



2023 Teachers' Retirement Board
Candidate Information

2023 Teachers' Retirement Board Election Summary

Thank you for your interest in the CalSTRS Teachers' Retirement Board election. This packet includes the following information about the election, along with the forms you will need to become a candidate.

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Candidate checklist

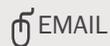
- Fill out the *Nomination Certification* form.
- Gather at least 250 signatures of eligible voters on the *Petition* form. It is recommended you gather substantially more signatures in the event some signatures are invalidated when CalSTRS verifies the signers' voting eligibility.
- Return the original *Nomination Certification* form and original petitions in one envelope so the CalSTRS election coordinator receives the material by January 10, 2023.
- If eligible, the candidates will receive certification from the election coordinator by February 21, 2023.
- Prepare candidate statement.
- Return candidate statement to election coordinator by April 10, 2023.

See additional important details in the enclosed *Notice of Election and Elections Regulations* (California Code of Regulations, Title 5, Sections 24000–24009).

If you have questions or need additional information, contact the election coordinator.



916-414-1411



ElectionCoordinator@CalSTRS.com



916-414-1415



California State Teachers' Retirement System
P .O. Box 15725, MS 35
Sacramento, CA 95851-0275

Important election dates

January 10, 2023	Deadline for the CalSTRS election coordinator to receive the <i>Nomination Certification</i> form and nomination petitions.
February 21, 2023	Election coordinator announces the names of qualified candidates. Random drawing for the order of candidate names on the ballot.
April 10, 2023	Deadline to submit candidate statement form.
September 29, 2023	Ballots mailed directly to eligible voters. Automated voting services activated and available for eligible voters to cast their ballots.
November 15, 2023	Deadline for eligible voters who have not received a ballot to request replacement ballot.
November 30, 2023	Ballots must be postmarked or received by CalSTRS in the postage-paid envelope on or before this date to be counted. Automated voting services are deactivated.
December 4, 2023 (through completion)	At the location designated by CalSTRS, the sealed, signed envelopes containing the voting ballots will be opened and the ballots will be removed. Thereafter, all ballots will be tabulated.
December 11, 2023	CalSTRS' chief executive officer will certify the candidates receiving a plurality of votes as having been elected.
December 22, 2023	Notarized Oath of Office due to election coordinator on or prior to this date.
January 1, 2024	Newly elected board members will be seated on the Teachers' Retirement Board in accordance with Education Code section 22200.

Campaign finance reporting

Chapter 633, Statutes of 2010 (SB 1007-Hancock), requires candidates, campaign committees and other entities making contributions or incurring expenses on behalf of candidates for the Teachers' Retirement Board to comply with regulations for elected state officials under the Political Reform Act of 1974. Candidates are strongly encouraged to contact the Fair Political Practices Commission for information on their legal obligations under the Political Reform Act. For more information, visit fppc.ca.gov or call 866-275-3772.

Nomination certification

Candidate information

LAST NAME	FIRST NAME	M.I.
ADDRESS		
CITY	STATE	ZIP
DAYTIME PHONE	EVENING PHONE	
EMAIL	FAX NUMBER	
DATE OF BIRTH		

Candidate declaration

I declare myself a candidate for the following position on the Teachers' Retirement Board:

(Choose only one)

- Pre K-12 (non-administrator)**—I am and will be an active member of the CalSTRS Defined Benefit Program or an active participant of the CalSTRS Cash Balance Benefit Program and am employed by a county office of education or a school district that provides instruction for grades PreK-12 in a position other than a school administrator that requires a services credential with a specialization in administrative services, at the time of election.
- Pre K-12 (inclusive)**—I am and will be an active member of the CalSTRS Defined Benefit Program or an active participant of the CalSTRS Cash Balance Benefit Program employed by a county office of education or a school district that provides instruction for grades PreK-12 at the time of election.
- Community college**—I am and will be a community college instructor and an active member of the CalSTRS Defined Benefit Program or an active participant of the CalSTRS Cash Balance Program employed by a community college district at the time of election.

I am an:

- Active member of the CalSTRS Defined Benefit Program.
- Active participant in the CalSTRS Cash Balance Benefit Program.

My employer(s) is/are:

- A school district that provides instruction for grades Pre K-12, inclusive.
- A county office of education.
- A community college district.

NAME OF EMPLOYER	PHONE NUMBER
NAME OF EMPLOYER	PHONE NUMBER

By signing this *Nomination Certification* form, I:

- Acknowledge I received a candidate nomination packet containing a copy of the *Notice of Election*, the *Petition* form, the *Nomination Certification* form, and copies of the rules and regulations governing the conduct of board member elections.
- Accept the nomination.
- Agree to comply with the rules and regulations governing the conduct of board member elections.
- Acknowledge the authority of the CalSTRS election coordinator to edit my candidate statement according to adopted by the board.
- Agree to furnish information requested by the election coordinator necessary to verify my eligibility as a candidate and any factual statements I make in my candidate statement in a prompt and full manner. I also agree that my employer may be contacted by the election coordinator to verify my eligibility.
- Agree to abide by a drawing of lots by the election coordinator in case of a tied vote.
- Consent to serve if elected.

SIGNATURE

DATE

Petition form: PreK-12 representative (non-administrator)

By signing this petition, I nominate _____ as a candidate for election to the seat on the Teachers' Retirement Board representing myself and other active Defined Benefit Program members and Cash Balance Benefit Program participants employed by preK-12 school districts and county offices of education. Note: Eligible voters may sign the petition form of more than one candidate. CalSTRS makes every attempt to protect the privacy of your information; however, CalSTRS is unable to guarantee the privacy practices of others. **PLEASE PRINT LEGIBLY.**

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PreK representative (non-administrator)

Eligible candidates

Eligible candidates for the preK–12 representative (non-administrator) position on the board must, at the time of election, be active members of the Defined Benefit Program or participants of the Cash Balance Benefit Program employed by a preK–12 school district or county office of education in a position other than a school administrator that requires a services credential with a specialization in administrative services. A person may not be a candidate for more than one board position.

Who can sign the petition

Persons signing this petition must be eligible voters in the election for the preK–12 representative (non-administrator). These are active members in the Defined Benefit Program or active participants of the Cash Balance Benefit Program employed by a preK–12 school district or county office of education during the period beginning July 1, 2022, through June 30, 2023.

Instructions for candidates

Print your name on each page of the *Petition* form and obtain the valid signatures and required information from at least 250 active Defined Benefit Program members or Cash Balance Program participants eligible to vote in the upcoming preK–12 representative (non-administrator) election.

Note: You are encouraged to obtain substantially more than 250 signatures in case any of the signatures are invalidated when CalSTRS verifies the signers' voter eligibility.

To be valid, a person signing this petition must be eligible to vote in the preK–12 representative (non-administrator) election. Signatures of those not meeting the eligibility criteria will be invalidated. It's a good idea to attach this sheet to the signature page so people can read the eligibility criteria before signing.

Those signing must provide their legible printed name, their month and date of birth and last four digits of their Social Security number so CalSTRS can verify membership and eligibility. All information must be provided. Please be careful to protect the privacy of those who sign your petition.

Petition form: PreK-12 representative (inclusive)

By signing this petition, I nominate _____ as a candidate for election to the seat on the Teachers' Retirement Board representing myself and other active Defined Benefit Program members and Cash Balance Benefit Program participants employed by preK-12 school districts and county offices of education. Note: Eligible voters may sign the petition form of more than one candidate. CalSTRS makes every attempt to protect the privacy of your information; however, CalSTRS is unable to guarantee the privacy practices of others. **PLEASE PRINT LEGIBLY.**

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Pre K–12 representative (inclusive)

Eligible candidates

Eligible candidates for the preK–12 representative (inclusive) position on the board must, at the time of election, be active members of the Defined Benefit Program or participants of the Cash Balance Benefit Program employed by a preK–12 school district or county office of education. The candidate may be employed in an administrative position. A person may not be a candidate for more than one board position.

Who can sign the petition

Persons signing this petition must be eligible voters in the election for the preK–12 representative (inclusive). These are active members in the Defined Benefit Program or active participants of the Cash Balance Benefit Program employed by a preK–12 school district or county office of education during the period beginning July 1, 2022, through June 30, 2023.

Instructions for candidates

Print your name on each page of the *Petition* form and obtain the valid signatures and required information from at least 250 active Defined Benefit Program members or Cash Balance Benefit participants eligible to vote in the upcoming preK–12 representative (inclusive) election.

Note: You are encouraged to obtain substantially more than 250 signatures in case any of the signatures are invalidated when CalSTRS verifies the signers' voter eligibility.

To be valid, a person signing this petition must be eligible to vote in the preK–12 representative (inclusive) election. Signatures of those not meeting the eligibility criteria will be invalidated. It's a good idea to attach this sheet to the signature page so people can read the eligibility criteria before signing.

Those signing must provide their legible printed name, their month and date of birth, and the last four digits of their Social Security number so CalSTRS can verify membership and eligibility. All information must be provided. Please be careful to protect the privacy of those who sign your petition.

Petition form: Community college representative

By signing this petition, I nominate _____ as a candidate for election to the seat on the Teachers' Retirement Board representing myself and other active Defined Benefit Program members and Cash Balance Benefit Program participants employed by community college districts. Note: Eligible voters may sign the petition form of more than one candidate. CalSTRS makes every attempt to protect the privacy of your information; however, CalSTRS is unable to guarantee the privacy practices of others. **PLEASE PRINT LEGIBLY.**

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Community college representative

Eligible candidates

Eligible candidates for the community college position on the board must, at the time of election, be a community college instructor, and either an active member of the Defined Benefit Program or an active participant of the Cash Balance Benefit Program employed by a community college district.

Who can sign the petition

Persons signing this petition must be eligible voters in the election for the community college representative. These are active members in the Defined Benefit Program or active participants of the Cash Balance Benefit Program employed by a community college district during the period of July 1, 2022, through June 30, 2023.

Instructions for candidates

Print your name on each page of the *Petition* form and obtain the valid signatures and required information from at least 250 Defined Benefit Program members or Cash Balance Benefit Program participants eligible to vote in the upcoming community college representative election.

Note: You are encouraged to obtain substantially more than 250 signatures in case any of the signatures are invalidated when CalSTRS verifies the signers' voter eligibility.

To be valid, a person signing this petition must be eligible to vote in the community college representative election. Signatures of those not meeting the eligibility criteria will be invalidated. It's a good idea to attach this sheet to the signature page so people can read the eligibility criteria before signing.

Those signing must provide their legible printed name, their month and date of birth, and last four digits of their Social Security number so CalSTRS can verify membership and eligibility. All information must be provided. Please be careful to protect the privacy of those who sign your petition.

Notice of election

Active member elections to the Teachers' Retirement Board

Active members of the Defined Benefit Program and active participants in the Cash Balance Benefit Program of the California State Teachers' Retirement System are eligible to elect three representatives to the Teachers' Retirement Board. Two of these elected members will represent active Defined Benefit Program members and active Cash Balance Benefit Program participants employed in PreK–12 school districts and county offices of education. One member will represent active Defined Benefit Program members and active Cash Balance Benefit Program participants employed by community college districts. A plurality of votes cast will determine the winner of each election contest, with the term of office for each elected board member beginning January 1, 2024, and ending December 31, 2027.

Procedures for becoming a candidate

Eligibility

An active member of the Defined Benefit Program or an active participant of the Cash Balance Benefit Program shall qualify for nomination as a candidate if they meet the eligibility criteria and submit properly completed forms by the deadlines specified below.

Note: An eligible candidate may be nominated as a candidate for only one of the three elected positions on the board.

Eligible candidates for the first preK-12 position on the board must be active members of the Defined Benefit Program or active participants of the Cash Balance Benefit Program employed by a preK-12 school district or county office of education in a position other than administrator at the time of the election.

Eligible candidates for the second preK-12 position on the board must be active members of the Defined Benefit Program or active participants of the Cash Balance Benefit Program employed by a preK-12 school district or county office of education at the time of election. A member employed in an administrative position may be a candidate for this seat.

Eligible candidates for the community college position on the board must be active members of the Defined Benefit Program or active participants of the Cash Balance Benefit Program employed as an instructor by a community college district at the time of election.

Nomination packets

Nomination shall be on the *Petition* form provided by CalSTRS, signed by active Defined Benefit Program members and active Cash Balance Benefit Program participants. The election coordinator will provide candidate nomination packets containing a *Petition* form, *Nomination Certification* form, and the election rules and procedures to all active members and active participants who request a packet. Candidate nomination packets are also available on [CalSTRS.com](https://www.calstrs.com).

Nomination Petition form

A valid *Petition* form must contain original signatures of at least 250 active members of the Defined Benefit Program or active participants of the Cash Balance Benefit Program who would otherwise be eligible to vote in the election. The legible printed name, month and date of birth, and last four digits of the Social Security number must accompany the signature of each active member or participant signing the petition in order to verify membership against the CalSTRS database. Any signature not accompanied by all the required information shall be invalidated.

Nomination Certification form

Each candidate must certify on the *Nomination Certification* form provided by CalSTRS that the candidate accepts the nomination, consents to serve if elected, agrees to comply with the rules and regulations governing the conduct of board member elections, and abides by a drawing of lots by the election coordinator in case of a tied vote. Candidates must return the original *Petition* form and *Nomination Certification* form to the election coordinator.

Note: The candidate must submit the *Petition* form and *Nomination Certification* form containing at least the minimum required number of valid signatures in one packet at one time. Only those *Petition* forms and *Nomination Certification* forms received at the CalSTRS' Headquarters address stated in this notice by 5:00 p.m. on January 10, 2023, will be accepted.

Allow sufficient time for mailing and delivery processes to ensure the nomination packet will arrive to CalSTRS by the deadline stated above. Completed *Petition* forms and *Nomination Certification* forms transmitted via facsimile shall be accepted if the original completed forms are received by CalSTRS' Headquarters office within seven calendar days following the deadline.

Candidate Statement form

As part of a candidate statement included in the election materials sent to eligible voters, each candidate shall provide the following information: Name; job title; employer; status as either an active member of the Defined Benefit Program or active participant of the Cash Balance Benefit Program; and years of service as a member or participant; a list of no more than five previous positions held; and a list of no more than five organizations to which the candidate belongs, including any positions held in those organizations.

In addition, as part of the candidate statement, a candidate may provide a list of no more than 10 endorsements by individuals or entities. Also, a candidate may provide answers to the three questions specified in the board elections regulations (see Section 24003 of the enclosed Elections Regulations), using no more than 200 words. The candidate statement must comply with the requirements of the enclosed Elections Regulations and must be received by the election coordinator by the deadline indicated in the notification letter sent to qualified candidates. Candidate statements may not be changed or withdrawn except by the election coordinator, who may edit or remove any portion of the candidate's statement the candidate is unable to verify or as otherwise provided under the Elections Regulations.

Voter eligibility

Eligible voters in the elections are persons who were members of the Defined Benefit Program or participants of the Cash Balance Benefit Program employed by a preK–12 school district, county office of education, or community college district in the 2022–23 school year, between July 1, 2022, and June 30, 2023.

The election coordinator will mail ballots and candidate statements to each eligible voter for whom CalSTRS has a valid mailing address recorded. The election coordinator will provide ballots and candidate statements upon request to eligible voters who do not have a valid mailing address recorded with CalSTRS. Eligible voters who have not received a ballot by November 15, 2023, should contact the election coordinator for a replacement ballot.

Election schedule	
January 10, 2023	Deadline for the CalSTRS election coordinator to receive the <i>Nomination Certification</i> form and nomination petitions.
February 21, 2023	Election coordinator announces the names of qualified candidates. Random drawing for the order of candidate names on the ballot.
April 10, 2023	Deadline to submit candidate statement form.
September 29, 2023	Ballots mailed directly to eligible voters. Automated voting services activated and available for eligible voters to cast their ballots.
November 15, 2023	Deadline for eligible voters who have not received a ballot to request replacement ballot.
November 30, 2023	Ballots must be postmarked or received by CalSTRS in the postage-paid envelope on or before this date to be counted. Automated voting services are deactivated.
December 4, 2023 (through completion)	At the location designated by CalSTRS, the sealed, signed envelopes containing the voting ballots will be opened and the ballots will be removed. Thereafter, the ballots will be tabulated.
December 11, 2023	CalSTRS’ chief executive officer will certify the candidates receiving a plurality of votes as having been elected.
December 22, 2023	Notarized Oath of Office due to election coordinator on or prior to this date.
January 1, 2024	Newly elected board members will be seated on the Teachers’ Retirement Board in accordance with Education Code section 22200.

For answers to questions, general information or to request a *Nomination Petition* form, a replacement ballot or a copy of the CalSTRS Board Election Regulations, contact the election coordinator.



CALL

916-414-1411



EMAIL

ElectionCoordinator@CalSTRS.com



FAX

916-414-1415



WRITE

California State Teachers' Retirement System
P .O. Box 15725, MS 35
Sacramento, CA 95851-0275

Teachers' Retirement Board information

Board member duties

CalSTRS is the largest teachers' retirement fund in the world. As such, Teachers' Retirement Board members ensure the financial security of more than 980,000 members and benefit recipients. Board members set policy and make rules for CalSTRS and are responsible for ensuring benefits are paid by CalSTRS in accordance with the law.

The board appoints a chief executive officer who is responsible for the administration of CalSTRS. The board also appoints a chief investment officer who is responsible for the investment of the Teachers' Retirement Fund, in keeping with board policy.

2022 board composition

CalSTRS is administered by a 12-member Teachers' Retirement Board composed of:

- Two PreK–12 school districts or county office of education employees; one can be an administrator.
- One community college instructor.
- One member of the governing board of a school district or a community college district.
- One CalSTRS retiree.
- Three persons representing the public.
- The director of the Department of Finance.
- The state controller.
- The state superintendent of public instruction.
- The state treasurer.

Time commitment

The Teachers' Retirement Board typically meets about seven times a year, for two or three days per meeting. The board typically has five standing committees:

- Appeals
- Audits and Risk Management
- Benefits and Services
- Board Governance
- Investment

All board members are members of the Investment Committee and the Benefits and Services Committee, and generally participate in one or two additional committees.

Board members receive agenda materials (often 500–1,000 pages) in advance of meetings, and time is spent reviewing these materials in preparation for the meetings. In addition, new board members attend a two-day orientation session. Board members are also expected to attend educational opportunities to

enhance their understanding of the issues they face as board members on an ongoing basis. In addition to formal meetings, candidates should expect to spend at a minimum three to five days a year for continuing education.

Reimbursements

Board members are reimbursed for necessary travel expenses and receive per diem reimbursements when attending board and committee meetings or carrying out other board duties.

The law recognizes that board members must have “sufficient time away from regular duties, without loss of compensation or other benefits to which the member would be entitled by reason of employment, to attend meetings of the board or any of its committees or subcommittees of which the person is a member, or to serve as a member of a panel of the system, and to attend to the duties expected to be performed by the person.” (Education Code section 22224) School districts are reimbursed for a board member’s time away from the classroom, up to 100% of the employment contract for educator board members.

Board member fiduciary responsibility

By law, the board has the sole and exclusive fiduciary responsibility over CalSTRS’ assets, which totals more than \$300 billion. The law states board members must act solely in the interest of CalSTRS members, putting aside any other interests. Board members must provide benefits and defray reasonable expenses of administering the plan—acting with care, skill, prudence and diligence. This means they must act in the same manner that a prudent person would act under similar circumstances. Board members must also diversify the investments of the plan to minimize the risk of large losses, unless it is clearly prudent not to do so.

Board members can be held personally liable if they are found to have breached any of their responsibilities. Board members are subject to the disclosure and reporting requirements of CalSTRS’ Conflict of Interest Code and Fair Political Practices Commission regulations. These requirements primarily involve disclosure of contributions, gifts and financial interests in a decision of CalSTRS.

Laws governing the board’s fiduciary duties and responsibilities include Article 16, Section 17 of the California Constitution and Sections 22250–22261 of the California Education Code.

Gifts and campaign contributions

The CalSTRS Gift Policy provides that elected board members are prohibited from receiving gifts in excess of the monetary limit established by the Fair Political Practices Commission from any entity that engages in business with CalSTRS for gain. The current annual gift limit per individual or entity is \$520 for calendar year 2022. Detailed information regarding gift disclosures is available through the FPPC website located at fppc.ca.gov. Additionally, please see the *Board Governance Manual* for the Third Party Economic Interest Disclosure Policy and the CalSTRS Gift Policy, providing information regarding disclosure of contributions and gifts on CalSTRS.com.

Elected board members are also subject to disclosure and recusal requirements regarding campaign contributions, charitable contributions and gifts when received from an individual or entity who engages in business with CalSTRS for gain. The *Teachers’ Retirement Board Governance Manual* requires any board

member who receives campaign contributions, charitable contributions, or gifts that individually or in the aggregate exceed the amount of \$250 in a calendar year to recuse themselves from any involvement in a matter involving the maker of the contribution or gift for a period of 12 months following the date of the most recent contribution or gift. However, recusal is not required if they return the contribution or gift no later than 30 days from the time of receipt.

Similarly, Government Code section 84308 prohibits the receipt, solicitation or direction of any campaign contribution of more than \$250 while a matter affecting the financial interest of the maker of contribution is pending and for three months following the date a decision is rendered on the matter. Please see Government Code Section 84308 and the *Teachers' Retirement Board Governance Manual*, Third Party Economic Interest Disclosure Policy for specific information.

Economic interest disclosures

Upon election to the board, new board members will be required to submit an assuming office Form 700 Statement of Economic Interests to CalSTRS, which will be filed with the FPPC. Required disclosures include income, investments, interests in real property and business positions held on the date of assuming office. Detailed information regarding required disclosures by elected board members, is available through the FPPC website located at fppc.ca.gov.

For a comprehensive view of policy and board member responsibilities, refer to the *Teachers' Retirement Board Governance Manual* on CalSTRS.com.

Campaign finance reporting

Chapter 633, Statutes of 2010 (SB 1007-Hancock), requires candidates, campaign committees, and other entities making contributions or incurring expenses on behalf of candidates for the Teachers' Retirement Board to comply with regulations for elected state officials under the Political Reform Act of 1974. A report with no contributors is still required to be filed. Candidates are strongly encouraged to contact the FPPC for information on their legal obligations under the Political Reform Act. For more information, visit fppc.ca.gov or call 866-275-3772,

CalSTRS benefits and services

CalSTRS administers a hybrid retirement system consisting of a traditional defined benefit, cash balance and voluntary defined contribution plans.

Defined Benefit Program

The CalSTRS Defined Benefit Program is a traditional defined benefit plan that provides retirement, survivor and disability benefits. The Defined Benefit Program retirement benefit is based on a formula set by law using a member's age, service credit and final compensation. Employees of the California public school system and charter schools, pre-K through community college, are eligible for membership in the Defined Benefit Program if they have a credential, certificate or permit, or meet the minimum standards adopted by the Board of Governors of the California Community Colleges.

The California Public Employees' Pension Reform Act of 2013 (Chapter 296, Statutes of 2012) made significant changes to the benefit structure that primarily affects members first hired to perform CalSTRS creditable activities on or after January 1, 2013. CalSTRS has two benefit structures: Members first hired on or before December 31, 2012, are under CalSTRS 2% at 60, and members first hired on or after January 1, 2013, are under CalSTRS 2% at 62. The 2% refers to the percentage of the member's final compensation that the member receives as a retirement benefit for every year of service credit. For CalSTRS 2% at 60 members, the retirement benefit formula includes 2% of final compensation for each year of credited service at age 60, increasing to a maximum of 2.4% at age 63. For CalSTRS 2% at 62 members, the benefit formula includes 2% of final compensation for each year of credited service at age 62, increasing to a maximum of 2.4% at age 65.

For CalSTRS 2% at 60 members, creditable compensation is based on different forms of compensation paid in cash, including salary and certain types of remuneration. For CalSTRS 2% at 62 members, only compensation paid in cash each pay period in which creditable service is performed under a publicly available written contractual agreement is creditable. Other compensation, such as allowances, bonuses, cash in-lieu of fringe benefits, limited-period compensation or compensation determined to have been paid for the purposes of enhancing a benefit, is not creditable to any CalSTRS benefit program.

Chapter 47, Statutes of 2014 (Assembly Bill 1469–Bonta), will fully fund the CalSTRS Defined Benefit Program by 2046 through shared contribution increases among the program's three contributors: CalSTRS members, employers and the State of California. Defined Benefit Program contribution rate increases for various contributing parties have been incrementally phased in, with the first increases effective July 1, 2014. The contribution rate for CalSTRS 2% at 60 members reached 10.25% July 1, 2016, and has not increased since that time. CalSTRS 2% at 62 members, by law must contribute 50% of the normal cost of their benefits. The total contribution will be adjusted up or down depending on whether there are changes to the normal cost of benefits. For 2021–22, the contribution rate for CalSTRS 2% at 62 members is 10.205%.

Defined Benefit Supplement Program

The Defined Benefit Supplement Program is a cash balance plan that provides additional savings for retirement for Defined Benefit Program members. Contributions from special limited-term payments, retirement incentives, compensation intended to enhance a member's benefits, and compensation for creditable service in excess of one year are credited to the member's Defined Benefit Supplement account. All members of the Defined Benefit Program who made contributions for CalSTRS-creditable compensation earned on and after January 1, 2001, have an account under the Defined Benefit Supplement Program and are eligible to receive a Defined Benefit Supplement benefit based on the amount of funds contributed to the account.

Funds in the Defined Benefit Supplement Program earn interest at a guaranteed minimum rate set each year by the Teachers' Retirement Board. The interest rate is based on 30-year U.S. Treasury bonds for the period from March to February immediately prior to the plan year. The rate through June 30, 2022, is 1.53%. If the actual earnings exceed the board-set interest rate at the end of the year, the board may declare an additional earnings credit.

Creditable compensation for service in excess of one year in a school year is credited to each CalSTRS members' Defined Benefit Supplement account. In addition, for CalSTRS 2% at 60 members, compensation paid a limited number of times, or which CalSTRS determines was paid to enhance the member's Defined Benefit Program benefit, is credited to the member's Defined Benefit Supplement account, and does not count toward the final compensation of the member's Defined Benefit Program benefit.

Survivor benefits

The Defined Benefit Program also provides benefits to survivors of members whether their death occurs before or after retirement. The type and amount of benefits depend on the member's status at the time of death (active or retired), if they have Coverage A or Coverage B, and if they elected an option. A one-time death benefit may also be payable to a designated recipient if certain eligibility requirements are met.

Disability benefits

The Defined Benefit Program also provides for the payment of a disability benefit to members, under either Coverage A (disability allowance), or Coverage B (disability retirement). Benefits are paid if members meet the eligibility requirements and the definition of disabled as established in the Education Code. An additional benefit may be paid for eligible children who were determined to be dependent on the member at the time of the member's death.

Cash Balance Benefit Program

The Cash Balance Benefit Program is an optional cash balance plan designed specifically for part-time educators and adjunct faculty as an alternative to the CalSTRS Defined Benefit Program, Social Security and other retirement plans. Employers must elect to offer the Cash Balance Benefit Program through formal school board action, exclusively or in addition to other alternative plans, including Social Security.

When employers provide benefits under the Cash Balance Benefit Program, eligible employees may elect to participate. Eligibility is based on employment: Part-time or temporary. For part-time employees in preK–12, an employee is eligible when employed for less than 50% of each full-time position. For community college district employees, instructors who are part-time or temporary, or instruct adult education, may participate in the program. Adjunct or hourly faculty hired from semester to semester to work 67% or less of the weekly hours required for a full-time assignment are also eligible to participate in the Cash Balance Benefit Program. A participant's eligibility in the program ends when the basis of employment changes to 50% or more of the full-time position for preK–12 teachers or when the basis of employment changes from temporary or to more than 67% of the full-time assignment for community college instructors.

Each participant and employer generally contribute a minimum of 4% of the participant's salary, totaling to a combined contribution of 8%. Starting with contracts entered into or changed on or after January 1, 2014, the employee contribution rate cannot be less than the employer contribution rate. Participants are immediately eligible for a benefit equal to the sum of the balance of contributions, including compound interest earned on the participant and employer accounts.

Funds in the Cash Balance Benefit Program earn interest at a guaranteed minimum rate set each year by the Teachers' Retirement Board. The interest rate is based on 30-year U.S. Treasury bonds for the period from March to February immediately prior to the plan year. The interest rate through June 30, 2022, is 1.53%.

Participants may receive a retirement benefit, or a disability benefit if the board determines the participant has a total and permanent disability that meets the Education Code requirements. A participant may elect to receive a distribution from the Cash Balance Benefit Program as either a lump-sum benefit equal to the balance of the participant's and the employer's contributions plus interest or as an annuity, if the participant's account balance is \$3,500 or more.

Pension2

CalSTRS Pension2[®] is a voluntary defined contribution plan. Pension2 offers school employees the opportunity to invest through tax-advantaged payroll deductions in low-cost, flexible 403(b), 457(b), Roth 403(b) and Roth 457(b) plans, which are authorized under sections 403(b) and 457(b) of the Internal Revenue Code. These plans are voluntary savings vehicles, which can be used to supplement the benefits received from the Defined Benefit and Defined Benefit Supplement programs.

Pension2 offers 25 core funds, selected by CalSTRS Investment Advisory Committee, which allow participants to select a well-diversified portfolio from a preselected list of funds. Employees also have the ability to invest in thousands of mutual funds through a brokerage window option. Additionally, Pension2 offers 15 custom options called the Easy Choice Portfolios, which are based on a participant's risk tolerance and expected year of retirement.

Workshop and benefits planning services

Providing members highly personalized service to plan, manage and enjoy their retirement drives CalSTRS decision-making. CalSTRS currently maintains seven year-round member service centers to provide service to both active and retired members and participants. Member service centers provide benefit planning sessions by appointment, online webinars, forms and application review and acceptance on a walk-in basis.

These full-service member centers are located in Fresno, Glendale, Irvine, Riverside, San Diego, Santa Clara and the CalSTRS Headquarters building in West Sacramento. Benefit specialist services also are provided in select county offices of education in areas not served by member service centers, staffed either by CalSTRS employee benefit specialists or CalSTRS-trained contract benefit specialists.

CalSTRS fast facts

Teachers' Retirement Board

Harry M. Keiley

Board Chair
K-12 Classroom Teacher

Sharon Hendricks

Board Vice Chair
Community College Instructor

Fiona Ma

State Treasurer

Keely Bosler

Director of Finance

William Prezant

Public Representative

Jennifer Urdan

Public Representative

Denise Bradford

K-12 Classroom Teacher

Michael Gunning

Public Representative

Ken Tang

School Board Representative

Tony Thurmond

State Superintendent of Public
Instruction

Karen Yamamoto

Retiree Representative

Betty Yee

State Controller

Executive staff

Cassandra Lichnock

Chief Executive Officer

Lisa Blatnick

Chief Operating Officer

Brian J. Bartow

General Counsel

Christopher J. Ailman

Chief Investment Officer

Teresa Schilling

Chief Public Affairs Officer

Bill Perez

Chief Benefits Officer

Julie Underwood

Chief Financial Officer

Ashish Jain

Chief Technology Officer

Melissa Norcia

Chief of Administrative Services

Elections regulations

California Code of Regulations
Title 5. Education
Division 3. Teachers' Retirement System
Article 13. Election of members to the Teachers' Retirement Board

§ 24000. Board Member Elections

Teachers' Retirement Board (Board) member elections shall be conducted by the Election Coordinator designated by the Chief Executive Officer in accordance with this Article.

The Election Coordinator shall conduct the elections in the most cost-effective manner feasible.

NOTE: Authority cited: Section 22200.5, Education Code. Reference: Sections 22200 and 22200.5, Education Code.

1. New article 13 (sections 24000-24009) and section filed 5-15-2003; operative upon adoption by the Teachers' Retirement Board 3-6-2003. Submitted to OAL for printing only (Register 2003, No. 20).

§ 24001. Notice of Election

The Election Coordinator shall distribute a Notice of Election adopted by the Board in advance of each election containing candidate nomination and election guidelines, eligibility criteria for candidates and voters, how to obtain candidate nomination packets from the System, and the schedule of events.

NOTE: Authority cited: Section 22200.5, Education Code. Reference: Sections 22200 and 22200.5, Education Code.

1. New section filed 5-15-2003; operative upon adoption by the Teachers' Retirement Board 3-6-2003. Submitted to OAL for printing only (Register 2003, No. 20).

§ 24002. Nomination of Candidates.

The Election Coordinator shall distribute candidate nomination packets containing a copy of the Notice of Election, petition form, nomination certification form, and copies of the rules and regulations governing the conduct of Board member elections, to members and participants who request a packet.

Members and participants shall qualify for nomination if they meet the eligibility criteria specified in the Notice of Election. Nomination shall be on the petition form provided by the System, signed by then currently eligible active members and then currently eligible active participants as

defined in section 24004. Members and participants may sign more than one petition form. The minimum number of petition signatures required shall be determined by the Board and specified in the Notice of Election.

The candidate shall indicate on the petition form the specific Board member position for which he or she seeks election. An individual candidate may not be a candidate for more than one Board member position during any particular election.

The petition form shall include the signature and legible printed name of each member or participant signing the petition, month and day of birth, and the last 4 digits of his or her Social Security Number. Any signature not accompanied by all of the required information shall be invalidated.

Each candidate shall certify on the nomination certification form provided by the System that he or she accepts the nomination, consents to serve if elected, agrees to comply with the rules and regulations governing the conduct of Board member elections, and abide by a drawing of lots by the Election Coordinator in case of a tied vote.

Only those nomination certification forms and petition forms received in the headquarters office of the System by the deadline specified in the Notice of Election shall be accepted. The candidate must submit the nomination certification form and petition form containing at least the minimum required number of valid signatures in one packet at one time. Completed petition forms and nomination certification forms transmitted via facsimile to the headquarters office of the System by the deadline specified in the Notice of Election shall be accepted if the original completed forms are received in the headquarters office of the System within seven calendar days following the deadline.

The Election Coordinator shall verify the identity and eligibility of individuals who sign candidates' petition forms through sampling or another reasonable and cost-effective method, and shall certify qualified candidates for the Board member election.

The position of candidate names and statements in election materials distributed by the System to eligible voters shall be chosen by lot conducted by the Election Coordinator at the time he or she certifies valid nominating petitions.

The Election Coordinator shall notify qualified candidates of their certification, and the position of their names and statements in election materials distributed by the System. All deadlines and instructions related to the drafting of candidate statements shall be distributed to all qualified candidates in the notification letter. Upon distributing notification letters to qualified candidates, the Election Coordinator shall make public the names of the qualified candidates for the Board member election.

Where only one candidate has been nominated, the Election Coordinator shall, upon verification of the signatures presented in the nominating petition and upon the candidate's certification of his or her nomination acceptance, cancel the remaining election procedures and

designate the single candidate to be certified by the Chief Executive Officer as elected.

If no candidate has been nominated in an election, or if no candidate has presented a valid petition form and nomination certification form for an election as required above, the Election Coordinator shall extend the nomination period for an additional 21 calendar days and publicize his or her action to active members and participants and other interested parties.

NOTE: Authority cited: Section 22200.5, Education Code. Reference: Section 22200, Education Code.

1. New section filed 5-15-2003; operative upon adoption by the Teachers' Retirement Board 3-6-2003. Submitted to OAL for printing only (Register 2003, No. 20).

2. Amendment of second and third paragraphs filed 5-11-2009; operative upon adoption by the State Teachers' Retirement System 4-2-2009. Amendments are exempt from the Administrative Procedure Act and exempt from OAL review pursuant to Education Code section 22200.5(c).

§ 24003. Candidate Statements.

(a) As part of a candidate statement, each candidate shall provide the following information in the format specified by the Election Coordinator:

(1) Name.

(2) Job Title.

(3) Employer.

(4) Status as either an active member of the Defined Benefit Program or a participant of the Cash Balance Benefit Program and years of service as a member or participant.

(5) A list of no more than 5 previous job positions held.

(6) A list of no more than 5 organizations to which the candidate belongs and positions held in those organizations.

(b) As part of a candidate statement, a candidate may provide a list of no more than 10 endorsements by individuals or entities, ,

(c) As part of a candidate statement, a candidate may provide answers to the following questions:

(1) What do you think should be the primary role of a member of the Teachers' Retirement Board?

(2) How do you think you could contribute to CalSTRS as a member of the Teachers' Retirement Board?

(3) What education and training do you possess that has prepared you to serve as a

member of the Teachers' Retirement Board?

A candidate's answers to the preceding three questions indicating his or her opinion or positions on issues of general concern to the System's membership may be included, so long as they are clearly stated as the candidate's opinion or view and do not exceed the length limits specified by the Board in the Notice of Election. The answers must be truthful, and must not include any remarks or questions that are inherently misleading, including rhetorical remarks and questions that are inherently misleading. Answers may not refer to individual members of the Board or other candidates for election to the Board by name or inference. Any portion of a candidate's answers to the questions above which, in total, exceeds the length limits specified by the Board in the Notice of Election will not be distributed.

(d) The candidate statement shall be filed with the Election Coordinator by the deadline indicated in the notification letter sent to qualified candidates. Once filed, statements may not be changed or withdrawn except by the Election Coordinator. Any candidate statement received after the deadline will not be distributed.

The Election Coordinator shall distribute candidate statements to the candidates in each contest following the candidate statement filing deadline. The Election Coordinator shall accept written comments concerning a candidate statement from opposing candidates for fourteen calendar days following the date he or she distributes the submitted candidate statements. The Election Coordinator shall attempt to resolve a dispute between candidates over a submitted candidate statement. Only those written comments that allege a candidate statement violates the provisions of this Section may be considered.

The Election Coordinator shall reject or edit any statement which he or she determines contains obscene, vulgar, profane, scandalous, untrue, libelous or defamatory matter or which does not meet the statement limitations stated above. The Election Coordinator may request the candidate to verify the truthfulness of any factual statements. The candidate shall provide timely verification upon such request as specified in the notification letter sent to qualified candidates. The Election Coordinator shall remove any portion of the candidate's statement a candidate is unable to verify. All decisions by the Election Coordinator related to candidate statements are final.

Nothing in this section shall be deemed to make candidate statements or the authors thereof free or exempt from any civil or criminal action or penalty because of any false, slanderous or libelous statements offered for printing or distributed to voters. Information contained in the statement is the responsibility of the candidate and the System shall not be held responsible for the validity of any candidate statement or the contents thereof.

Following the review of candidate statements by the Election Coordinator, he or she shall distribute to each candidate in the respective contest all candidate statements as they shall appear in election materials distributed to eligible voters.

Any copy or representation of election material, such as the ballot or campaign materials that include the System name, logo or registered mark of the System, shall include a disclaimer that neither the System nor the Teachers' Retirement Board endorses any particular candidate or position.

NOTE: Authority cited: Section 22200.5, Education Code. Reference: Section 22200, Education Code.

1. New section filed 5-15-2003; operative upon adoption by the Teachers' Retirement Board 3-6-2003. Submitted to OAL for printing only (Register 2003, No. 20).

2. Amendment adding final paragraph filed 5-11-2009; operative upon adoption by the State Teachers' Retirement System 4-2-2009. Amendments are exempt from the Administrative Procedure Act and exempt from OAL review pursuant to Education Code section 22200.5(c).

§ 24004. Ballot Distribution

The Election Coordinator shall cause ballots and candidate statements to be distributed in advance of each election to each eligible active member and participant for whom the System has a valid mailing address recorded. The Election Coordinator shall provide a means for eligible active members and participants for whom the System does not have a valid mailing address recorded to request ballots and candidate statements.

The Election Coordinator shall provide for the return of the voted ballots to the Board without cost to the eligible active member or participant. For purposes of this Article, "eligible active member" or "eligible active participant" means a member of the Defined Benefit Program or a participant of the Cash Balance Benefit Program, respectively, who is employed, on the date, or during the period specified in the Notice of Election's criteria for voter eligibility, by an employer.

NOTE: Authority cited: Section 22200.5, Education Code. Reference: Section 22200, Education Code.

1. New section filed 5-15-2003; operative upon adoption by the Teachers' Retirement Board 3-6-2003. Submitted to OAL for printing only (Register 2003, No. 20).

§ 24005. Ballot Counting.

The Election Coordinator shall create reasonable procedures to ensure ballots are secured and canvassed in a manner consistent with commonly accepted election practices.

Valid ballots shall be canvassed publicly by an independent, neutral agent appointed by the System for that purpose on the date specified in the Notice of Election at a location to be designated by the System.

Depending upon the method of balloting selected by the Election Coordinator, the following are declared to be invalid ballots and shall not be counted in the election:

- a. Votes cast for individuals not listed as candidates on the official ballot.
- b. Ballots submitted by a person who is not an eligible voter.

- c. A duplicate ballot is received from the same voter.
- d. Votes cast in excess of that allowed on the ballot.
- e. Ballots not forwarded or received within the time period prescribed by the Notice of Election.

f. If a paper ballot is not forwarded through the United States Postal Service in the valid pre-addressed and stamped return envelope that is furnished.

- g. Electronic ballots not cast in the manner prescribed by the System.

The candidate receiving the highest number of votes, or the winning lot as drawn by the Election Coordinator in case of a tie vote, or the single candidate, shall be certified by the Chief Executive Officer as having been elected.

NOTE: Authority cited: Section 22200.5, Education Code. Reference: Section 22200, Education Code.

1. New section filed 5-15-2003; operative upon adoption by the Teachers' Retirement Board 3-6-2003. Submitted to OAL for printing only (Register 2003, No. 20).

2. Repealer of subsection g. and subsection relettering filed 5-11-2009; operative upon adoption by the State Teachers' Retirement System 4-2-2009. Amendments are exempt from the Administrative Procedure Act and exempt from OAL review pursuant to Education Code section 22200.5(c).

§ 24006. Notice of Election Results

- (a) Within three business days after the public ballot canvassing, or after verification of the nominating signatures pursuant to Section 24002 where the Election Coordinator certifies only one qualified candidate in an election for a position on the Board, the Election Coordinator shall transmit the election results to the Chief Executive Officer for his or her certification.
- (b) Following certification by the Chief Executive Officer, the Election Coordinator shall notify candidates, Board members and other interested parties of the certified results. Notification to the newly elected Board member shall include an Oath of Office form. This form is to be signed by the Board 554 CALIFORNIA CODE OF REGULATIONS member-elect in the presence of a notary public and returned to the System. The Election Coordinator shall file the Oath with the Secretary of State.
- (c) Upon the Chief Executive Officer's certification and proper execution of the Oath of Office form, the Board member elected through this process shall take his or her office on either the day provided for by statute or immediately, if elected to fill a vacancy.

NOTE: Authority cited: Section 22200.5, Education Code. Reference: Section 22200, Education Code.

1. *New section filed 5-15-2003; operative upon adoption by the Teachers' Retirement Board 3-6-2003. Submitted to OAL for printing only (Register 2003, No. 20).*

§ 24007. Recount of an Election

(a) A candidate in the affected Board member election may file a written request with the Election Coordinator at the headquarters office of the System for recount within ten business days following the distribution of the certified election results; otherwise, there shall be no opportunity for requesting a recount and the certified election results stand as the final results.

(b) A request for a recount shall not delay the seating of an elected Board member. Such elected Board member shall take office on either the day provided for by statute or immediately, if elected to fill a vacancy, subject to the potential termination of such Board membership as a result of the recount.

(c) A candidate in the affected Board member election may request a recount of the valid ballots only if the difference in the number of votes cast between the candidate requesting the recount and the unofficial winner is less than 3 percent of the total number of valid ballots cast. A written request for a recount shall specify the election to be recounted, shall be signed by the candidate requesting the recount, and may specify any other relevant material to be examined.

(d) The Election Coordinator shall set a date for the recount upon receipt of the written request, and shall confirm this date upon receipt of the estimated cost to conduct the recount. The estimated cost of conducting a recount will include the System's administrative cost and the costs of the independent, neutral agent appointed by the System to canvass the valid ballots. Legal tender of the amount of the estimated cost of conducting the recount shall be submitted by the candidate requesting the recount to the Election Coordinator within three business days following notification of the estimated cost to conduct the recount; otherwise, the recount shall be terminated.

(e) If the results of the recount do not change the ranking of the candidates then the certified results shall stand as the final election results. In this case, if the actual cost of the recount is less than the estimated cost deposited by the requester, the System shall refund the amount which exceeds the actual cost; if the actual cost of the recount is more than the estimated cost, the System shall invoice the requester for the difference.

(f) If the results of the recount do change the ranking of the candidates, then the recount results shall be certified by the Chief Executive Officer and shall stand as the final election results. In this case, the System shall refund the amount of the estimated cost deposited by the requester.

NOTE: Authority cited: Section 22200.5, Education Code. Reference: Section 22200, Education Code. 1.

New section filed 5-15-2003; operative upon adoption by the Teachers' Retirement Board 3-6-2003. Submitted to OAL for printing only (Register 2003, No. 20).

§ 24008. Protest of an Election

A candidate in the affected Board member election may protest an election by filing a written protest with the Election Coordinator at the headquarters office of the System within ten business days following the mailing of the certified election results for an election or a recount, otherwise, there shall be no opportunity for filing a protest and the certified election results shall stand as the final election results. The written protest shall be identified using the word “protest”, shall specify the election, and shall state the grounds of the protest and suggested remedy.

Upon receipt of a valid and timely protest, the Election Coordinator shall mail a copy of the request to all candidates in the election and notify the Board and other interested parties that a protest has been filed.

An ad-hoc committee of the Board consisting of an odd number of members no fewer than three shall determine, what remedy, if any, shall be granted to the candidate filing the protest. No Board member who is a candidate in the election under protest, or has endorsed a candidate in the election under protest may become a member of the committee or participate in its selection.

The Board chairperson shall appoint Board members to the committee. If the Board chairperson is a candidate or has endorsed a candidate in the election under protest, the Board vice chairperson shall appoint Board members to the committee. If the Board vice chairperson is a candidate or has endorsed a candidate in the election under protest, the Board shall appoint from its number, members to the committee at its next regularly scheduled meeting.

If a minimum of three Board members are not eligible to participate on the ad-hoc committee, or if a majority of the full Board, excluding candidates but including endorsers of candidates so directs, the protest shall instead be determined by a panel of three arbitrators in accordance with the provisions below, the laws of the State of California, and the Labor Arbitration rules of the American Arbitration Association (AAA) in effect at the time, to the extent the AAA rules are not in conflict with these regulations. One member of the panel shall be selected by the protesting candidate, one member of the panel shall be selected by the successful candidate, and the third member, who shall serve as chair, shall be selected by the first two panel members.

The committee may consider written and/or oral arguments submitted by the candidate filing the protest and any other interested party, in making its determination. Any oral proceedings by the committee shall be held in the Board’s meeting room and be open to the public. Other procedures, including those for receiving and considering arguments and factual allegations, shall be determined by the committee or arbitration panel in its sole discretion.

The determination of the committee or arbitration panel shall be rendered within 30 calendar days of its appointment and shall be final and binding on the System and candidates for office. The

committee or arbitration panel shall declare the election under protest void, and the position vacant, only upon a finding that Board-adopted election procedures were not substantially followed and that, without this lack of substantial compliance, the election outcome would likely have been different.

The filing of a protest shall not delay the seating of an elected Board member. Such elected Board member shall take office on either the day provided for by statute or immediately, if elected to fill a vacancy, subject to the potential termination of such Board membership as a result of the protest. Any newly elected member, as the result of a protest, shall hold office for a period equal to the remainder of the term of the vacated office.

NOTE: Authority cited: Section 22200.5, Education Code. Reference: Section 22200, Education Code.

1. New section filed 5-15-2003; operative upon adoption by the Teachers' Retirement Board 3-6-2003. Submitted to OAL for printing only (Register 2003, No. 20).

§ 24009. Elections for Vacant Elected Seats

The Board shall provide public notice that an elected seat on the Board has been vacated at or before its next regularly scheduled meeting.

The Board shall hold special elections to fill vacancies that occur during the term of the elected members of the Board by distributing a Notice of Election for a vacated seat within 90 calendar days of the vacancy. An election shall be held within 180 calendar days of the distribution of the Notice of Election.

NOTE: Authority cited: Section 22200.5, Education Code. Reference: Sections 22200 and 22200.5, Education Code. 1.

New section filed 5-15-2003; operative upon adoption by the Teachers' Retirement Board 3-6-2003. Submitted to OAL for printing only (Register 2003, No. 20).