

Connections

SEMIANNUAL PUBLICATION FOR ACTIVE AND INACTIVE CaSTRS MEMBERS



Readying CalSTRS for Economic Recovery

By Jack Ehnes, CalSTRS CEO

This past year the Teachers' Retirement Fund lost significant value from a high in 2008. We're not alone—these have been tough economic times for everyone. Pension funds and markets worldwide have experienced negative effects due to the international economic crisis.

Investments Poised for Recovery

Despite the losses suffered by public pension funds, defined benefit pensions like CalSTRS remain the bulwark of our economy with trillions of dollars in the marketplace. As patient, long-term investors we are designed to withstand market turmoil.

CalSTRS acted to manage market volatility and to take advantage of opportunities presented by the financial meltdown. CalSTRS investments are poised for recovery following the economic crisis. Proactive steps taken at the height of the crisis have helped prepare CalSTRS for the emerging economic recovery.

Increased Employer Contributions Needed

While investment earnings are the single largest source of funds to pay benefits, the historic market declines show investments

alone cannot close the funding gap. Closing the gap will require future legislative action to increase contributions made by school districts and the state.

The Teachers' Retirement Board is working together with stakeholders to address this long-term benefits funding shortfall. We are not in an emergency requiring us to resolve the contribution gap immediately, but the sooner a solution is found, the lower the cost.

Understand Your CalSTRS Benefit

The recent economic downturn has brought the topic of public pensions to the forefront of media dialog. Although these are difficult times, they present us with a chance to educate new and long-term members about the CalSTRS retirement benefit.

Whether you're new to teaching or a seasoned veteran, CalSTRS can help you plan your financial future. Attend a CalSTRS workshop to establish a foundation of knowledge about your benefits and learn how to make the most of them. The free workshops are held throughout the state. To register, go to CalSTRS.com/workshops or call 800-228-5453.

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the lower the cost.

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Our Fiduciary Responsibility Comes First

By Dana Dillon
Teachers' Retirement Board Chair



The Teachers' Retirement Board has a fiduciary responsibility—our primary responsibility—to make certain your retirement fund is secure.

As a fiduciary, I am to perform my duties and make decisions to guide the system solely for the benefit of CalSTRS members and to do so in an economical manner.

For me, that means I must think of how the decisions I am asked to make will benefit the members of the system first, before all other considerations. I hope you understand that the Teachers' Retirement Board members take their fiduciary responsibility very seriously and make their decisions accordingly. Please realize that we understand the faith you place in the system. Know that we value your trust.

What Is a Fiduciary?

Fiduciaries act on behalf of other people in a relationship of trust and confidence. They must act for the sole benefit of those they represent at all times. Fiduciaries are required to be loyal and committed to the people they act for and must never put their own interests first.

Teachers' Retirement Board Is a Fiduciary

The law sets a high standard for the conduct of the Teachers' Retirement Board as a fiduciary. California's *Education Code* calls on the board and its members to act only in the interest of CalSTRS members and beneficiaries for the purpose of providing benefits. We must carry out our duties with care and diligence.

As a fiduciary, the board must act with more than the simple skill of a reasonable person; we must act with the degree of skill used by a prudent person under similar circumstances. Such decision-making requires careful investigation and thorough consideration. It is simply not sufficient for a fiduciary to say that a poor decision was made in good faith.

What Fiduciary Responsibility Means to Me

I believe our core responsibility is to provide benefits and services to educators in public schools and community colleges. As a

Our Fiduciary Responsibility in Action

The stance the Teachers' Retirement Board took on divestment legislation is a good example of our fiduciary responsibility in action. We ensured there was language in the legislation stating that if the board believed divestment would breach our fiduciary responsibility, we would not have to divest.

No matter how difficult a decision may be, the board's decisions are always based on the financial soundness of the system and our fiduciary duty to you.



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

Teachers' Retirement Board
Dana Dillon, *Chair*
Jerilyn Harris, *Vice-Chair*
Kathy Brugger
John Chiang
Michael Genest
Harry Keiley
Roger Kozberg
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Chief Executive Officer

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Chief Investment Officer

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David Lindgren
Editor

Statements in this publication are general and the Teachers' Retirement Law is complex and specific. If a conflict arises between information contained in this publication and the law, any decisions will be based on the law.

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Changes to Option Factor Calculations

If you're eligible to retire, you can make a preretirement election of an option which will provide a lifetime monthly benefit for one or more beneficiaries if you die before you retire. The cost of making a preretirement election of an option will change for most members in 2010.

If you pre-elect an option, your retirement benefit will be modified by either the factor in place at the time you pre-elected or the factor in place at the time you retire, whichever is higher. Option factors are determined by the system actuary and adopted by the Teachers' Retirement Board and change infrequently.

Last year, the Teachers' Retirement Board evaluated the costs associated with providing lifetime benefits to beneficiaries and determined that members and their beneficiaries are living longer than ever before. A detailed analysis indicated that for most members an increased lifespan would result in lower costs to elect an option, as beneficiaries are now projected to live for fewer years after members' deaths.

Cost of Electing an Option

There is a cost to you when you make a preretirement election of an option: Your monthly retirement benefit is reduced when you retire. In return, your beneficiaries receive a lifetime monthly benefit after you die.

CalSTRS must reduce your monthly benefit during your lifetime in order to pay for the cost of providing an ongoing monthly benefit to your beneficiaries after you pass away. The reduction to your benefit is based on your age, your beneficiaries' ages and the option you choose at the time you make the election.

You have the choice to change or cancel your pre-election of an option at any time prior to your retirement date. If you choose to cancel or change your pre-election of an option, CalSTRS is required by law to apply an assessment factor to your account. The assessment factor is based on the type of option elected, your age and the duration of time the option was in effect.

Steps to Take in Making Your Decision about Electing an Option

1. Determine if you're eligible to retire.
2. Read about making a preretirement election of an option in the *Member Handbook* or at CalSTRS.com.
3. Go to CalSTRS.com/calculators to calculate the cost of electing an option or call 800-228-5453 to schedule an appointment with a CalSTRS benefits counselor.
4. To proceed with a preretirement election of an option, complete the *Pre-Retirement Election of an Option* form available at CalSTRS.com/publications.



There are advantages and disadvantages to electing an option before retirement. We strongly encourage you to contact a CalSTRS benefits counselor for details before making this election.



Furloughs and Your Retirement Benefit

Many school employers are currently faced with decreases in school funding and must make difficult choices about how to balance their budgets. One possibility is to impose staff furloughs. CalSTRS wants you to be informed about the potential effects furloughs might have on your future retirement benefit.

Your CalSTRS Defined Benefit retirement is calculated using three components: Service Credit x Age Factor x Final Compensation = Member-Only Retirement Benefit. Furloughs can affect either the service credit or final compensation component of this calculation.

Employers have two options available when reporting furloughs to CalSTRS:

1. They may reduce the number of base days required for a class of employees and adjust the earnable compensation (contract rate) for the year accordingly. Doing so would result in your earnable compensation being less, but the service credit you earn would not change.

Or

2. They may elect *not* to reduce the number of base days required for a class of employees or adjust the earnable compensation (contract rate) for the year and simply reduce your pay. You would, therefore, not fulfill the entire year's contract. This would result in your service credit being less, but the earnable compensation would not change.

A reduction in earnable compensation, if it's one of your highest earnable compensation years, will result in a lower benefit calculation because your final compensation will be less.

CalSTRS will use your highest one year final compensation if you have 25 or more years of service credit at retirement. If you are not eligible and your pay is reduced as a result of furloughs, CalSTRS will use any three nonconsecutive school years to determine the most beneficial final compensation for you, ensuring you receive the highest possible benefit in retirement.

For more information about final compensation or service credit, see the *CalSTRS Member Handbook*, available at CalSTRS.com/publications.

Defined Benefit Supplement Contributions Will Change

Currently you contribute 8 percent of your salary to CalSTRS—6 percent is credited to your Defined Benefit account and 2 percent is credited to your Defined Benefit Supplement account.

Starting January 1, 2011, CalSTRS will credit the entire 8 percent of your monthly contribution to your Defined Benefit account, and you will no longer make regular contributions to your Defined Benefit Supplement account. Members who earn more than one year of service credit in a single school year will continue to contribute to their Defined Benefit Supplement accounts.

The Teachers' Retirement Board plans to sponsor legislation to create new opportunities for members to contribute to their Defined Benefit Supplement accounts. If this legislation is successful, CalSTRS members will be able to voluntarily contribute post-tax dollars to their Defined Benefit Supplement accounts and roll over funds from other retirement plans. To continue building supplemental retirement savings in the meantime, we encourage you to participate in a supplemental savings plan such as CalSTRS Pension2®.

Longevity Bonus Ending Soon

Eligibility for the longevity bonus is scheduled to end on December 31, 2010. This change could affect your retirement if you're close to earning 30 years of service credit. You don't have to retire by December 31, 2010, to qualify for the longevity bonus, but you must have at least 30 years of earned service credit by that date.

Set Dollar Amount Added to Your Retirement Benefit

The longevity bonus adds a set dollar amount to your monthly Member-Only Benefit if you have at least 30 years of earned service credit by December 31, 2010. If you're retiring with an option beneficiary, your bonus will be reduced by the same option factor that applies to your regular benefit.

You May Purchase Time to Qualify

If you don't think you'll have earned 30 years of service credit by December 31, 2010, you may be eligible to *purchase* certain types of service credit to get you there. There are two types of service credit you may be able to purchase for the purposes of qualifying for the longevity bonus:

- **Redeposit:** This restores service credit you lost if you left public school employment, took a refund and then returned to teaching.
- **Permissive Service:** This includes a leave of absence due to maternity or paternity leave, employer-approved sabbatical leave, out-of-state teaching or foreign school service, nonmember service, family medical leave, Fulbright leave and other purchasable service listed in *Purchase Additional Service Credit*, available at CalSTRS.com/publications.

If you purchase or redeposit service credit to qualify for the longevity bonus and you pay for your purchase through monthly installment payments, your service will be prorated as of December 31, 2010, and you will receive credit equal to the amount of the contributions

Longevity Bonus

Service credit earned:	Amount added to Member-Only Benefit at Retirement:
30 years	\$200
31 years	\$300
32 or more years	\$400

you've paid. If your prorated service results in 30 years of service credit as of December 31, 2010, you will be entitled to the longevity bonus upon retirement. If you make your purchase or redeposit with a lump sum, including rolled-over funds, you must ensure CalSTRS receives your payment by December 31, 2010, if the service credit will be used to qualify for the longevity bonus.

Nonqualified service, also called "air time," is not based on any previous service and does *not* count toward qualifying for the longevity bonus.

Unused Sick Leave May Count in Some Situations

Additionally, you may count up to two-tenths of a year of unused sick leave to help you qualify for the longevity bonus. However, in order for the unused sick leave to count toward the 30 years, you must retire. This is because unused sick leave is reported by your employer at the time of retirement. In other words, if you find that you will need up to 0.2 years of unused sick leave in order to qualify for the bonus, you must retire by December 31, 2010. If you are in this situation, we strongly urge you to contact CalSTRS prior to making any decisions.

For more information about the longevity bonus or purchasing service credit, consult the *CalSTRS Member Handbook*, available at CalSTRS.com/publications, or call 800-228-5453.

The longevity bonus adds a set dollar amount to your monthly Member-Only Benefit if you have at least 30 years of earned service credit by December 31, 2010.

Social Security, CalSTRS and You

California teachers in CalSTRS-covered positions do not contribute to Social Security and will not receive Social Security benefits for CalSTRS-covered employment at retirement. The Teachers' Retirement Law was enacted in 1913, before the Social Security program was created.

Consider investing all or part of the 6.2 percent of your salary that would have gone to Social Security into a tax-deferred 403(b) or 457 supplemental savings account.

For more information, read *Social Security, CalSTRS and You*, available at CalSTRS.com/publications. Or visit the Social Security Web site at socialsecurity.gov.



Figuring Out Final Compensation

Your retirement benefit is calculated as a percentage of your final compensation. Your final compensation is therefore a key component of the formula CalSTRS uses to calculate your benefit:

$$\text{Service Credit} \times \text{Age Factor} \times \text{Final Compensation} = \text{Member-Only Retirement Benefit.}$$

Your final compensation is based on the highest average annual earnable compensation for three consecutive fiscal years, or 12 consecutive months if you have earned at least 25 years of service credit.

25 or More Years of Service Credit

If you retire with 25 or more years of service credit, CalSTRS uses your highest 12 consecutive months of earnable compensation as the final compensation component in your retirement calculation. Unused sick leave in excess of two-tenths of one year, purchased nonqualified service credit and retirement incentive credit cannot be used to qualify for the necessary 25 years.

Fewer than 25 Years of Service Credit

If you have fewer than 25 years of service credit, your final compensation is based on your highest average earnable compensation during any period of 36 consecutive months of CalSTRS-covered employment.

Mid-Year Retirement

If you retire in the middle of a school year, your final compensation may be lower than expected if you received a raise in your last year. This is because CalSTRS must include a portion of the monthly average of your earnable compensation from the prior school year as part of the 12 months used to calculate your final compensation, unless you have 12 consecutive months of higher earnable compensation earlier in your career.

For more information, see "Your Retirement Benefit" in the CalSTRS *Member Handbook*, available at CalSTRS.com/publications. You should meet with a CalSTRS benefits counselor before making decisions that may affect your retirement benefit. Call 800-228-5453 to schedule a counseling appointment.



Under the Dome

The following is a summary of chaptered bills from 2009 that were sponsored by the Teachers' Retirement Board.

Green Technology Practices

Allows members and beneficiaries to submit an electronic signature instead of a physical signature when they want to make changes to their account information. Also eliminates mailed notices for electronic payments unless members request to continue receiving them or when there is a change in the payment amount. Effective January 1, 2010. (*Chapter 90, Statutes of 2009*)

The Way Interest Is Charged and Defined

Changes the interest rate charged on penalties, redeposits of previously withdrawn contributions, installment payments for retirement incentives, service credit purchases and redeposits to mirror the assumed CalSTRS rate of return on investments—the interest rate will increase from 4.5 percent to 8 percent. Also establishes a consistent way for CalSTRS to charge interest and penalties when employers are late making contributions or sending reports. Effective July 1, 2010. (*Chapter 249, Statutes of 2009*)

Purchasing Service Credit

Changes the eligibility requirements to purchase service credit for time spent on an employer-approved sabbatical leave by requiring the member to return to their previous employer and work twice the amount of time they were on sabbatical leave before they can request a service credit billing statement for the sabbatical leave. Effective January 1, 2010. (*Chapter 304, Statutes of 2009*)

Earnings Limits for Retired Members

Prohibits retired members who are under age 60 from returning to CalSTRS-covered employment for the first six calendar months after retirement or until their 60th birthday. After that, they can return to work under the existing earnings limitations. In addition, extends the sunset dates for postretirement earnings limit exemptions to June 30, 2012, and prohibits retirees from receiving an emergency exemption for administrative positions they vacated. Effective July 1, 2010. (*Chapter 306, Statutes of 2009*)

For more information, visit CalSTRS.com/legislation.

Keep Connected Online with myCalSTRS

Using our secure online member Web site, *myCalSTRS*, you can get information about your CalSTRS accounts anytime, day or night.

With *myCalSTRS*, you can:

- Ask questions about your accounts and receive prompt, confidential answers.
- View and print copies of your *Retirement Progress Reports*.
- See your beneficiary information.
- Change your e-mail address.

If you haven't already registered for *myCalSTRS*, sign up today by going to CalSTRS.com and following the simple instructions.

California Representative Maxine Waters Champions Investor Protections



California
Congresswoman
Maxine Waters

CalSTRS praises recent Congressional action led by Rep. Maxine Waters (D-CA) to boost investor protections.

The Waters Amendment paves the way for shareholders such as CalSTRS to nominate corporate directors to help ensure corporate boards are properly focused on promoting the long-term interests of their businesses and shareholders. Specifically, the provision would strengthen the U.S. Securities and Exchange Commission's authority to issue rules permitting shareholders to have access to the company's proxy to nominate candidates for the board.

The provision was included in the Investor Protection Act of 2009 (HR 3817), passed by the House Financial Services Committee on November 4, 2009. This bill will be folded into comprehensive financial regulatory reform legislation, seen as an important step toward regulatory safeguards that will help prevent a repeat of the financial crisis.

"The amendment by California Congresswoman Maxine Waters joined by Gary Peters (D-MI), would help provide shareholders such as CalSTRS with a critical new tool for holding management and boards accountable in order to protect our interests as the owners of the company," said Jack Ehnes, CalSTRS CEO.

"Proxy access is necessary for shareholders to have a meaningful choice in exercising their right to vote for board members, and thus hold board members accountable," said Congresswoman Waters, a senior committee member, during the Congressional debate over the proxy access amendment.

"Board nominees are typically selected by the very management that the board is meant to oversee, creating a board indebted to management, potentially weakening the board's accountability and oversight, and diluting the power of shareholders. This amendment provides shareholders with a meaningful say in the process."

Prior to her election to the House of Representatives in 1990, Waters gained attention for her powerful brand of politics in the California State Assembly. During 14 years in Sacramento, she rose to the position of Democratic Caucus Chair. She was responsible for legislation involving:

- Landmark affirmative action laws.
- The introduction of the nation's first plant closure law.
- The nation's first statewide Child Abuse Prevention Training Program.
- The prohibition of police strip searches for nonviolent misdemeanors.
- The largest divestment of state pension funds from South Africa.

Congresswoman Waters acknowledged CalSTRS for its role in helping draw Congress' attention to the need for the amendment, which was supported by other institutional investors seeking to promote the long-term health of their investments, including the American Federation of State, County and Municipal Employees (AFSCME), CalPERS and other pension systems coast to coast.

The Teachers Retirement Board's Corporate Governance Committee actively tracks legislative and regulatory activities in Washington, D.C., related to financial markets reform. When appropriate, the board will take a position on legislation and provide comments or input to lawmakers, including regulatory entities.

Congresswoman Waters serves California's 35th District, based in Los Angeles. She was elected to her 10th term in Congress in 2008. In addition to being a senior member of the House Financial Services Committee, Rep. Waters serves as Chief Deputy Whip in the House. Prior to her political career, Waters worked in the classroom as a public school teacher and a volunteer coordinator in the Head Start program.

Proxy access is necessary for
**shareholders to have
a meaningful choice in
exercising their right to vote**
for board members, and thus hold
board members accountable.



Retiring Soon? Submit Your Retirement Application on Time

You've earned your retirement—be sure you start receiving your CalSTRS benefits right away. When filling out the forms in your retirement package, be sure to:

- Sign and date all forms.
- Have your spouse or registered domestic partner sign where indicated.
- Complete all forms for your Defined Benefit Supplement account.
- Sign your application no earlier than six months prior to your retirement date.
- Ensure that your retirement application reaches CalSTRS no later than the last day of your retirement month and no earlier than six months prior to the effective date of your retirement.

Tips to Remember

If CalSTRS receives your retirement application after the last day of your retirement month, the law requires CalSTRS to adjust the retirement date to the first day of the next month. For example, if you request a retirement date of June 15 but CalSTRS receives your retirement application on July 10, your retirement date will be changed to July 1.

Don't wait for certification of your unused sick leave to submit your retirement application. Your unused sick leave can be added to your account any time after retirement. Any change to your benefit is retroactive to your retirement date.

Send your application via priority mail with delivery confirmation to help ensure CalSTRS receives your application on time. Also, CalSTRS recommends you keep a copy of your retirement application for your records.

We're Here to Help

Need assistance in completing your retirement application? Contact CalSTRS customer service or schedule an appointment with a benefits counselor by calling 800-228-5453.

There's No Such Thing as a Free Lunch

CalSTRS staff may come to your school by invitation to educate you about your retirement benefit and help you make choices about supplemental savings plans.

There are also private sales representatives who may show up in your teacher's lounge with pizza and a sales pitch wanting to sell you their insurance and investment products—some may even present themselves as being from CalSTRS.

How to Tell Who's Who

Here are four tips to help you distinguish between private sales representatives and CalSTRS staff:

1. Ask for ID:
 - Ask whom they represent and get a business card.
 - CalSTRS business cards are imprinted with the CalSTRS logo, the person's name and title, phone number and a CalSTRS.com e-mail address.

2. Don't be pressured to sign a contract:
 - CalSTRS employees will present you with information and options about your retirement benefit and supplemental savings plans.
 - You'll never be pressured into signing a contract.
3. Leave your checkbook in your pocket:
 - CalSTRS doesn't collect start-up fees.
 - CalSTRS investment products rely on payroll deductions you authorize beforehand by giving your school a signed form.
4. Check out CalSTRS publications:
 - CalSTRS representatives will offer free publications and forms with full contact information for the CalSTRS headquarters in West Sacramento.
 - You can access CalSTRS publications 24/7 online at CalSTRS.com/publications.

Stay Up-to-Date on Your Benefits

Sign up for a CalSTRS workshop or counseling session to learn more about the benefits and services available to you:

- Sign up for a CalSTRS workshop at CalSTRS.com/workshops.
- Schedule an appointment with a CalSTRS benefits counselor by calling 800-228-5453.
- Request a CalSTRS presentation about the CalSTRS Pension2® personal wealth 403(b) and 457 plans by calling 888-394-2060.
- Visit CalSTRS Pension2 at www.Pension2.com.

Be sure you are speaking with
genuine CalSTRS representatives.



Think Twice Before Refunding Your Account

If you're leaving your public school position, you don't have to withdraw the money in your CalSTRS Defined Benefit account. However, if you are thinking of applying for a refund of your CalSTRS contributions, we urge you to think again. Receiving a refund may be a poor financial decision in the long run, even if you think you may not return to teaching.

If You Refund

- You will walk away with your contributions and credited interest on those contributions.
- You will not receive contributions made by your employer or the state.
- You will not be eligible for any benefits from CalSTRS.
- If you refund and later choose to redeposit your contributions and interest, you will have to pay the amount of your refund plus all interest that would have accrued if you had not refunded.

If You Retain Your CalSTRS Membership

- You will be eligible to receive a monthly benefit for life beginning as early as age 50 with 30 or more years of service credit or age 55 with five or more years of service credit.
- You will receive an annual 2 percent benefit adjustment beginning September 1 after the first anniversary of your retirement date.
- Your prior service credit will count toward retirement benefits if you return to teaching.
- You may receive a CalSTRS retirement even if you have less than five years of service credit when you retire from certain California public retirement systems.
- You can designate a beneficiary to receive a lifetime benefit or lump-sum payment of your account contributions upon your death.

By not taking a refund, you keep your CalSTRS service credit. We calculate a retirement benefit using a three-part formula, which includes service credit. When you take a refund, you lose the service credit you have earned in CalSTRS-covered employment. You can buy back that service credit if you later return to a CalSTRS position, but since we charge interest, the cost will increase over time.

You can receive a valuable addition to your total retirement income even with a few years of CalSTRS service credit. Estimate your CalSTRS retirement benefit online at CalSTRS.com/calculators.

If you are considering a refund, we urge you to consult an independent financial advisor before making any decisions.



You can receive a valuable addition to your total retirement income even with a few years of CalSTRS service credit.

CalSTRS Pension2® –Your Supplemental Savings Working For You

The median CalSTRS retirement benefit replaces about 62 percent of a member's salary. You'll need to close any gap between your current income and your retirement benefit with personal savings and investments. Pension2 is a CalSTRS-administered voluntary supplemental savings plan that can help you close the retirement income gap.

With CalSTRS Pension2, you may roll over, exchange or transfer existing 403(b) or 457 accounts into investment options selected by CalSTRS in cooperation with its financial planning consultants.

Easy Investing Options

Pension2 offers 403(b), Roth 403(b), 457 and Roth IRA accounts.

Investment strategies are designed to match your goals:

- **CalSTRS Easy Choice Portfolios.** The 15 Easy Choice Portfolios combine risk tolerance and retirement status.
- **Build Your Own Portfolio.** Choose from a variety of professionally selected investment options, including Vanguard, American Funds, TIAA-CREF and many others.

More Pension2 Advantages

With Pension2, you receive:

- A variety of investment options
- Low fees
- Unbiased advice and planning services at no additional cost

TIAA-CREF, a national financial services organization and leading provider of retirement services in the academic field, provides record-keeping services for Pension2.

To be eligible for CalSTRS Pension2, your employer must currently be offering Pension2. You can rollover any of your tax-sheltered annuity accounts into Pension2.

Contact Pension2 Today

Web: www.Pension2.com

E-mail: Pension2@CalSTRS.com

Phone: 888-394-2060

Fax: 916-414-1012



CalSTRS Investment Portfolio

Did you know you can review the CalSTRS investment portfolio at any time? Simply visit CalSTRS.com/investments. There you will find extensive information regarding CalSTRS portfolio, including the current asset allocation and quarterly financial reports.

In addition, several financial reports are available at CalSTRS.com/publications, including the annual *Summary Report to Members*.

CalSTRS New Green Headquarters

CalSTRS new West Sacramento headquarters, opened in June 2009, is one of the most environmentally friendly buildings in the region and is built to Leadership in Energy and Environmental Design (LEED) certification standards.

About LEED

LEED is a voluntary, national rating system for high-performing, sustainable buildings. The system measures and rates a building in six areas:

1. Sustainable site development
2. Water savings
3. Energy efficiency
4. Materials and resources selection
5. Indoor environmental quality
6. Innovation and design

Member Benefits

Cost Savings

Cost savings of more than \$130,000 on our annual energy bills due to the building's green design and construction frees up more dollars for other productive investments. Additionally, CalSTRS smart project management during the construction process saved more than \$13 million and ensured the building was completed on schedule.

Member Center

A new, full-service Member Service Center offers in-person counseling and onsite member education workshops.

Additional Benefits

Green design features include:

- Water-saving fixtures and landscaping
- Efficient lighting and diffusion of sunlight
- Window glazing
- Recycled materials for construction and contents
- Control of heat and air flow at work stations
- Recycling of construction waste
- East-west orientation to capture natural light

Investment benefits include:

- Increased lifespan of facilities and equipment
- Increased building value over time compared to non-LEED buildings

For more information about CalSTRS headquarters, visit CalSTRS.com (select *Headquarters*).



Be Green

Newsletters Delivered Right to Your Inbox

Sign up at myCalSTRS to receive *Connections* online and CalSTRS will e-mail it to you. Help us conserve natural resources and reduce mailing costs.

Sign Up Today

- If you're registered on *myCalSTRS*, simply log in, go to *Settings* at the top and then select *Preferences*. Check the box across from *Receive Semiannual Retired Educator/CalSTRS Connections Newsletter* and then select *Update*.
- If you're not yet registered on *myCalSTRS*, create a new account today at CalSTRS.com.

Find Your Local Benefits Counseling Office

Hand Deliver Your Documents to Counseling Offices

Save time and postage by turning in your CalSTRS documents at 26 CalSTRS benefits counseling offices around the state.

The following sites were selected based on location, population, accessibility and availability of office support staff. Additional sites may be added in the future.

Forms Handled Quickly

CalSTRS benefits counseling secretaries will date stamp your documents, give you a copy and send the originals overnight to our headquarters in West Sacramento, where they will be reviewed and processed. Your information will be treated with complete confidentiality and care.

Payments will continue to be accepted in West Sacramento only.

Auburn

Placer County Office of Education
360 Nevada Street
Auburn, CA 95603

Bakersfield

Kern County Superintendent of Schools
1300 17th Street
Bakersfield, CA 93301

Camarillo

Ventura County Office of Education
5189 Verdugo Way
Camarillo, CA 93012

Colton

San Bernardino County Superintendent of Schools
1020 East Cooley Drive
Colton, CA 92324

Costa Mesa

Orange County Office of Education
200 Kalmus Drive
Costa Mesa, CA 92626

Dublin

Nielsen Education Center
7500 Amarillo Road
Dublin, CA 94568

Eureka

Humboldt County Office of Education
901 Myrtle Avenue
Eureka, CA 95501

Fairfield

Solano County Office of Education
5100 Business Center Drive
Fairfield, CA 94534

Foster City

San Mateo Foster City School District
1170 Chess Drive
Foster City, CA 94404

Fresno

Fresno County Office of Education
855 North Abby Street
Fresno, CA 93701

Los Angeles

LA County Office of Education
9300 E. Imperial Highway,
Room 150
Downey, CA 90242

Marysville

Yuba County Office of Education
935 14th Street
Marysville, CA 95901

Modesto

Stanislaus County Office of Education
1100 H Street
Modesto, CA 95354

Pleasant Hill

Contra Costa County Office of Education
77 Santa Barbara Road
Pleasant Hill, CA 94523

Rancho Cordova

Folsom Cordova Unified School District
10842 Gadsten Way,
Room D4
Rancho Cordova, CA 95670

Redding

Shasta County Office of Education
1644 Magnolia Avenue
Redding, CA 96001

Salinas

Monterey County Office of Education
901 Blanco Circle
Salinas, CA 93901

San Diego

San Diego County Office of Education
Counselor Site:
5304 Metro Street, Suite A
San Diego, CA 92110

San Francisco

San Francisco Unified School District
135 Van Ness Avenue
Room 120
San Francisco, CA 94102

San Jose

Santa Clara County CALSTRS located in the San Jose Unified School District Office
855 Lenzen Avenue,
Room 307
San Jose, CA 95126

Santa Barbara

Santa Barbara County Office of Education
4400 Cathedral Oaks Road
Santa Barbara, CA 93110

Santa Cruz

Santa Cruz County Office of Education
400 Encinal Street
Santa Cruz, CA 95060

Santa Rosa

Sonoma County Office of Education
5340 Skylane Boulevard
Santa Rosa, CA 95403

Stockton

San Joaquin County Office of Education
2901 Arch-Airport Road
Stockton, CA 95206

Visalia

Tulare County Office of Education
2637 W. Burrel Avenue
Visalia, CA 93291

West Sacramento

CalSTRS Member Service Center
100 Waterfront Place
West Sacramento, CA 95605

Other Delivery Options

You may continue to mail, use special delivery or drop off your CalSTRS documents to the West Sacramento headquarters.

Postal Delivery

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

Overnight or Special Delivery

When using a special delivery system, such as UPS or FedEx, use:

CalSTRS
100 Waterfront Place
West Sacramento, CA 95605
Phone: 800-228-5453

Before submitting any paperwork, be sure to:

- Review all forms to ensure accuracy. If you would like a CalSTRS benefits counselor to review your forms, call your local office to schedule an appointment.
- Copy all forms for your personal records.

For updates and more information, go to CalSTRS.com/counseling.



**403b
Compare**

403bCompare.com
Your California School Employee
Retirement Product Information Bank

Ease Into Retirement with Reduced Workload Program

The Reduced Workload Program is for Defined Benefit members who are eligible to reduce their work hours while continuing to earn a full year of service credit. Service credit is one component of the retirement benefit calculation. In addition, final compensation, another component of the retirement benefit calculation, is based on the salary you would receive if you were working full time.

Reduced Workload Program Requirements

The following requirements must be met to be eligible to participate in this program:

- Your district's governing board must have approved the program.
- You must be age 55 or older.
- You must have at least 10 years of service credit in a certificated position.
- You must be working full time with at least five years of the service credit earned immediately preceding the reduction in workload.
- Your contributions to CalSTRS must be paid as if you were working full time.
- You and your employer must agree on your participation.
- You must participate for a full school year.
- Participation must begin at the beginning of the school year.
- You cannot work less than 50 percent of the time.
- You cannot participate for more than 10 years.
- You may not retire before the end of the school year.

The opportunity to participate is available if your employer offers the program. If you retire before the end of the school year, your contract under the Reduced Workload Program will be revoked and you will receive credit only for the part-time service you actually earned. Speak with your employer directly if this program is of interest to you.

CalSTRS Resources

WEB	CalSTRS.com Click <i>Contact Us</i> to e-mail 403bCompare.com www.Pension2.com
CALL	800-228-5453 7 a.m. to 6 p.m. Monday through Friday 866-384-4457 Home Loan Program 888-394-2060 CalSTRS Pension2® Personal Wealth Plan
WRITE	CalSTRS P.O. Box 15275 Sacramento, CA 95851-0275
VISIT	Member Services 100 Waterfront Place West Sacramento, CA 95605
FAX	916-414-5040 (<i>new</i>) CalSTRS West Sacramento Headquarters may experience closures through June 30, 2010, due to ordered employee furloughs. Please call to confirm business hours.

PRSR STD
U.S. POSTAGE
PAID
PERMIT NO. 25
SACRAMENTO, CA

Keep Your Information Current

Moved recently? Newly married, registered as a domestic partner or divorced? Make sure CalSTRS, as well as your employer, has your current legal name, mailing address and telephone number to avoid delays in benefits or communications.

Submit address changes on the *Address Change Request* form, available at CalSTRS.com/publications. You can also make address changes using *myCalSTRS*.

In addition, be sure your beneficiary form is up to date. To make a change, submit a new *One-Time Death Benefit Recipient* form, available at CalSTRS.com/publications or by calling 800-228-5453.

