligible to participate due to a change of employment status to a position covered by another retirement system, shall be eligible for a limited in-service distribution if (a) the employee has a balance of less than \$7,000, (b) there has been no previous distribution to the employee from this plan, and (c) the employee has had no deferrals into the plan for a period of 24 consecutive months.
- B. Employees may choose to take a refund of their member contributions and interest at the time they separate from the City. Taking a refund terminates the CalPERS membership and the employee forfeits their right to future CalPERS benefits. Employees may contact CalPERS directly for additional implications to terminating membership.. In the event the employee terminates their membership and later becomes employed by a CalPERS-covered employer in a position that has automatic CalPERS membership, the employee should contact CalPERS to determine if they are eligible to re-deposit their contributions. This service credit buy-back provision is administered by CalPERS and is subject to State regulations.

4. Other Fringe Benefits

Temporary/seasonal employees may be eligible for additional fringe benefits as required by State and/or Federal law, including medical coverage, sick leave and bereavement leave. For medical coverage eligibility, see Policy V-9, Health/Vision and Dental Insurance for additional information. For sick leave and bereavement leave benefits, see the Fringe Benefits and Salary Plan for additional information.

Disclaimer: This policy is for internal processes only. Should a discrepancy exist between this policy and Federal or State Law, the Federal or State Law will prevail.