

Part-time educator working multiple assignments

1. Employer details

| | |
|-------------------|---------------------------|
| Employer | Sparkle Community College |
| Assignment | Assignment A |

| | | | | |
|--------------------|---|----------------------------|---|----------------------------|
| hourly rate | × | hours worked | = | earnings |
| \$55 | | 525 | | \$28,875 |
| hourly rate | × | FTE (hours) | = | annualized pay rate |
| \$55 | | 875 | | \$48,125 |
| earnings | ÷ | annualized pay rate | = | service credit |
| \$28,875 | | \$48,125 | | 0.600 |

| | |
|-------------------|---------------------------|
| Employer | Sparkle Community College |
| Assignment | Assignment B |

| | | | | |
|--------------------|---|----------------------------|---|----------------------------|
| hourly rate | × | hours worked | = | earnings |
| \$70 | | 120 | | \$8,400 |
| hourly rate | × | FTE (hours) | = | annualized pay rate |
| \$70 | | 600 | | \$42,000 |
| earnings | ÷ | annualized pay rate | = | service credit |
| \$8,400 | | \$42,000 | | 0.200 |

| | |
|-------------------|------------------------|
| Employer | Rose Community College |
| Assignment | Assignment C |

| | | | | |
|--------------------|---|----------------------------|---|----------------------------|
| hourly rate | × | hours worked | = | earnings |
| \$50 | | 90 | | \$4,500 |
| hourly rate | × | FTE (hours) | = | annualized pay rate |
| \$50 | | 600 | | \$30,000 |
| earnings | ÷ | annualized pay rate | = | service credit |
| \$4,500 | | \$30,000 | | 0.150 |

2. Transfer your service credit totals from page 1

| Assignment | Service credit |
|-----------------------------|----------------|
| Assignment A | 0.600 |
| Assignment B | 0.200 |
| Assignment C | 0.150 |
| Total service credit | 0.950 |

3. Transfer your earnings totals from page 1

| Assignment | Earnings |
|------------------------------|-----------------|
| Assignment A | \$28,875 |
| Assignment B | \$8,400 |
| Assignment C | \$4,500 |
| Total annual earnings | \$41,775 |

4. Calculate annual compensation earnable

$$\begin{array}{|c|} \hline \text{total annual earnings} \\ \hline \$41,775 \\ \hline \end{array} \div \begin{array}{|c|} \hline \text{total service credit} \\ \hline 0.950 \\ \hline \end{array} = \begin{array}{|c|} \hline \text{annual compensation earnable} \\ \hline \$43,974 \\ \hline \end{array}$$

5. Calculating final compensation

$$\begin{array}{|c|} \hline \text{total annual compensation} \\ \text{earnable for 36 months} \\ \hline \end{array} \div \begin{array}{|c|} \hline 36 \text{ months} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{final compensation} \\ \hline \end{array}$$

Note:

- Your 36 highest months must be consecutive.
- If you worked in every month of that school year, you receive credit for 12 months.

Consider:

- How many working years do you have left in your career?
- Can you afford to drop a lower paying assignment?
- Are you able to get more hours for a higher paying assignment?

Meet with a CalSTRS benefits specialist for help exploring your options.

6. Calculating an estimated retirement benefit

$$\begin{array}{|c|} \hline \text{service credit} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{age factor} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{final compensation} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{retirement benefit} \\ \hline \end{array}$$

Scenario 1

Leave all assignments unchanged.

7. Service credit – Scenario 1

| School year | Service credit earned |
|---------------------------------------|-----------------------|
| Year 1 | 0.950 |
| Year 2 | 0.950 |
| Year 3 | 0.950 |
| Total projected service credit | 2.850 |

| | | | | |
|---------------------------------------|---|---------------------------------|---|-----------------------|
| current service credit balance | + | projected service credit | = | service credit |
| 19.900 | | 2.850 | | 22.750 |

8. Final compensation – Scenario 1

| | total annual earnings | ÷ | total service credit | = | annual compensation earnable |
|---|-----------------------|---|----------------------|---|------------------------------|
| Year 1 | \$41,775 | ÷ | 0.950 | = | \$43,974 |
| Year 2 | \$41,775 | ÷ | 0.950 | = | \$43,974 |
| Year 3 | \$41,775 | ÷ | 0.950 | = | \$43,974 |
| Total annual compensation earnable | | | | | \$131,922 |

| | | | | |
|---|---|------------------|---|---------------------------|
| total annual compensation earnable | ÷ | 36 months | = | final compensation |
| \$131,922 | | 36 | | \$3,664 |

9. Retirement benefit – Scenario 1

| | | | | | | |
|-----------------------|---|-------------------|---|---------------------------|---|---------------------------|
| service credit | × | age factor | × | final compensation | = | retirement benefit |
| 22.750 | | 2.4% | | \$3,664 | | \$2,001 |

Scenario 2

Drop the lowest paying assignment (Assignment C) for Year 3.

10. Service credit – Scenario 2

| School year | Service credit earned |
|---------------------------------------|-----------------------|
| Year 1 | 0.950 |
| Year 2 | 0.950 |
| Year 3 | 0.800 |
| Total projected service credit | 2.700 |

| | | | | |
|---------------------------------------|---|---------------------------------|---|-----------------------|
| current service credit balance | + | projected service credit | = | service credit |
| 19.900 | | 2.700 | | 22.600 |

11. Final compensation – Scenario 2

| | total annual earnings | ÷ | total service credit | = | annual compensation earnable |
|--------|---|---|----------------------|---|------------------------------|
| Year 1 | \$41,775 | ÷ | 0.950 | = | \$43,974 |
| Year 2 | \$41,775 | ÷ | 0.950 | = | \$43,974 |
| Year 3 | \$37,275 | ÷ | 0.800 | = | \$46,594 |
| | Total annual compensation earnable | | | | \$134,542 |

| | | | | |
|---|---|------------------|---|---------------------------|
| total annual compensation earnable | ÷ | 36 months | = | final compensation |
| \$134,542 | | 36 | | \$3,737 |

12. Retirement benefit – Scenario 2

| | | | | | | |
|-----------------------|---|-------------------|---|---------------------------|---|---------------------------|
| service credit | × | age factor | × | final compensation | = | retirement benefit |
| 22.600 | | 2.4% | | \$3,737 | | \$2,027 |

Scenario 3

Work only the highest paying assignment (Assignment A) for three years.

13. Service credit – Scenario 3

| School year | Service credit earned |
|---------------------------------------|-----------------------|
| Year 1 | 0.600 |
| Year 2 | 0.600 |
| Year 3 | 0.600 |
| Total projected service credit | 1.800 |

| | | | | |
|---------------------------------------|---|---------------------------------|---|-----------------------|
| current service credit balance | + | projected service credit | = | service credit |
| 19.900 | | 1.800 | | 21.700 |

14. Final compensation – Scenario 3

| | total annual earnings | ÷ | total service credit | = | annual compensation earnable |
|--------|---|---|----------------------|---|------------------------------|
| Year 1 | \$28,875 | ÷ | 0.600 | = | \$48,125 |
| Year 2 | \$28,875 | ÷ | 0.600 | = | \$48,125 |
| Year 3 | \$28,875 | ÷ | 0.600 | = | \$48,125 |
| | Total annual compensation earnable | | | | \$144,375 |

| | | | | |
|---|---|------------------|---|---------------------------|
| total annual compensation earnable | ÷ | 36 months | = | final compensation |
| \$144,375 | | 36 | | \$4,010 |

15. Retirement benefit – Scenario 3

| | | | | | | |
|-----------------------|---|-------------------|---|---------------------------|---|---------------------------|
| service credit | × | age factor | × | final compensation | = | retirement benefit |
| 21.700 | | 2.4% | | \$4,010 | | \$2,088 |