

Board Governance Manual, Section 7E-8

8. Lump Sum Death Benefit for Active and Retired Members

A one-time lump sum death payment is payable to the beneficiary upon the death of an active or retired DB Program member under certain conditions specified in statute. Sections 23801, 23851 and 23880 permit the board to adjust the death payment amount following each actuarial valuation based on changes in the “All Urban California Consumer Price Index”. The board adopts the benefit amounts after the latest actuarial valuation and upon recommendation from its consulting actuary.

- a. The board shall adopt lump sum death benefit amounts for members of the DB Program annually with the goal of adopting the benefit amounts before July of the fiscal year in which the rate applies. The board shall adopt separate death benefit amounts for active Coverage A members, all retired members, and active Coverage B members. The board shall adopt the same benefit amount for Coverage B members under both the CalSTRS 2% at 60 and 2% at 62 benefit programs.
- b. The adoption of the benefit amount shall be based on the latest actuarial valuation and a recommendation from its consulting actuary.

History: Adopted November 6, 2014.