



# Part-time Educator

A handout for this session is available at:  
**[CalSTRS.com/part-time-educator-webinar](https://CalSTRS.com/part-time-educator-webinar)**

**At the end of the webinar, you'll be asked to participate in a survey.**

**We would greatly appreciate your feedback.**

**This event has subtitles.**

**Click *Show Captions/Hide Captions* to turn them on and off.**

# Part-time Educator

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# Trust CalSTRS, not impersonators.

## CalSTRS authorized representatives:

- \* Have an email address ending in @CalSTRS.com.
- \* Can provide a CalSTRS ID badge or business card.
- \* Do not provide refreshments at offsite events.
- \* Will never meet at your home.
- \* Do not sell insurance products.
- \* Have access to your Pension2<sup>®</sup> account information.

Some Voya financial representatives work exclusively with Pension2.

Their names and photos are listed at **CalSTRS.com/trust-CalSTRS**.

To verify a CalSTRS representative, contact us at **888-394-2060** or **RepCheck@CalSTRS.com**.

# Polling question



# Objectives



**Determine** which retirement program you're paying into

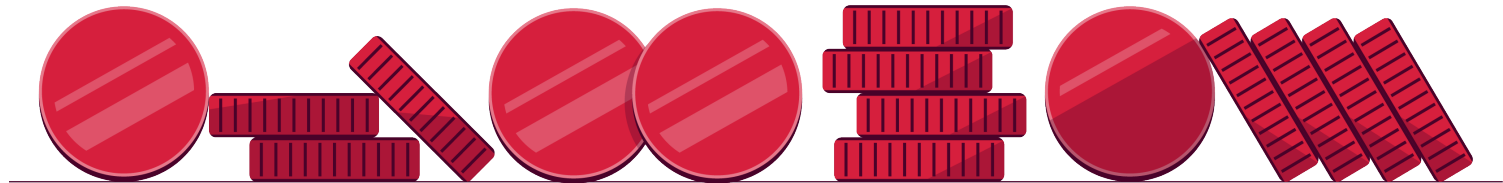


**Learn** about CalSTRS programs



**Identify** retirement considerations

# What program are you paying into?





**What  
program are  
you paying  
into?**

**CALSTRS®**

Defined Benefit  
Program

Cash Balance  
Program

CalSTRS Pension2

**Other**

Social Security

Alternative  
retirement plan

**CALSTRS®**

```
graph LR; CALSTRS[CALSTRS®] --- DBP[Defined Benefit Program]; CALSTRS --- CBP[Cash Balance Program]; CALSTRS --- CP2[CalSTRS Pension2];
```

### **Defined Benefit Program**

Pension based on a formula. As a part-time educator, you may permissively elect membership at any time.

### **Cash Balance Program**

Retirement program offered by participating districts to employees that work on a part-time, temporary basis.

### **CalSTRS Pension2**

Voluntary defined contribution plan available to all members in participating districts.



# Other



```
graph LR; A[Other] --- B[Social Security]; A --- C[Alternative program];
```

## **Social Security**

If you're part-time, your district must offer Social Security or an alternative plan in addition to the Defined Benefit Program.

## **Alternative program**

Some districts may offer the Cash Balance Benefit Program, a TSA or a 403(b) plan as an alternative to Social Security.



Contact your district or check  
your pay statement.

# Pay statement examples

Sacramento, CA 95825

Deposit Amount: \$3,011.20

To The Account(s) Of **JOHN JONES**  
1 Main Street  
Sacramento, CA 95825

Location: American River College

**DIRECT DEPOSIT DISTRIBUTION**

Account Type	Deposit Amount
Checking	3,011.20
<b>Total:</b>	<b>3,011.20</b>

**NON-NEGOTIABLE**

**BEFORE-TAX DEDUCTIONS**

Description	Current	YTD
Pacificare	374.63	1,374.72
403B	100.00	800.00
STRS	465.18	4,024.79

Los Rios  
1919 Spaulding  
Sacramento

John Jones  
1 Main Street  
Sacramento

Description	Rate	Hours	Earnings	Hours	Earnings	Description	Current	YTD
Regular			5,814.80	875.00	45,983.15	Fed Withholding	711.30	6,151.59
Dom. Partner Exempt from CA tax			353.00		2,471.00	Fed MED/EE	84.00	750.49
Imputed Income for Domestic Partner			0.00		352.07	Fed OASDI/EE	0.00	0.00
Retro Pay - Previous FY			0.00		1,957.30	CA Withholding	212.76	1,840.81
Full time sick leave usage			0.00	12.50	0.00			
Overload Lecture			0.00	33.00	2,369.40			
<b>Total:</b>			<b>5,814.80</b>	<b>920.50</b>	<b>50,309.85</b>	<b>Total:</b>	<b>1,008.06</b>	<b>8,742.89</b>

**BEFORE-TAX DEDUCTIONS**

Description	Current	YTD
Pacificare	374.63	1,374.72
403B	100.00	800.00
STRS	465.18	4,024.79

**AFTER-TAX DEDUCTIONS**

Description	Current	YTD	FYTD
Life Insurance	17.42	69.68	
Summer Pay	726.85		1,453.70
LRCFT Dues	111.46	693.06	

**EMPLOYER PAID BENEFITS**

Description	Current	YTD
Pacificare	623.03	4,158.58
Delta	104.73	875.44
STRS	479.72	4,150.56

\*\*\* MESSAGE CENTER \*\*\* Page 1 of 2

Employee Number: 01001415  
Employee Name: Mr. Sample Paycheck

Pay Period: 200406 Ending Date: 12/31/2006  
Warrant No: 0363378 Issue Date: 12/27/2006

Martin Luther King Holiday - Monday January 15th

Leave Balance	Beginning Balance	Current	Used	Current Balance
Class Vacation	0.00	0.00	0.00	0.00

YY	Deductions	Subject	Amount	YTD Total
06	FED Income Tax	4,907.48	894.45	3,532.41
06	FED Medicare Tax	5,334.20	77.34	306.52
06	CA Income Tax	4,907.48	261.91	1,030.77
06	LACCD Pdn		200.00	600.00
06	United Way		50.00	350.00
06	CalSTRS DB Plan		426.72	1,691.16
06	1521 Fee Payer		69.60	252.12
06	1521 Fee Payer		5.11	43.84

Tax Status	Fed	State	Net Pay
06	5.13	3,349.07	7.12
06	13,532.70		

Wage Type	Rate	Hours	Earnings	Hours	Earnings	Description	Current	YTD
Regular Salary	P 0741 0.00	PSA01 16.00	4,346.00	093006	FED Medicare Tax	5,334.20	77.34	306.52
Regular Salary	P 0741 0.00	PSA01 15.00	4,346.00	103106	CA Income Tax	4,907.48	261.91	1,030.77
Regular Salary	P 0741 0.00	PSA02 15.00	4,502.00	103106	LACCD Pdn		200.00	600.00
Regular Salary	P 0741 0.00	PSA02 15.00	4,502.00	113006	United Way		50.00	350.00
Regular Salary	P 0741 0.00	PSA01 17.00	4,346.00	113006	CalSTRS DB Plan		426.72	1,691.16
Regular Salary	P 0741 0.00	PSA02 10.00	4,502.00	123106	1521 Fee Payer		69.60	252.12
Credit Adjunct	D 0811 0.00	DRSLMO 3.00	744.48	093006	1521 Fee Payer		5.11	43.84
Credit Adjunct	D 0811 0.00	DRSLMO 3.00	884.04	093006				
Credit Adjunct	D 0811 0.00	DRSLMO 3.00	884.04	103106				
Credit Adjunct	D 0811 0.00	DRSLMO 3.00	744.48	113006				
Credit Adjunct	D 0811 0.00	DRSLMO 3.00	744.48	123106				
Equity Differ	D 0811 0.00	DRSLMO 3.00	38.40	093006				
Equity Differ	D 0811 0.00	DRSLMO 3.00	38.40	103106				
Equity Differ	D 0811 0.00	DRSLMO 3.00	38.40	113006				
Equity Differ	D 0811 0.00	DRSLMO 3.00	38.40	123106				
Equity Differ	D 0811 0.00	DRSLMO 3.00	38.40	123106				
Equity Differ	D 0811 0.00	DRSLMO 3.00	38.40	123106				
Holiday Pay T1	P 0741 0.00	PSA02 1.00	0.00	093006				
Holiday Pay T1	P 0741 0.00	PSA01 1.00	0.00	093006				
Holiday Pay T1	P 0741 0.00	PSA01 3.00	0.00	113006				
Holiday Pay T1	P 0741 0.00	PSA02 3.00	0.00	113006				
Holiday Pay T1	P 0741 0.00	PSA02 4.00	0.00	123106				

**Total Deductions** 1,985.13

Amount	This Pay	YTD
Board Paid Benefits	95.56	181.12
Blue Shield's PPO	881.44	1,762.88
Visions Serv Plan	21.28	42.56
Basic Life WK Pa	8.50	25.50

Paid Absences This Period	Unpaid Absences This Period	SPT or Warrant Number
Sickness 3.00		
Jury Duty 1.00		
Personal Necessity 1.00		
		3,349.07



**Log in at  
myCalSTRS.com**

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**For assistance, call us at:  
800-228-5453  
Monday–Friday  
8 a.m. to 5 p.m.**

***my*CALSTRS**



**View and update** your account information.



**Send** secure messages.



**Access** your *Retirement Progress Report*.



# Account balance screen



# Defined Benefit, Cash Balance or both?



**myCALSTRS**  
HOW WILL YOU SPEND YOUR FUTURE?

Home | Account | Services | Settings | Administrative | Help | Log Out

CALSTRS.com

Customer Name: [icon] [icon]

### View Your Account Balances

If you have more than one account, you may access the additional accounts from the **Select Your Account** drop down menu below.

#### Account Balances

Account balances are subject to change. CalSTRS adjusts your account balance as new and/or additional information is received from your employer and as interest accrues on your account.

#### Select Your Account

Account : **Defined Benefit Account**  
Cash Balance Account

Defined Benefit Account

Defined Benefit Supplement Account

Account Status: **MEMBER**

#### Account Balance Details

After-Tax Contributions:	\$0.00
After-Tax Interest:	\$0.00
Tax-Deferred Contributions:	\$104,465.92
Tax-Deferred Interest:	\$16,185.31

#### Learn More

[Frequently Asked Questions](#)  
[About myCALSTRS](#)  
[Privacy Policy](#)

#### Contact Us

Need CalSTRS assistance?  
Submit a secure [Online Inquiry](#) or view [CalSTRS contacts](#) to find information on how to call, click or write for assistance.



# Accessing your resources







Membership and  
benefit information



Contributions and  
account balances

# **Your *Retirement Progress Report***



Employer reporting



Current recipient  
information

## Retirement Progress Reports

Customer Name:



### ! View your messages from myCalSTRS:

- Beginning in 2014, your *Retirement Progress Report* will be available exclusively online at myCalSTRS, unless you request to continue receiving it by mail. Update [Your Preferences](#) or download and submit the [Retirement Progress Report Delivery Preference form](#) to request mailed reports.

Your *Retirement Progress Reports* provide an overview of your CalSTRS benefits. Take the time to review your account and verify that the information is accurate. The facts and figures will ultimately be used to calculate your retirement benefit. Contact your employer to correct an error or report a discrepancy.

- To view a report, select the appropriate year for the account type you want to review. Reports dating as far back as 2002 are available on myCalSTRS for your convenience.
  - Select the Glossary if you have any questions about the terms used in the report for that year.
  - Select Employer Details to review your annual contributions, earnings and service credit reported by your employers for that year. Employer details are not available for inactive members, or for member accounts awarded in a community property settlement.

Retirement Progress Report			
Year	Account Type		
<a href="#">2023</a>	Cash Balance Account	<a href="#">Glossary</a>	
<a href="#">2023</a>	Active Member Account	<a href="#">Glossary</a>	<a href="#">Employer Details</a>
<a href="#">2022</a>	Cash Balance Account	<a href="#">Glossary</a>	
<a href="#">2022</a>	Active Member Account	<a href="#">Glossary</a>	<a href="#">Employer Details</a>
<a href="#">2021</a>	Cash Balance Account	<a href="#">Glossary</a>	
<a href="#">2021</a>	Active Member Account	<a href="#">Glossary</a>	<a href="#">Employer Details</a>
<a href="#">2020</a>	Cash Balance Account	<a href="#">Glossary</a>	
<a href="#">2020</a>	Active Member Account	<a href="#">Glossary</a>	<a href="#">Employer Details</a>

# Fiscal Year 2019 - 2020

 = View More Info

Employer/ Assignment 	Earnings 	Base Hours 	Contributions 	Earnables 	Service Credit 	Comments 
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## COMMUNITY COLLEGE DISTRICT

Report Unit: 36271

Member Contribution Rate: 10.25%

Part-Time Service	\$21,560.00	525.00	\$2,209.89	\$40,425.00	0.5331	DBS Contribution
Part-Time Service	\$5,022.00	525.00	\$514.78	\$32,550.00	0.1540	DBS Contribution
Part-Time Service	\$960.00	525.00	\$98.40	\$31,500.00	0.0304	DBS Contribution
Part-Time Service	\$600.00	525.00	\$61.50	\$21,000.00	0.0284	DBS Contribution
Part-Time Service	\$450.00	525.00	\$46.13	\$26,250.00	0.0171	DBS Contribution

## COMMUNITY COLLEGE DISTRICT

Report Unit: 19169

Member Contribution Rate: 10.25%

Part-Time Service	\$7,414.75	525.00	\$760.00	\$44,488.50	0.1665	DBS Contribution
Part-Time Service	\$7,270.40	525.00	\$745.20	\$43,622.25	0.1665	
Defined Benefit Supplement	\$293.70	N/A	\$23.50			

## COMMUNITY COLLEGE DISTRICT

Report Unit: 33007

Member Contribution Rate: 10.25%

Part-Time Service	\$21,054.71	N/A	\$2,158.12	\$49,793.40	0.4223	
Part-Time Service	\$3,314.25	N/A	\$339.74	\$53,028.00	0.0625	
Part-Time Service	\$461.18	N/A	\$47.26	\$44,272.80	0.0099	

# Resources



**CalSTRS**



**District**

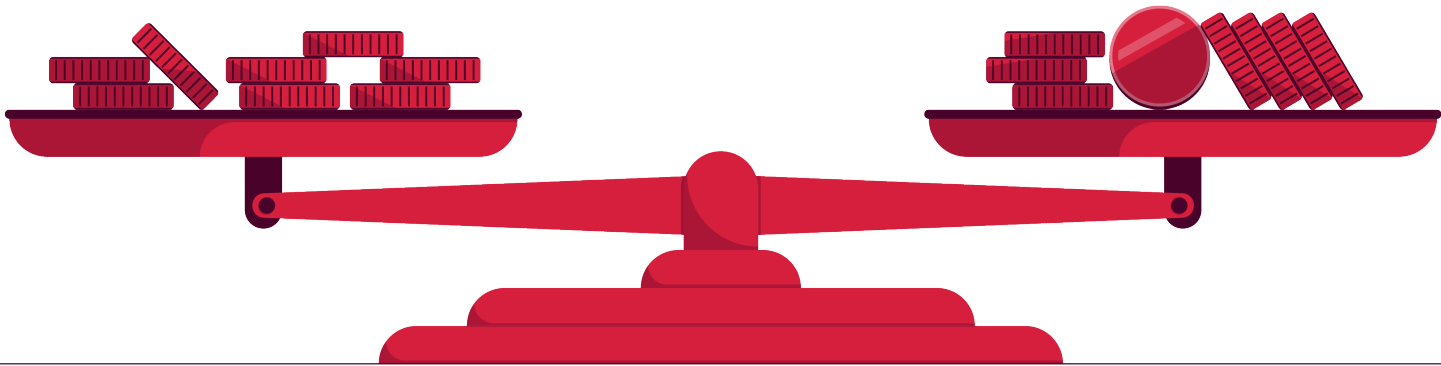


**Local teacher association**



**Alternative retirement program**

# Cash Balance Benefit Program



# Cash Balance Benefit Program enrollment

## Permissive election

You sign up within the first 60 days of employment.

You can elect the Cash Balance Program at any time.

## Automatic election

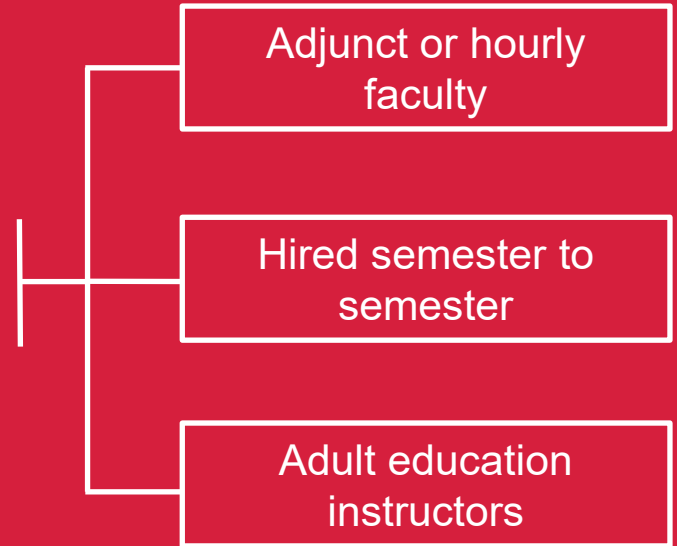
If no program is selected within 60 days, you're automatically enrolled, if eligible.

# Cash Balance Benefit Program\* eligibility



Only available if district adopts  
a resolution to offer the Cash  
Balance Benefit Program.

## Community college



## PreK–12





# Cash Balance Benefit Program advantages



No program fees



Immediate vesting



Lower contribution  
rates and employer  
matching



Guaranteed annual  
interest rate



## Cash Balance retirement eligibility

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- \* Normal retirement age:
  - \* **Age 60** if hired on or before December 31, 2012.
  - \* **Age 62** if hired on or after January 1, 2013.
- \* Early retirement at age 55.
- \* Must terminate all creditable service.
- \* Required minimum distribution at a specific age depending on your birthdate.

# Defined Benefit Program



# CalSTRS hybrid retirement system



# Defined Benefit Program enrollment



See the *CalSTRS Member Handbook* for more information on Defined Benefit Program eligibility at **[CalSTRS.com/publications](https://www.calstrs.com/publications)**.

## Mandatory membership

Employed to work on a full-time or permanent basis.

Hiring basis changes from part-time to full-time or permanent.

## Permissive election

Any part-time educator can elect the Defined Benefit Program.

# Defined Benefit Program advantages



No program fees



Guaranteed  
lifetime monthly  
benefit based on  
a formula



Concurrent  
retirement and  
inflation protection



Unused sick leave  
converts to  
additional service  
credit at retirement



## Defined Benefit Program benefit structures

**CalSTRS**  
**2% at 60**

Members first employed  
to perform creditable  
service on or before  
December 31, 2012.

**CalSTRS**  
**2% at 62**

Members first employed  
to perform creditable  
service on or after  
January 1, 2013.



# Defined Benefit retirement eligibility

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- \* **Minimum requirements:**

- \* Age 55 with five years of service credit.

- \* **Early retirement:**

- \* Age 50 with 30 years of service credit (CalSTRS 2% at 60 only).

- \* **Concurrent retirement:**

- \* Age 55 with fewer than five years of service credit if retiring with a concurrent retirement system.



# Defined Benefit Program retirement formula

$$\text{service credit} \times \text{age factor} \times \text{final compensation} \\ = \text{monthly Member-Only Benefit}$$

## Service credit

Time worked and contributed up to 1.000 per year.

## Age factor

Percentage based on age at retirement with a maximum of 2.4%.

## Final compensation

Highest average annual compensation earnable for 36 consecutive months.

# Determining service credit

$$\text{earnings} \div \text{annualized pay rate} = \text{service credit}$$

## Earnings

What you were actually paid.

## Annualized pay rate

The amount you could have earned if you worked a full-time load.

## Service credit

Time worked and contributed up to 1.000 per year.

# Determining final compensation

$$\text{highest average annual compensation earnable} \div 36 \text{ months} = \text{final compensation}$$

## Highest average annual compensation earnable

The amount you would have been paid if you worked on a full-time basis.

## 36 months

The number of consecutive months used for the calculation.

## Final compensation

Highest average annual compensation earnable for 36 consecutive months.

# Final compensation



See the *Considerations for Part-Time Educators* fact sheet for a detailed example of service credit and final compensation.



Based on what you would have earned if you worked in your position full time.



When working multiple assignments, a lower paying contract might bring your average compensation earnable down.



The higher your average compensation earnable, the higher your retirement benefit.



# Considerations for Part-time Educators



## Considerations for Part-time Educators

**Working in multiple positions? Understand how service credit and final compensation could affect you.**

As a member of the CalSTRS Defined Benefit Program, your retirement benefit is based on a formula, not on the contributions you made throughout your career.

**service credit x age factor x final compensation = your retirement benefit**

When you work in multiple positions, service credit and final compensation become more important and may complicate the calculation.

Be sure to meet with a CalSTRS benefits specialist at least three years before you plan to retire to explore your options and determine the best plan for your unique situation.



### Retirement benefit formula components

#### Service credit

Service credit is the number of full and partial years you paid into CalSTRS. The most service credit you can earn in one school year is 1,000. Service credit is calculated by dividing your salary earned by the annualized pay rate of the assignment.

**service credit = salary earnings ÷ annualized pay rate**

#### Age factor

The age factor is the percentage of your final compensation you'll receive for every year of service credit.

#### Final compensation

Final compensation is an average of your highest annual earnable salary over a period of 36 months, or 12 months for members who qualify. For a part-time educator working multiple assignments, this is a weighted average.

★ Your service credit and final compensation are calculated based on your employers' reporting of different pay types you earn. In addition to your regular salary, you may be paid a stipend or an additional amount for teaching a particular subject area.

Service credit and final compensation are the most important components for a part-time educator who works in multiple positions. See the reverse side for an example of how Lisa, a CalSTRS 2% at 62 member who works part time for two employers and is only paid her regular salary, can use these components advantageously.

### CalSTRS resources



**WEB**  
CalSTRS.com  
myCalSTRS.com  
403bCompare.com

Pension2.com  
**STAY CONNECTED**  
f t i n y o



**CALL**  
800-228-5453  
Calls from within the U.S.  
916-414-1099  
Calls from outside the U.S.

888-394-2060  
CalSTRS Pension2®  
Personal wealth plan  
844-896-9120 (toll-free)  
CalSTRS Compliance  
and Ethics Hotline  
CalSTRShotline.ethicspoint.com



**WRITE**  
Postal mail  
CalSTRS  
P.O. Box 15275  
Sacramento, CA  
95851-0275

**Overnight delivery to  
CalSTRS Headquarters**  
100 Waterfront Place  
West Sacramento, CA  
95605



**VISIT**  
Find your nearest  
CalSTRS office at  
CalSTRS.com/local-offices.  
Call ahead to find out the  
hours and services of your  
local office.



**FAX**  
916-414-5040

COM 1555 (REV 3/23)

- ✳ For members of the Defined Benefit Program.
- ✳ Understand service credit calculations.
- ✳ Understand how final compensation is calculated using a weighted average.



Scan the QR code to  
read *Considerations for  
Part-time Educators*.

# CalSTRS hybrid retirement system



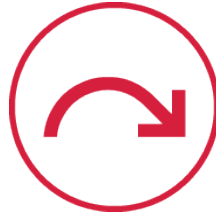
**Defined Benefit  
Supplement  
Program**



# Build your Defined Benefit Supplement account



To watch the video series  
and learn more, visit  
**CalSTRS.com/videos.**



**Earnings** in excess of 1.000 years  
of service credit.



**Contributions** from both you and  
your employer.



**Guaranteed** annual interest rate.

# CalSTRS hybrid retirement system



# Let's compare



# Choose a plan that works for you

	Cash Balance Benefit Program	Defined Benefit Program
Vesting	Immediately	After earning a cumulative total of 5,000 years of service credit
Payroll deductions	Pretax	Pretax
Benefit based on	Total balance of the account	A formula
Contribution rate	Typically 4% of earnings	CalSTRS 2% at 60: 10.25% of earnings CalSTRS 2% at 62: 10.205% of earnings

# Choose a plan that works for you

	Cash Balance Benefit Program	Defined Benefit Program
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# Choose a plan that works for you

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Vesting	Immediately	After earning a cumulative total of 5,000 years of service credit
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Contribution rate	Typically 4% of earnings	<b>CalSTRS 2% at 60:</b> 10.25% of earnings <b>CalSTRS 2% at 62:</b> 10.205% of earnings



## Candace

Teaching is a supplemental career choice for Candace. She is currently planning to teach only one to two classes each semester for the next 10 years.

This means it could take more than 10 years for her to earn the service credit needed to meet the vesting requirement for the Defined Benefit Program. She'd also like the option to retire early if the opportunity came along.

# Best plan for Candace

	Cash Balance Benefit Program	Defined Benefit Program
Vesting	Immediately	After earning a cumulative total of 5,000 years of service credit
Payroll deductions	Pretax	Pretax
Benefit based on	Total balance of the account	A formula
Contribution rate	Typically 4% of earnings	CalSTRS 2% at 60: 10.25% of earnings CalSTRS 2% at 62: 10.205% of earnings



## Jack

Although Jack works part time now, he does hope to find a full-time contract or teach more classes in the near future.

Between his and his spouse's income, they make enough money for him to afford the Defined Benefit Program contribution rate. Being young, he still has time to earn his minimum 5.000 service credits to become vested.

# Best plan for Jack

	Cash Balance Benefit Program	Defined Benefit Program
Vesting	Immediately	After earning a cumulative total of 5,000 years of service credit
Payroll deductions	Pretax	Pretax
Benefit based on	Total balance of the account	A formula
Contribution rate	Typically 4% of earnings	<b>CalSTRS 2% at 60:</b> 10.25% of earnings <b>CalSTRS 2% at 62:</b> 10.205% of earnings

# Service credit

## Cash Balance Benefit Program

Time worked is not used to calculate the benefit.

## Defined Benefit Program

Time worked in which creditable compensation is earned and contributions are made.

Unused sick leave.

Defined Benefit Supplement account.



# Age factor

## Cash Balance Benefit Program

There is no age factor in the benefit calculation.

## Defined Benefit Program

Percentage is based on age at retirement.

Maximum is 2.4% at:

- \* Age 63 for CalSTRS  
2% at 60 members.
- \* Age 65 for CalSTRS  
2% at 62 members.

# Final compensation

## Cash Balance Benefit Program

Your final compensation is not used in calculating your benefit.

Your contributions are a percentage of the compensation you can earn.

## Defined Benefit Program

Highest average compensation earnable for 36 consecutive months.

CalSTRS 2% at 60:  
12 months with 25 years of service credit.

# But what does that actually mean?

Cash Balance Benefit Program		Defined Benefit Program
10 years	Years worked	10 years
\$20,000	Account balance	\$25,500
Age 60	Age at retirement	Age 60
N/A	36-month average highest final compensation	\$2,750
\$134	Monthly benefit	\$550

# Distribution options

## Cash Balance Benefit Program

Lump-sum payment

Annuity, if balance is \$3,500+

- \* Period-certain annuity of 3–10 years
- \* Participant-Only Annuity\*
- \* 100% Beneficiary Annuity\*
- \* 75% Beneficiary Annuity\*
- \* 50% Beneficiary Annuity\*

## Defined Benefit Program

Member-Only Benefit\*

Modified Benefit\*

- \* 100% Beneficiary Annuity
- \* 75% Beneficiary Annuity
- \* 50% Beneficiary Annuity

\* Lifetime monthly benefit



## Candace

Candace has been paying into Social Security and contributing to a 401(k) for more than 30 years through other work. She wants to retire in 10 years or less and plans on CalSTRS being just a part of the money she will live on when she retires.

A smaller contribution to the Cash Balance Program while working means her benefit will be smaller than if she contributed to the Defined Benefit Program.



## Jack

Jack only worked a few years through college in a job that paid into Social Security. He has not earned enough credits yet to receive a benefit.

He knows he will rely on his CalSTRS pension to provide the bulk of his income in retirement. Jack and his spouse like the idea of having the security of a lifetime pension.



# Disability and survivor benefits

	Cash Balance Benefit Program	Defined Benefit Program
Disability benefits	✓	✓
Survivor benefits	✓	✓
One-time death benefit	✗	✓

# Inflation protection in retirement

## Cash Balance Benefit Program

N/A

## Defined Benefit Program

Annual benefit adjustment:

- \* Not tied to inflation.
- \* Not compounded.

Purchasing power protection:

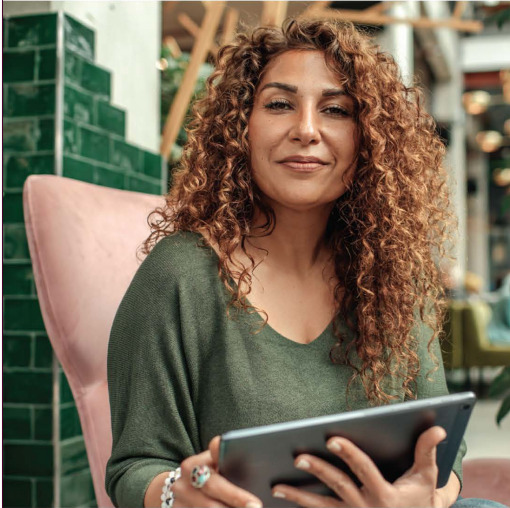
- \* CalSTRS monitors this automatically.

# Choose the plan that works for you



## Cash Balance Benefit Program

A retirement plan for part-time and adjunct educators



## Questions to ask

Ask yourself these questions when deciding to choose the Cash Balance Benefit Program, the Defined Benefit Program or an alternative program:

- Do you plan to be a career educator?
- Does teaching provide supplemental income or is it your primary source of income?
- Before teaching, did you have employment that required you to pay into Social Security?
- What is the contribution rate for the plan and does your employer also make contributions?
- Is there a minimum requirement to be eligible for benefits?
- Does the plan offer a monthly retirement benefit for life, or is it a non-lifetime benefit based on contributions and interest?
- Does the plan charge administrative fees?
- Is there a guaranteed annual interest rate?
- Does the plan have a sound investment record?
- When does the plan permit distribution of your account?



Scan the QR code to read  
*Cash Balance Benefit Program.*

# Other retirement considerations for part-time educators



# Consolidation of benefits



**Converts** Cash Balance Benefit Program account into service credit for the Defined Benefit Program.



**Must** be an active member of the Defined Benefit Program.



**Must** terminate all activity for the Cash Balance Benefit Program.



Consolidation process can be **lengthy**.

# Concurrent Retirement\*



## Concurrent Retirement

Important information if you're a member of more than one California public retirement system

If you currently are or have ever been a member of CalSTRS and one or more other eligible California public retirement systems, you may be able to:

- Qualify for a CalSTRS service retirement benefit at age 55 or older with less than five years of CalSTRS service credit.
- Increase your service retirement benefit by using the compensation from your highest-earning position under any eligible retirement system to determine your final compensation.

To learn about your eligibility for these provisions under another system's rules, and to find out how a redeposit of service credit or concurrent retirement can contribute to your benefits from another system in retirement, contact the other retirement system directly.

### Eligible retirement systems

You may service retire concurrently with CalSTRS and any of the following retirement systems:

- California Public Employees' Retirement System
- University of California Retirement Plan
- San Francisco Employees' Retirement System
- Legislators' Retirement System
- County retirement systems enacted under the County Employees Retirement Law of 1937:
  - » Alameda
  - » Contra Costa
  - » Fresno
  - » Imperial
  - » Kern
  - » Los Angeles
  - » Marin
  - » Mendocino
  - » Merced
  - » Orange
  - » Sacramento
  - » San Bernardino
  - » San Diego
  - » San Joaquin
  - » San Mateo
  - » Santa Barbara
  - » Sonoma
  - » Stanislaus
  - » Tulare
  - » Ventura



### Applying for concurrent retirement

When you complete your *Service Retirement Application*, indicate that you want to service retire concurrently. We will request information from your other retirement system to calculate your benefit. You may experience a delay in receiving your full benefit amount while we exchange information with the other retirement system. If you have fewer than five years of service credit, you will not receive a CalSTRS benefit until we confirm your eligibility for concurrent retirement.

- CalSTRS may only use compensation earnable from another retirement system for pay periods in which compensation earnable associated with CalSTRS service is not available.

- \* Member of another eligible California public retirement system.
- \* Retire on the same day.
- \* Additional retirement benefits for applying together.



Scan the QR code to read *Concurrent Retirement*.

\* Defined Benefit Program only.



# Social Security, CalSTRS and You



## Social Security, CalSTRS and You

**Get the facts on two federal rules that may affect you**

As a California public school educator, you do not contribute to Social Security, so you will not receive a Social Security benefit for your CalSTRS-covered employment when you retire.

If you or a spouse paid into Social Security through non-CalSTRS covered employment, two federal rules, the Windfall Elimination Provision and the Government Pension Offset, may be used in the calculation of your Social Security benefit. Social Security is a federal program, and neither CalSTRS nor the State of California has control over eligibility requirements or benefit calculations.

These rules affect only your Social Security benefit. Your CalSTRS retirement benefit will not change.

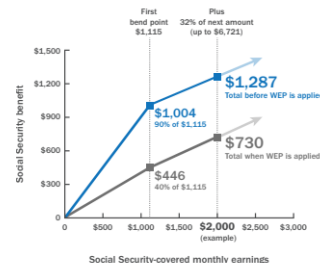


### Windfall Elimination Provision

This federal rule affects your Social Security benefit that is based on your earnings from other employment.

- May reduce your Social Security benefit, but it will not eliminate it.
- Reduces the income replacement ratio covered under the first component of the Social Security benefit formula, known as a bend point, to as low as 40%. If you paid Social Security taxes on substantial earnings for:
  - **Up to 20 years**—This provision reduces the 90% factor of the Social Security computation formula to 40%.
  - **21 to 29 years**—The 40% factor increases incrementally from 45% to 85%.
  - **30 or more years**—There is no reduction to your Social Security benefit.

The following example was created based on a member turning 62 in 2023 with average Social Security-covered monthly earnings of \$2,000.



### Social Security substantial earnings

Social Security substantial earnings are defined each year. Here is a sampling:

1980	\$5,100
1990	\$9,525
2000	\$14,175
2010	\$19,800
2022	\$27,300

### What does this mean for me?

Visit the Social Security Administration's website to learn how the formula will affect you. Go to [ssa.gov/gpo-wep](https://ssa.gov/gpo-wep) for more information, including links to calculators that can provide personalized estimates.

## Windfall Elimination Provision

May reduce but cannot eliminate your Social Security benefit.

## Government Pension Offset

Reduces and may eliminate your spousal, widow or widower Social Security benefit.

Contact the Social Security Administration for more information.



Scan the QR code to read *Social Security, CalSTRS and You*.

# Working After Retirement



## Working After Retirement

### Know the rules

You can continue to receive your full CalSTRS service retirement benefit, with no earnings limitations, if you take a job outside the California public school system. This includes work in private industry, private schools, public schools outside of California, and the University of California or California State University system.

If you return to work after service retirement and perform retired member activities in the California public school system (prekindergarten through community college), including substitute teaching, as an employee, an independent contractor or an employee of a third party, you're subject to restrictions under state and federal law, including a separation-from-service requirement and an annual postretirement earnings limit. In addition, you cannot work in a classified position except, under certain circumstances, as a teacher's aide.



#### Separation-from-service requirement

Your retirement benefit will be reduced dollar for dollar by any compensation earned for performing retired member activities during the first 180 calendar days following your most recent retirement effective date, up to your benefit payable during that period.

There is a very narrow exemption from the separation-from-service requirement if you have reached normal retirement age, your appointment is required to fill a critically needed position, the governing body of your employer approved your appointment by resolution at a public meeting, you did not receive any financial inducement to retire, and your termination of service was not the cause of the need to acquire your services. Your employer must submit the required documentation to CalSTRS substantiating your eligibility for the exemption. CalSTRS must receive an exemption request and required documentation before you begin working.

**Cash Balance Benefit Program participants:** The separation-from-service requirement also applies to you if you're a Cash Balance Benefit Program participant.

- If you receive your retirement benefit as an annuity, your payments will be reduced dollar for dollar by any compensation earned from retired participant activities during the first 180 calendar days following your retirement.
- If you receive your retirement benefit as a lump-sum payment, in most cases your benefit will not be payable until 180 calendar days after the date you terminated employment. If you perform creditable service during this waiting period, your retirement will be canceled, and you will not receive your benefit payment. The waiting period may vary for participants who are subject to the federal required minimum distribution rule. Contact us to learn more.

**NOTE:** If you're a retired Defined Benefit Program member and return to work, you cannot contribute to the Cash Balance Benefit Program.



If you belong to another California public retirement system, depending upon the specific circumstances, you may be subject to earnings or hourly limitations under that system.

## Separation-from-service requirement

Benefit reduced dollar for dollar by the amount you earn in CalSTRS-covered employment during the first 180 calendar days of retirement.

## Annual postretirement earnings limit

- \* Benefit reduced dollar for dollar for earnings in excess of the annual limit.
- \* Earnings limit changes every fiscal year.



Scan the QR code to read  
*Working After Retirement.*



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## Be your own advocate

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- \* Create your *myCalSTRS* account.
- \* Review your CalSTRS *Retirement Progress Report* annually.
- \* Subscribe to CalSTRS' online newsletter.
- \* Verify your one-time death benefit information is correct.

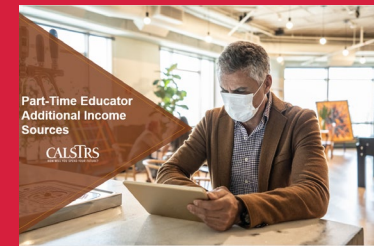
# Additional webinars for part-time educators



**Cash Balance Benefit Program**  
Explore the benefits of being a participant of the Cash Balance Benefit Program.



**Consolidation of Benefits**  
Learn how to consolidate your Cash Balance Benefit Program account into service credit for the Defined Benefit Program.



**Part-time Educator Additional Income Sources**  
Discover all the different income sources that will contribute to your retirement income.



Sign up at [CalSTRS.com/attend-a-part-time-educator-webinar](https://CalSTRS.com/attend-a-part-time-educator-webinar).



# For more information



## Online resources

- \* Part-time Educator webpage
- \* *myCalSTRS*
- \* *Retirement Progress Report*



## Benefits planning sessions

- \* Schedule a benefits planning session



## Attend a workshop or webinar

- \* Consolidation of Benefits
- \* Cash Balance Benefit Program
- \* Part-time Educators Additional Income Sources





## Questions?

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**CalSTRS.com**  
**myCalSTRS.com**



**800-228-5453**  
**Monday–Friday**  
**8 a.m. to 5 p.m.**