

CALSTRS

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

Update on CalSTRS Employer Reporting Proposals & Information from Outreach Workshops

Employer Advisory Committee Meeting
November 8, 2016



Excess Sick Leave

- Existing:
 - Requires the **last** employer to pay for any excess leave granted to a CalSTRS member.
- CalSTRS Proposal:
 - Align payment of excess leave to the employer who grants the leave.





Excess Sick Leave

Employer Feedback:

- Agree with the concept of the employer who grants excess sick leave should be responsible for funding.
- Favor reporting excess balance at end of each year.
- Prefer annual billing for excess instead of different contribution rate.



Enrollment and Payroll System

- Gather additional reporting elements to better determine final pension benefits:
 - Existing:
 - » Initial membership file.
 - » Monthly contribution file.
 - Proposed:
 - New & changed employment detail (salary, position, etc.).
 - Employment status file (when an employee's status change, report new data elements, such as dates of separation or retirement).
 - Monthly contribution file.
 - Copies of employment or contract agreement.
- New File Format.
- Charter Schools:
 - What can CalSTRS do to simplify reporting?



DB and CB: Modify Due Date for Report and/or Contributions

Existing:

- Defined Benefit reporting:

- 95% DB due within 5 State business days.
- 5% DB due within 15 State business days.
- Supporting payroll information due within 30 calendar days.
- Delinquent 15 calendar days thereafter.

- Cash Balance reporting:

- No later than 10 State business days following the last day of the pay period.
- Delinquent immediately thereafter.



DB and CB: Modify Due Date for Report and/or Contributions

CalSTRS Proposal:

- Accelerated deadline for reports for CB and DB.
- All reporting and contributions due on the 6th state business day.



DB and CB: Modify Due Date for Report and/or Contributions

Employer Feedback:

- No objection to align due date for CB and DB.
- In order to submit DB file earlier, retros, rounding, and employer approved edits need to be revised.
- The 6th of the month isn't realistic. Potentially around the 25th of the month is workable.
- All cash due on the 6th business day is workable, but will need to estimate for payroll on the 10th of the month.
- Need to resolve charter school reporting, tolerance, and employer approved edits.



Charter School Reporting

Employer Feedback:

- Charter schools as direct reporters.
- Provide training so charters can be more independent.



Next Steps

- Review the proposed 0¢ tolerance for the new pension system.
- Research how retros can more efficiently be reported.
- Analyze the employer approved edits.
- Draft proposed legislation regarding excess sick leave.
- Conduct outreach to COE and charter schools.
- Continue to analyze coincident reporting and impacts of resolving retros, tolerance and edits.



Your Input

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