



March 27, 2001

TO: State of California Departments and Agencies Employing Bargaining Units 3 and 21 Individuals, Education Consultants and Librarians

FROM: Executive Office

SUBJECT: Employer Directive 2001-07
Right to Elect California State Teachers' Retirement System (CalSTRS) Defined Benefit (DB) Program or California Public Employees' Retirement System (CalPERS).

PURPOSE

The purpose of this directive is to inform employers of the enactment of Senate Bill 1694 (Chapter 880, Statutes of 2000), effective January 1, 2001, that provides for the right of a limited number of state employees performing duties as educational consultants, professional educators, or librarians to elect their retirement coverage.

SCOPE

This directive applies to all state of California departments and agencies employing individuals who meet the following criteria:

Employed by the state of California represented by Bargaining Units 3 and 21, or performing, supervising, or managing work similar to the work performed by the aforementioned bargaining unit employees.

DISCUSSION

Section 22508 of the Education Code has been amended to allow a member of the CalSTRS DB Program who becomes employed by the State of California in a position requiring membership in a different public retirement system and performs work defined in the scope of this document to elect to have the service subject to coverage by CalSTRS DB Program and excluded from the other public retirement system. CalSTRS, with the cooperation of CalPERS produced a publication, "Join CalSTRS? Join CalPERS? The decision is yours!" which compares the features of both retirement systems. Although there are some minor differences between benefits

provided to school members of CalPERS and state members of CalPERS, the publication may assist members in making a decision on their retirement coverage. A copy of the publication can be obtained by calling a CalSTRS representative at 1-800-228-5453 or our website www.calstrs.ca.gov.

The election must be made in writing within 60 days from the date of hire. CalSTRS will consider the service performed after the date of hire as creditable service if an election is made.

ACTION

Employers must notify eligible employees of their right of election.

If the employee elects CalSTRS coverage, employers will submit CalSTRS Form “Retirement System Election, MR372” to CalSTRS and copy to CalPERS. Contributions must be reported to CalSTRS pursuant to the provisions of Education Code, Part 13. Any questions regarding employee eligibility or reporting procedure should be directed to the CalSTRS Membership Division at (916) 229-3806.

JAMES D. MOSMAN
Chief Executive Officer

Attachments



RETIREMENT SYSTEM ELECTION

Read the attached instructions and information for retirement system coverage before completing the Retirement System Election. Keep a copy of the instructions and information sheet for your records. Please use a black ink pen or typewriter when completing the application.

TELEPHONE NUMBERS:

TOLL FREE 1-800-228-5453
OR (916) 229-3870
TDD Hearing Impaired
(916) 229-3541

MAILING ADDRESS:

CalSTRS
MAIL STATION #16
P.O. BOX 15275
SACRAMENTO, CA 95851-0275

INSTRUCTIONS AND INFORMATION FOR RETIREMENT SYSTEM ELECTION

The following instructions are to assist you and your employer in completing the Retirement System Election (Form # MR 372). The first section of the form must be completed by you with assistance from your employer. Please complete all entries above the Employer Certification section.

EMPLOYEE INSTRUCTIONS

- I. Press firmly and print clearly with **DARK INK**, or type all information requested. Do not use light colors of ink, pencil, felt pen, or erasable ink.
- II. If you should make a mistake on the Retirement System Election form, line through the error and initial.
- III. Enter your full name, Social Security Number, birth date, effective date of the change in employment status and position type.
- IV. **EFFECTIVE DATE** is the first date that service was or will be performed in the new position.
- V. **RETIREMENT SYSTEM COVERAGE** If you are a member of CalSTRS and have accepted employment in a position subject to membership in CalPERS, enter an "X" in the box preceding "CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM" only if you wish to have all subsequent public school service and limited state employment covered by CalSTRS. If you are a member of CalPERS and have accepted employment in a position subject to membership in CalSTRS, enter an "X" in the box preceding CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM" only if you wish to have all subsequent CalSTRS creditable service covered by CalPERS.
- VI. **EMPLOYEE SIGNATURE** sign and date the Retirement System Election form.
- VII. **SUBMIT** the Retirement System Election form to your employer. Retain a copy for your records.

For further information, you may contact our office at **(916) 229-3870**, toll Free **1-800-228-5453**, TDD for the Hearing Impaired **(916) 229-3541** or by writing us at the above address.

Should you find it necessary to contact us, your correspondence should include your Social Security number, full name, address, and daytime telephone number.

EMPLOYER INSTRUCTIONS

Please complete the EMPLOYER CERTIFICATION only after the employee has completed the required employee information.

CO/DIST CODE/STATE DEPARTMENT – Enter the appropriate county and district codes. Example: Kern County, Edison Elementary would be 15-012, CA Department of Education 59-174.

EMPLOYER CERTIFICATION – Print official's name and title, sign and date the Retirement System Election form.

SUBMIT the completed Retirement System Election form to the County Office of Education or if you represent a state department send it directly to CalSTRS and send a copy to CalPERS.

COUNTY OFFICE OF EDUCATION

Review, sign and date the Retirement System Election.

Mail the original Retirement System Election to the retirement system elected by the employee, and a copy to the retirement system that would normally cover the service. Provide copies for the employer, employee and employee's file.

INFORMATION

A member of the CalSTRS Defined Benefit Plan who becomes employed by a school district, a community college district, a county superintendent of schools or limited state departments to perform service that is subject to coverage by the California Public Employees' Retirement System (CalPERS) may elect to receive credit under the CalSTRS Defined Benefit Program for such service by submitting a Retirement System Election form to CalSTRS, within 60 days of the effective date of employment in the position requiring membership in the other system. If the CalSTRS member does not elect to continue as a member of CalSTRS, all service subject to coverage by CalPERS will be reported to that retirement system.

A member of CalPERS who was employed by a school employer, Board of Governors of California Community Colleges, or State Department of Education or has at least five years of CalPERS credited service and who accepts employment to perform creditable service subject to coverage by the CalSTRS Defined Benefit Program, may elect to receive credit under CalPERS for such service by submitting a Retirement System Election form to CalPERS, within 60 days of the effective date of employment in the position to perform CalSTRS creditable service. If the CalPERS member does not elect to continue as a member of CalPERS, all CalSTRS creditable service will be reported to CalSTRS.

The effective date of membership is the first day of the pay period in which qualifying service is performed. The election is irrevocable and all subsequent qualifying service will be reported to the elected retirement system.



CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
 P.O. BOX 15275 SACRAMENTO CA 95851-0275
 TOLL FREE 1-800-228-5453
 OR (916) 229-3870
 TDD HEARING IMPAIRED (916) 229-3541

RETIREMENT SYSTEM ELECTION
MR 372 (01/02)

PLEASE READ THE ATTACHED INSTRUCTIONS BEFORE COMPLETING THIS FORM PLEASE TYPE OR PRINT LEGIBLY IN DARK INK	CalSTRS USE ONLY
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TO BE COMPLETED BY EMPLOYEE

Name:	(Last)	(First)	(Initial)	Social Security Number:
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BIRTHDATE (Mo/Day/Yr)	EFFECTIVE DATE (Mo/Day/Yr)	POSITION TITLE
		<input type="radio"/> Credentialed <input type="radio"/> Classified <input type="radio"/> State Service

Employment in the California public school system is generally subject to coverage by either the California State Teachers' Retirement System (CalSTRS) or the California Public Employees' Retirement System (CalPERS). Employment in a position to perform "creditable service," as defined in Education Code Section 22119.5, is usually credited in CalSTRS, while **classified** (non-certificated) employment is usually credited in CalPERS.

A member of CalSTRS who becomes employed by the same or a different school district, a community college district, a county superintendent of schools or limited state employment to perform service that qualifies for membership in CalPERS will have that service credited with CalPERS unless he/she files a written election (within 60 days of the effective date of employment in the new position) to have the service credited with CalSTRS.

A member of CalPERS who is employed by a school employer, Board of Governors of Community College Districts or State Department of Education or has at least five years of CalPERS credited service and who subsequently becomes employed to perform service that qualifies for membership in CalSTRS, will have that service credited with CalSTRS unless he/she files a written election (within 60 days of the effective date of employment in the new position) to have the service credited with CalPERS.

You are a member of CalSTRS who has accepted employment in a position that qualifies for membership in CalPERS but you may elect to continue retirement system coverage under CalSTRS. Please enter an "X" in the box below if you wish to continue coverage under CalSTRS.

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

OR

You are a member of CalPERS who has accepted employment in a position that qualifies for membership in CalSTRS but you may elect to continue coverage under CalPERS. Please enter an "X" in the box below if you wish to continue coverage under CalPERS.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

I fully understand that this election is irrevocable for all of my subsequent classified school service, limited state service and CalSTRS creditable service.

EMPLOYEE SIGNATURE	DATE
EMPLOYER CERTIFICATION	
CO/DIST/STATE DEPT NAME	CO/DIST CODE OR STATE DEPT
SCHOOL/STATE OFFICIAL'S NAME	TITLE
SIGNATURE OF SCHOOL/STATE OFFICIAL	DATE
COUNTY OFFICIAL'S NAME	TITLE
SIGNATURE OF COUNTY OFFICIAL	DATE