

Employer Information Circular



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Creditable Compensation

Legislation Effective Date

The effective date for creditable compensation changes contained in AB 2700 (Chapter 1021, Statutes of 2000) will be July 1, 2002. The legislation contained provisions for either a July 1, 2002 or July 1, 2003 effective date. For the earlier date to be effective, the K-12 revenue limit for the 2001-02 fiscal year had to be at least 3.5 percent. The California State Teachers' Retirement System (CalSTRS) was recently notified that the revenue limit has been computed at 3.87 percent and included in the Governor's Budget May revision. Therefore, the limit threshold has been met and the earlier effective date applies.

CalSTRS staff have been asked if districts have the option to implement the provisions of AB 2700 later due to local budget considerations. Please inform districts that all employers are subject to the same July 1, 2002 effective date.

Regional Forums

CalSTRS Membership Division is coordinating a project to implement this legislation, which will significantly affect how you report creditable compensation to CalSTRS beginning July 1, 2002 including the reporting of compensation for overtime and summer school service, which was previously non-creditable compensation. Both member and employer contributions will be required.

One of the first implementation tasks is to solicit input from the employer community through regional forums. We will discuss changes in the reporting of creditable compensation, employer concerns, and issues that need resolution. All county offices of education and fiscally independent school districts are encouraged to participate, particularly staff that are involved in the determination of creditable compensation. Please review the AB 2700 Creditable Compensation legislation prior to attending the regional forums. It is available on the CalSTRS web site at <http://www.strs.ca.gov/external/legis/leg2000.html>.

The regional forums are scheduled as follows:

Date/Time	Location	Capacity
Friday, June 29, 2001 9:00 a.m. - noon	CalSTRS Boardroom (First Floor) 7667 Folsom Blvd Sacramento CA	100
Monday, July 2, 2001 9:00 a.m. – noon	Alameda County Office of Education Room 142 313 W. Winton Avenue # B433 Hayward CA	100
Friday, July 6, 2001 9:00 a.m. - noon	Orange County Office of Education 200 Kalmus Drive Costa Mesa CA	120
Tuesday, July 10, 2001 10:00 a.m. – 1:00 p.m.	Fresno County Office of Education 1111 Van Ness Street Fresno CA	100
Thursday, July 12, 2001 1:00 p.m. – 4:00 p.m.	Shasta County Office of Education ITTC Conference Room 1644 Magnolia Avenue Redding CA	150

Please let us know if you will be attending one of the forums so we can reserve adequate seating. Contact Beverly Sanderson at (916) 229-3806 or bsanderson@calstrs.ca.gov. If you are unable to attend the regional forums but have input you would like considered, please contact Diana Samuels, AB 2700 Coordinator, Membership Division, at (916) 229-3895 or dsamuels@calstrs.ca.gov. If necessary, we will hold additional regional forums later in the summer. We also plan to discuss the reporting changes with the Employer Advisory Committee in August 2001.

We look forward to working with you on the implementation of the legislation.