

CalSTRS board policy empowers the Chief Executive Officer to discharge debts as governed under Article 16 of the California Constitution and Education Code Section 22308, which establishes CalSTRS write-off authority. CalSTRS reports write-off activity to the board semi-annually via web-posted reports. The tables below summarize write-offs processed for the period from January 1, 2023 to June 30, 2023. During this period, CalSTRS discharged 282 pension receivables amounting to \$3,451,777. There were three administrative write-offs amounting to \$2,419 and no investment receivable write-offs during the period.

The value of pension receivables discharged during this period represents 11.0% of the total outstanding balance of \$31.5 million for pension receivables as of June 30, 2023. CalSTRS maintains a provision for uncollectible receivables. The provision as of June 30, 2023 is \$9.8 million.

The largest pension receivable write-off during this six-month period was \$1.66 million due to legacy data of approximately 8,000 member accounts reviewed back in 2017 by CalSTRS Data Preparation Focus Group. The findings of the review required retroactive adjustments to benefits. A cost/benefit and impact analysis of making the adjustments was conducted and it was determined to not adjust the benefits and to recognize the overpaid benefits portion as a write off over the remaining actuarial life expectancy of the impacted members (20 years remaining).

PENSION RECEIVABLE WRITE-OFFS BY VALUE		
DOLLAR VALUE RANGE	COUNT	VALUE
Greater Than \$500,000	1 ^a	\$1,655,567
\$5,001 and above	43	\$1,644,152
\$501 to \$5,000	81	\$127,263
\$0.01 to \$500	157	\$24,795
TOTAL WRITTEN-OFF:	282	\$3,451,777

PENSION RECEIVABLE WRITE-OFFS BY REASON		
REASON	COUNT	VALUE
Overpaid benefits - Data Preparation Focus Group	1 ^a	\$1,655,567
Application of the three-year statute of limitations, Ed. Code sections 22008(b) and (c)	161	\$1,138,423
Discharge of debt based on cost/benefit of collections	117	\$257,904
Legal settlement, executive review, or decision adopted from an administrative law judge	3	\$399,883

^a This amount represents the current year overpayment that is not collectable for the approx. 8,000 member accounts reviewed back in 2017 by the Data Preparation Focus Group.



Pension, Administrative and Investment Receivable Write-Offs

January 1, 2023 to June 30, 2023

PENSION RECEIVABLE WRITE-OFFS BY REASON		
TOTAL WRITTEN-OFF:	282	\$3,451,777

ADMINISTRATIVE RECEIVABLE WRITE-OFFS		
	COUNT	VALUE
TOTAL WRITTEN-OFF:	3	\$2,419

INVESTMENT RECEIVABLE WRITE-OFFS		
	COUNT	VALUE
TOTAL WRITTEN-OFF:	0	\$0

GRAND TOTAL	
Total Pension, Administrative and Investment Receivable Write-Offs: January 1, 2023 to June 30, 2023	\$3,454,196