Reduced Workload Program
Objectives

- Recognize the benefits and features of the Reduced Workload Program
- Describe the member eligibility requirements
- Explain the employer responsibilities
- Identify the ways a participant may terminate from the program
Benefits and Features
Benefits of RWP

Full-time workload is reduced to part-time to ease member into retirement

Knowledge transfer and mentor newer employees prior to retirement

Retirement benefits are calculated as though member was full time
Features of RWP

Agreement to work at least 50 percent of full-time employment

Participation may not exceed 10 years total – consecutively or non-consecutively

Employers are required to pay participants the portion of full-time creditable compensation that matches the RWP agreement percentage
Features of RWP

- Employer and member contributions are based on the full-time annualized pay rate

- RWP participants receive full-time service credit if contract is fulfilled

- Retirement benefits are calculated as though member worked full time
Eligibility Requirements
Employer Eligibility Requirements

Employer must establish resolution approved by their governing body that specifies the reduced workload requirements found in the Education Code 22713

Employer must have the ability to track and report RWP participants to CalSTRS
Member Eligibility Requirements

Member must have at least 10 years of CalSTRS service credit prior to the start of the school term.

Member must be at least age 55 prior to the start of the school term.
School Term

- A minimum of 35 weeks
- Beginning on the first day and ending on the last day required to earn a full year of service
Member Eligibility Requirements

Member must have been employed on a full-time basis for the last five years without a break in service

- Employer approved leaves and unpaid absences for personal reasons don’t constitute a break in service

- Separate part-time positions cannot be combined to make one full-time position
Member Eligibility Requirements

Member’s salary must not be greater than the maximum salary of a school principal at that employer

Community Colleges do not have a salary limit
Employer Responsibilities
Employer Responsibilities

- Verify that RWP applicant is eligible and meets all requirements

- Submit the *Reduced Workload Program Eligibility Certification* (ES 1161) form to CalSTRS before the start of the school term

- Maintain records identifying all RWP participants and report using Assignment Code 36
Reporting RWP participants

What if the member fulfills the contract in one half of the school term?

Still report the other half to CalSTRS using:

- Assignment Code 36
- Same annualized pay rate
- Zero earnings
- Contribution Code 2
Reporting RWP Participants - Example

Ian agrees to work 51 percent of full-time at Sky USD

He fulfills his contract to work 51% in the first half of the school year

Sky USD continues to report him to CalSTRS for the second half of the school year
Reporting Prorated Special Pay

How do I report prorated special pay for a member on RWP?

Report using:
- Assignment Code 36
- Pay rate based on the special pay the member would have earned if they had not reduced their workload
- Contribution Code 6
Reporting Prorated Special Pay - Example

Carrie agrees to work 80 percent of full-time at River USD

Her Master’s Degree stipend is pro-rated from $1,000 per month to $800 per month

River USD reports special pay with an annualized pay rate of $1,000 and $800 earnings
Program Termination
Program Termination

An RWP agreement will be terminated if the member does any of the following before the end of the school term:

- Terminates employment (including death)
- Retires, refunds or goes on disability
- Mutually agrees with employer to perform creditable service that is not covered under RWP
Program Termination

When a member’s RWP contract is terminated:

• The member will only receive service credit that was earned

• The member must reapply and meet all eligibility requirements in order to qualify for future participation in RWP

• The fiscal year of termination does not count toward the 10-year maximum RWP participation
Things to consider…

- Do you have an approved resolution and capability to track and report participants to CalSTRS?

- Does the member meet the eligibility requirements to participate?

- Did you fill out and turn in the ES 1161 *prior* to the start of the applicable school term?

- Is the RWP participant performing at least 50% of a full-time contract?
Questions?

EmployerHelp@CalSTRS.com

SEW Secure Messaging Center

(877) 277-5778