

CALSTRS

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM



# Creditable Compensation

Employer-Approved Leave & Overload

## Objectives

- Define the basics of creditable compensation
- Identify what CalSTRS considers to be an expressly authorized employer-approved leave of absence
- Recognize when overload should be reported as remuneration paid in addition to salary or salary

# Creditable Compensation

## CalSTRS 2% at 60 Members

### Education Code section 22119.2 – Creditable compensation includes:



Salary



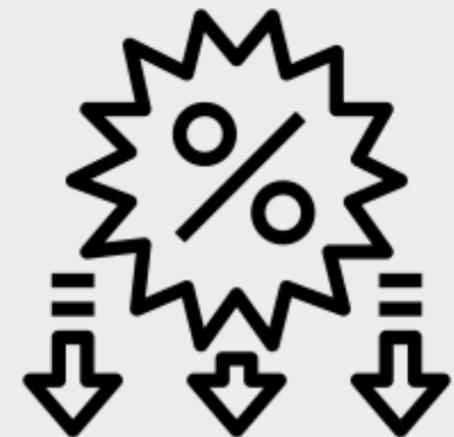
Remuneration paid in addition to salary



Use of sick, vacation or employer-approved compensated leave of absence



Pick-up of member contributions



Amounts deducted from a member's remuneration

## CalSTRS 2% at 62 Members

### Education Code section 22119.3 – Creditable compensation includes:



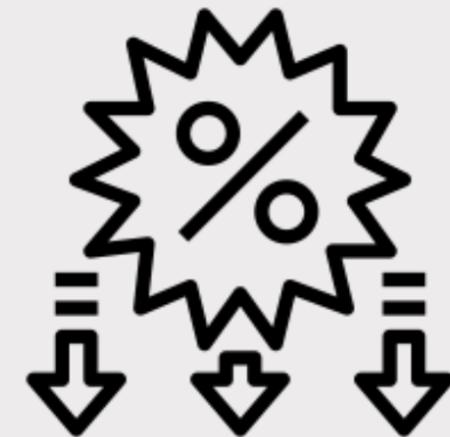
Remuneration paid each pay period creditable service is performed, for that position



Use of sick, vacation or employer-approved compensated leave of absence



Pick-up of member contributions



Amounts deducted from a member's remuneration

## Objectives

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# Employer-Approved Leave of Absence

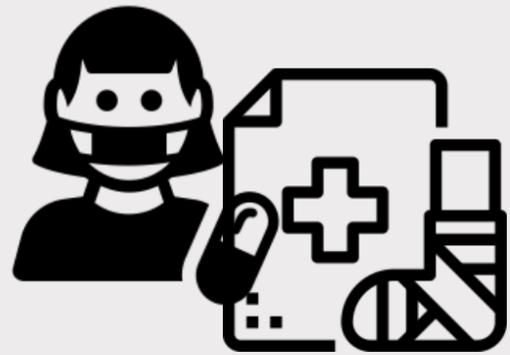
## Definition of Leave of Absence

### **Education Code section 22144.3**

“Leave of absence” means a period of leave to which a member is entitled that is *expressly* authorized or required:

- **K-12:** By Chapter 4 of Part 25 of Division 3 of Title 2 or,
- **CCD:** By Chapter 1 or Chapter 3 of Part 51 of Division 7 of Title 3

## Examples: Employer-Approved Leave of Absence



Accident or  
illness



Maternity



Sabbatical



Military  
Service



Elected  
Officer

## Expressly Authorized

### **Education Code section 44963 & 87763**

“When any provision of this code expressly authorizes an employer to grant a leave of absence for any purpose or for any period of time ...that express authorization or requirement does no deprive the governing board of the power to grant leaves of absence with or without pay to such employees for other purposes or for other periods of time...

**Questions?**

## Objectives

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# Overload

## CalSTRS 2% at 60 Members

- Education Code section 22119.2 – Creditable compensation includes:



Salary



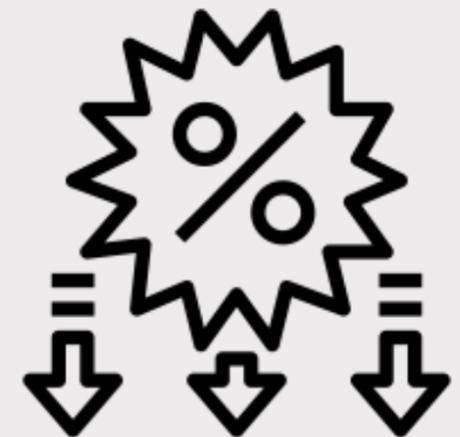
Remuneration paid  
in addition to  
salary



Use of sick, vacation  
or employer-approved  
compensated leave of  
absence



Pick-up of  
member  
contributions



Amounts  
deducted from  
a member's  
remuneration

## Remuneration Paid in Addition to Salary

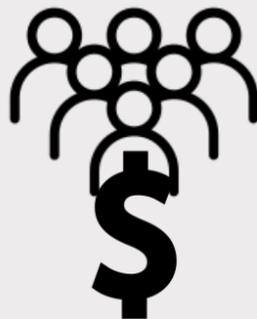
- California Code of Regulations section 27401



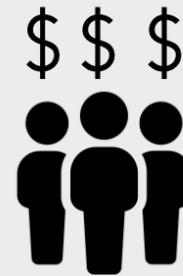
Paid in cash,  
according to  
a public  
contract



Not for  
additional  
service



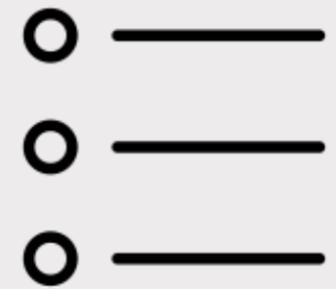
Paid to all  
in a class of  
employees



Paid in the  
same  
manner



No proof of  
expenditure  
required



Contingent  
upon the  
following

## Remuneration Paid in Addition to Salary

- California Code of Regulations section 27401
  - a) Availability of funds, or
  - b) Meeting any of the following qualifications
    - i. Possession or attainment of a certificate, license, special credential, advanced degree
    - ii. Career or service longevity
    - iii. Hiring, transfer or retirement
    - iv. Employment in a position that is hazardous or difficult to staff

## Remuneration Paid in Addition to Salary

- California Code of Regulations section 27401
  - b) Meeting any of the following qualifications
    - v. Employment in an assignment in which the number of students enrolled exceeds the contractual class size maximum
    - vi. Achievement of a performance benchmark

## California Code of Regulations section 27401

- Employment in an assignment in which the number of students enrolled exceeds the contractual class size maximum
  - When the contractual full time is based on load credits or a similar non-time based measure, additional service includes any service that is associated with earning those credits

## Scenario 1

The agreement states the instructor receives the payment each time they exceed the maximum number of students.



### CalSTRS 2% at 60

- Ongoing
- DB
- Applicable Assignment Code
- Contribution Code 6

### CalSTRS 2% at 62

- Ongoing
- DB
- Assignment Code 72
- Contribution Code 6

## Scenario 2

The agreement states the instructor receives the payment when they exceed the maximum number of students in the fiscal year 2019-20.



### **CalSTRS 2% at 60**

- Limited term
- DBS
- Assignment Code 71
- Contribution Code 6

### **CalSTRS 2% at 62**

- Limited term
- Not creditable

## Scenario 3

The agreement requires instructors to achieve a prearranged load factor to be considered full time. If they earn additional load credits...

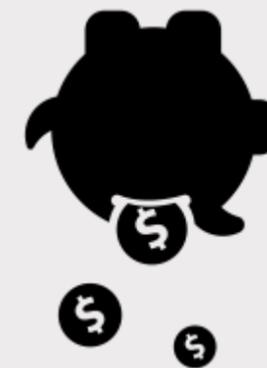
### Scenario 3.1

- They may bank the load credits to offset the number of courses taught in a future semester



### Scenario 3.2

- They may take as additional pay above their full-time load during that semester or a future semester



## Scenario 3.1

They earn and bank the load credits as leave to offset the number of courses taught in a future semester.



### CalSTRS 2% at 60

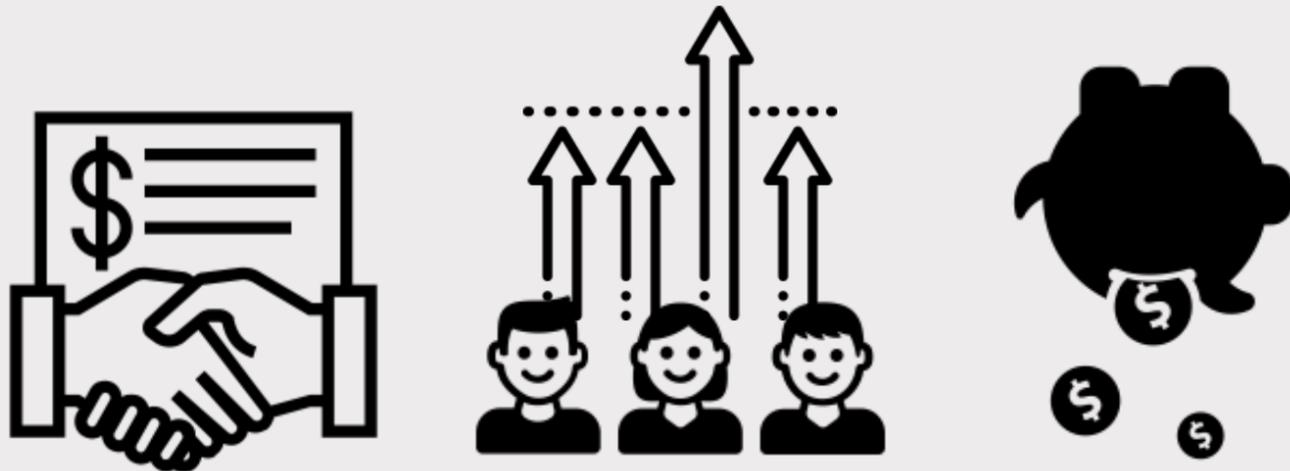
- DB
- Use applicable Assignment Code
- Contribution Code 1

### CalSTRS 2% at 62

- DB
- Use applicable Assignment Code
- Contribution Code 1

## Scenario 3.2

They take as additional pay above their full-time requirement during that semester or a future semester.



### CalSTRS 2% at 60

- DB
- Additional assignment
- Use applicable Assignment Code
- Contribution Code 1

### CalSTRS 2% at 62

- DB
- Additional assignment
- Use applicable Assignment Code
- Contribution Code 1

# CALSTRS

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**Questions?**

## For More Information

- Contact your Employer Services Representative at [EmployerHelp@CalSTRS.com](mailto:EmployerHelp@CalSTRS.com) or 877-277-5778
- Send a secure message through the Secure Employer Website
- Employer Directives: 2017-05, 2015-03 and 2014-01
- Spring 2019 *Employer Connect* Newsletter

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**CalSTRS.com**