



2008

Summary Report to Members

FOR THE FISCAL YEAR ENDED JUNE 30, 2008

CalSTRS is pleased to present this Summary Report to Members for the fiscal year ended June 30, 2008. This summary provides you with another opportunity to learn more about CalSTRS, including some interesting member statistics, demographics, investment information and financial highlights.

Our Mission

Securing the financial future and sustaining the trust of California's educators

CalSTRS: Still Strong

Over Time, Fund Continues to Grow

(Dollars in Billions)



Teachers' Retirement Fund Statement of Changes in Fiduciary Net Assets

(Dollars in Thousands)

For the fiscal years ended June 30, 2008, and 2007.

	2008	2007
Net Assets Held in Trust, Beginning of Year	\$172,377,918	\$144,212,376
Additions		
Contributions (member, employer, State of California, federal government)	6,594,713	5,705,069
Investment Income ¹	- 9,447,050	29,986,310
Other Income	213	555
Total Additions	- 2,639,221	35,691,934
Deductions		
Investment Expenses ²	208,068	146,426
Benefits and Refunds	7,923,318	7,274,071
Administrative Expenses	109,118	105,895
Total Deductions	- 8,240,504	- 7,526,392
Net Increase	- 10,879,725	28,165,542
Net Assets Held in Trust, End of Year	\$161,498,193	\$172,377,918

¹ Net of securities lending cost

² Alternative investment and real estate fees not included; estimated at \$171 million. CalSTRS recovers a portion of management fees on profitable investments.

California Educators— the Heart of CalSTRS



Membership Increases in 2008

Fiscal Year	2008	Percent Increase from 2007
Total Membership	833,343	2.53%
Active	461,378	1.25%
Inactive	147,997	4.63%
Retired	195,960	3.87%
Disabled	8,170	3.22%
Survivors	19,838	4.04%

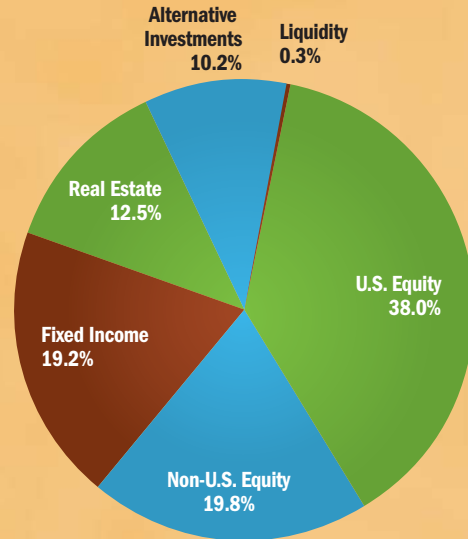
Average Member Age and Years of Service Stable

Fiscal Year	2008	2007
Average Age	44.7	44.7
Average Years of Service	10.8	10.8
Average Annual Salary	\$63,281	\$61,097

The California State Teachers' Retirement System administers retirement, disability and survivor benefits for California's public school educators and their families from the state's 1,400 school districts, county offices of education, and community college districts.

Investments Strong in Troubled Market

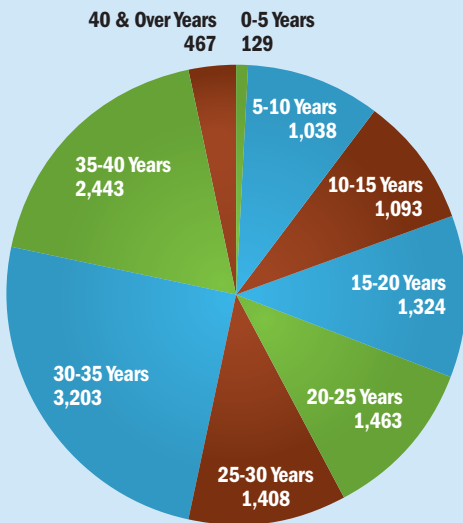
Diversification Strengthens Portfolio



Retiring Members Are Experienced Educators

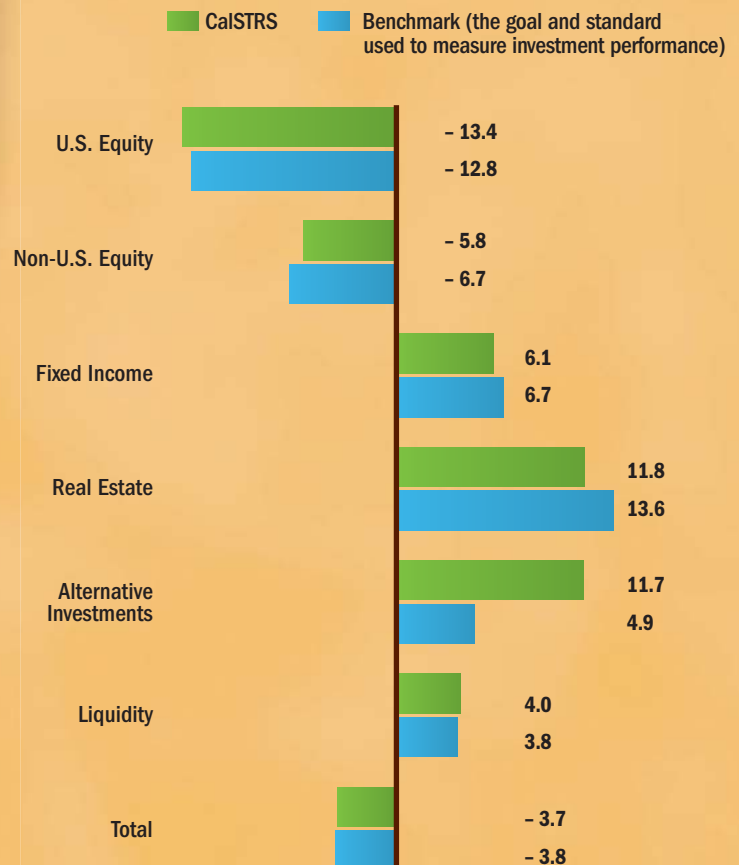
Fiscal Year	2008	2007
Number Retiring	12,568	11,762
Median Age	61.3	61.0
Median Years of Service	29.0	28.9
Average Member-Only Benefit	\$4,239	\$4,059

Almost Half of 2008 Retirees Have More Than 30 Years of Service



One-Year Returns

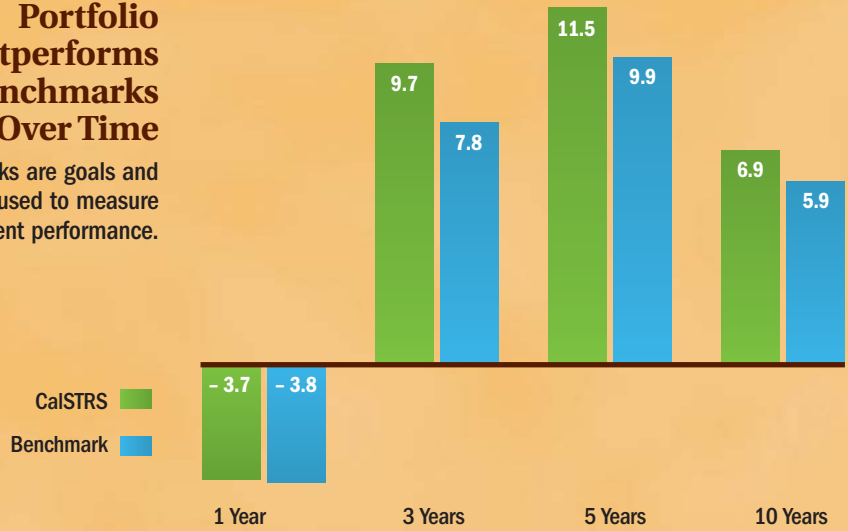
Calculated using a time-weighted rate of return.



Investments Strong in Troubled Market *continued*

Portfolio Outperforms Benchmarks Over Time

Benchmarks are goals and standards used to measure investment performance.



CalSTRS Resources

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Write CalSTRS
P.O. Box 15275
Sacramento, CA 95851-0275

Fax 916-229-3879

Visit Member Services
100 Waterfront Place
West Sacramento, CA 95605

Funding Ratio

Actuarial Value of Assets as a Percent of Accrued Liabilities, in billions of dollars

This chart illustrates the difference between the actuarial value of assets and the amount needed to pay benefits to current CalSTRS members. The ratio of assets to liabilities shown in this chart is determined using an asset-smoothing method that considers short-term fluctuations in asset values. Therefore, the total actuarial value of assets will differ from the market value of investments for any given year. No actuarial valuation was performed for June 30, 2002.

Actuarial Value of Assets
Accrued Liabilities

