

Becoming a direct report – must meet all of the following criteria:

1. District responds to CalSTRS requests for adjustments within 60 days of receipt during the past year.
2. District must have a payroll system independent of the County Office of Education.
3. Fiscally independent or accountable (Ed Code § 42650, 85266, 85266.5).
4. Full compliance with the F496 File Specifications and successful receipt by CalSTRS of district's submission of the following files:
 - F496 Partial File
 - Accounts Receivable File
 - Address File
5. For the last 5 years, the district has been issued an unqualified opinion on their annual financial audit and the management letter does not contain any material weaknesses/ misstatements and significant deficiencies with its internal controls.
6. Community College District has not been issued a warning, placed on probation, or ordered to show cause by the Accrediting Commission for Community and Junior Colleges in the last 5 years.
7. Unified School District has not been on One-Year Probationary Accreditation Status with a Required In-depth Progress Report and Two-Day Visit or had its Accreditation Status withheld by the Accrediting Commission for Schools in the last 5 years.

Documentation required:

1. District resolution as to pre- or post-tax contributions.
2. District Board resolution to become a direct report source.
3. County Office of Education Board resolution authorizing the district to direct report to CalSTRS.

Responsibilities of direct reports:

1. District is responsible for submitting contribution data and remitting contributions in accordance with Teachers' Retirement Law sections 23000-23010.
2. District is responsible for submitting all adjustments to contribution data requested by CalSTRS prior to the effective date of direct reporting.
3. District is responsible for any penalty assessments for data reported as a direct reporter subsequent to the effective date of direct reporting.

Terms for ejection are at CalSTRS discretion.