Dear CalSTRS member,

As your retirement plan, CalSTRS is dedicated to your secure financial future and helping you get there.

Your Member Kit provides a quick understanding of your defined benefit pension. As a vested member of CalSTRS, you’re eligible to receive a lifetime monthly benefit when you retire.

Your income in retirement is a shared responsibility between CalSTRS and you. Your CalSTRS benefit generally will replace about 50 to 60 percent of your final salary. Need more for your future? Pension2, CalSTRS’ voluntary supplemental savings program with 403(b) and 457(b) plans, can help fill the gap. See pages 13–14 to learn more.

Every career depends on your valuable work. Thank you for choosing education for your career.

Sincerely,

Jack Ehnes
Chief Executive Officer

Our Mission
Securing the financial future and sustaining the trust of California’s educators
Will You Have Enough?
Start now, invest regularly and your money can work for you.

5 Reasons Why You Should Start a 403(b) or 457(b) Account Today

1. Close your retirement income gap.
2. Give yourself a tax break.
3. Take advantage of Easy Choice Portfolio investing.
4. Have more time to benefit from the power of compound interest.
5. Gain peace of mind for a more secure future.

See the Pension2 ebook on Pension2.com to learn more.

Your income in retirement is a shared responsibility between CalSTRS and you.

Your CalSTRS lifetime monthly retirement benefit is a healthy start. You'll likely need more to meet your retirement income goal. That's why we created CalSTRS Pension2, your personal wealth plan. Learn about the advantages of Pension2's low-cost 403(b) and 457(b) plans on pages 13–15.

Pull out your savings calculator and see why it pays to start saving sooner rather than later.

1. Flip to the side with the photo.
2. Find the age closest to your current age in the “current age” column.
3. Choose your monthly contribution—$100, $200, $300, $500 or $1,250.
4. See how much your account could be when you’re 65 if you start today—then look across and see how much you could be missing out on if you wait for even one year.

CalSTRS Member Handbook

Know your benefits.
Find the handbook online at CalSTRS.com/publications.
7

Things to do now for your smart start

You’re helping students build their futures, don’t forget about yours.

THE BENEFIT OF A LIFETIME

Your CalSTRS defined benefit pension may be your greatest asset. Take a few minutes now to learn more.

- Open your Smart Start Member Kit
- Access your account information on myCalSTRS
- Know your retirement benefit
- Review your Retirement Progress Report
- Learn the advantages of CalSTRS Pension2 403(b) and 457(b) plans
- Start your 403(b) or 457(b) account today
- Name your one-time death benefit recipient
- Attend a workshop, view a video

CalSTRS is governed by the Teachers’ Retirement Law, available at CalSTRS.com, and other sections of state law. If there is a conflict between the law and this booklet, the law prevails. CalSTRS makes every effort to provide accurate information in its publications, but legislation can change quickly. To stay informed, consult a variety of sources, including CalSTRS.com, the California State Legislative Counsel at leginfo.legislature.ca.gov, your union and elected legislative representatives. CalSTRS can provide you with information on your benefit choices but does not provide advice. For financial advice, consider consulting a financial professional.
CalSTRS Is Here for You

The California State Teachers’ Retirement System is your retirement plan. For more than 100 years, we have been prudently managing the defined benefit pension funds of California’s public school educators. CalSTRS is the largest educator-only pension fund in the world and the second largest public pension fund in the U.S.

As your retirement plan, our primary responsibility is to provide you with retirement, disability and survivor benefits. We also offer resources specific to your career stage:

• Online services and forms on myCalSTRS, our member website.
• Your annual Retirement Progress Report, available on myCalSTRS, which provides a summary of your accounts and service credit.
• Customer service by secure online messaging, phone or letter, or in person at one of our six member service centers located across the state.
• Knowledgeable CalSTRS representatives to help you understand your benefits and more.
• Publications, including the Welcome to CalSTRS booklet, workshops and videos.
• CalSTRS Pension2® low cost 403(b) and 457(b) plans for additional retirement savings.
• Side-by-side comparisons of your district’s 403(b) plans at 403bCompare.com.

Find publications, forms, videos, workshops and more at CalSTRS.com.

Connect With Us on Social Media

Connect and engage with us on your favorite social media. We're here because you are. It's a great way to keep up on the latest CalSTRS news, share ideas and connect with other educators. Invite your colleagues to join us too.

CalSTRS.com/stay-connected

CalSTRS Is Mobile Friendly
Get Smart About Your Future

Your Benefit of a Lifetime

As a vested member of CalSTRS, you’re entitled to a guaranteed, lifetime monthly benefit when you retire. Your retirement benefit is a defined benefit pension calculated using a formula set by law that provides a fixed percentage of your final compensation based on your age at retirement and your years of service—not on how much you contribute or how well investments perform:

\[ \text{service credit} \times \text{age factor} \times \text{final compensation} = \text{your retirement benefit} \]

Your CalSTRS Retirement Benefit Is a Healthy Start—Will It Be Enough?

On average, the CalSTRS retirement benefit replaces about 50 to 60 percent of a career educator’s salary. You’ll need to close any gap between your retirement income goal and your retirement benefit with savings and investments. Don’t know where to begin? CalSTRS Pension2 is your personal wealth plan. See pages 13–14 to learn more.

Invest sooner rather than later. That’s the top recommendation from a poll of California educators ages 40 to 49 when asked what advice they would give their younger colleagues.
myCalSTRS offers easy, secure and convenient access to your accounts and CalSTRS forms, anytime, anywhere. Register at myCalSTRS.com. Once you complete the process, your myCalSTRS account will be active.

With myCalSTRS, you can:

1. Update your contact information.
2. Access your annual Retirement Progress Report and view information reported by your employer.
3. View your account balances.
4. Name and update your one-time death benefit recipient.
5. Exchange secure messages with CalSTRS representatives.
6. Complete and submit forms.
7. Link to your CalSTRS Pension2 403(b) or 457(b) account, if you have one.

Need help registering?
View the self-paced, interactive online registration guide at myCalSTRS.com. You’ll find help with resetting your password at CalSTRS.com/myCalSTRS-help-videos.

When Are You Eligible to Retire?

You can retire at age 55 with five years of service credit—or fewer if you service retire concurrently from one or more eligible California public retirement systems. If you’re a CalSTRS 2% at 60 member, you can retire as early as age 50 if you have at least 30 years of service credit.

Are you a member of another California public retirement system? See the Concurrent Retirement fact sheet at CalSTRS.com/publications to learn more.
Your CalSTRS Retirement at a Glance

If you’re like most educators, your retirement income will come from four main sources:

- Your CalSTRS monthly retirement benefit.
- Your CalSTRS Defined Benefit Supplement account funds.
- Your investment savings, such as CalSTRS Pension2 403(b) and 457(b) plans.
- Other personal savings.

CalSTRS administers a hybrid retirement system consisting of traditional defined benefit, cash balance and voluntary defined contribution plans:

- **Traditional defined benefit plan**: Your CalSTRS monthly retirement benefit is a defined benefit pension calculated using a formula that provides a fixed percentage of your final compensation based on your age at retirement and your years of service:
  
  \[ \text{service credit} \times \text{age factor} \times \text{final compensation} \]

- **Cash balance plan**: Your CalSTRS Defined Benefit Supplement account is a cash balance plan. Your contributions and your employer’s contributions on earnings in excess of one year of service earn a guaranteed annual interest rate. All the funds in your account are yours at retirement. See page 8 to learn more.

- **Defined contribution plan**: CalSTRS Pension2 offers 403(b), 457(b), Roth 403(b) and Roth 457(b) plans for additional income in retirement. Contribute to your tax-advantaged account through paycheck deductions. The amount you have at retirement depends on your contributions, investment gains or losses, and expenses. See page 13 to learn more.

Your income in retirement is a shared responsibility between CalSTRS and you. Your CalSTRS retirement benefit is a strong foundation, but you’ll likely need more to meet your retirement income goal.
Know Your Retirement Benefit

Your primary retirement benefit is based on a formula set by law:

\[ \text{service credit} \times \text{age factor} \times \text{final compensation} \]

As a result of the California Employees’ Pension Reform Act of 2013, CalSTRS has two benefit structures:

**CalSTRS 2% at 60:** Members first hired to perform service that could be credited to the Defined Benefit Program on or before December 31, 2012, in addition to certain other members.

**CalSTRS 2% at 62:** Members first hired to perform service that could be credited to the Defined Benefit Program on or after January 1, 2013.

The 2 percent refers to the percentage of your final compensation that you’ll receive as a retirement benefit for every year of service credit, also known as the age factor. Other differences between the two benefit structures include final compensation, normal retirement ages, creditable compensation caps and contribution rates.

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**Service Credit**

Service credit is the accumulated period of time, in years and partial years, during which you received creditable compensation and made contributions to the Defined Benefit Program.

If you earn more than one year of service credit in a school year by performing service, such as outgrowth assignments or working in multiple positions, most of your and your employer’s contributions from the additional service will go into your Defined Benefit Supplement account (see page 8).

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**Age Factor**

Your age factor is a percentage based on your age at the time you retire. If you’re a CalSTRS member under the 2% at 60 benefit structure, your age factor is set at 2 percent at age 60. It decreases if you retire before age 60 and increases to a maximum of 2.4 percent at age 63.

If you’re a CalSTRS 2% at 62 member, the basic age factor is set at 2 percent at age 62. It decreases if you retire before age 62, and increases to a maximum of 2.4 percent at age 65.

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**Final Compensation**

Final compensation is your highest average annual compensation earnable for 36 consecutive months, or your highest 12 consecutive months if you are a 2% at 60 member and have more than 25 years of qualified service credit.

See “Your Defined Benefit Membership,” “Your Retirement Benefit” and “Retiring From More Than One Public Retirement System” in the Member Handbook.

View the Understanding the Formula video at CalSTRS.com/videos.

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Estimate your projected retirement benefit using the calculator at CalSTRS.com/calculators.
Contributions to Your CalSTRS Retirement

CalSTRS pays retirement benefits using a combination of investment income and contributions.

Your Member Contributions

CalSTRS 2% at 60 members contribute 10.25 percent of their Defined Benefit creditable earnings to help finance their retirement benefit.

If you’re a CalSTRS 2% at 62 member, your contribution rate is connected with the normal cost of your retirement benefits. When changes in the normal cost meet certain thresholds defined by law, your contribution rate is adjusted. The normal cost is assessed each year based on the actuarial valuation, the snapshot of CalSTRS’ financial status presented to the Teachers’ Retirement Board each spring. For 2018–19, your contribution rate is 10.205 percent.

Your Employer’s Contributions

For 2018–19, your employer contributes an amount equal to 16.28 percent of your Defined Benefit creditable compensation. Employer contributions will continue to increase every year, up to 19.1 percent in 2020–21.

The State’s Contribution

For 2018–19, the State of California contributes 9.828 percent of the annual creditable compensation of all members, which includes an amount for purchasing power protection.

Inflation Protection

Your retirement benefit is protected against rising prices in two ways:

1. Starting September 1 after the first anniversary of your retirement date, your benefit increases automatically each year by 2 percent of your initial benefit.

2. If inflation erodes the purchasing power of your retirement benefit to less than 85 percent of your initial monthly benefit, you’ll receive an additional quarterly payment, subject to the availability of funds set aside for purchasing power protection.

Your Retirement Benefit—Your Options

The highest retirement benefit you can receive is the Member-Only Benefit. The Member-Only Benefit stops with your death. Or you can choose to provide a lifetime monthly benefit to someone upon your death. If you choose to do so, your benefit will be reduced based on your age and your beneficiary’s age at the time you elect an option, and the option you elect.

View the Beneficiary Options video at CalSTRS.com/videos.

Securing Your Financial Future

CalSTRS is committed to your financial security. We continue to make progress on the CalSTRS Funding Plan, set into motion by Chapter 47, Statutes of 2014 (Assembly Bill 1469–Bonta), which established a schedule of contribution rate increases shared among members, employers and the state. This plan works together with our investment portfolio performance to advance us along the path of long-term sustainability.

A snapshot of the Defined Benefit Program’s assets and liabilities as reported in the June 30, 2017, actuarial valuation, released in May 2018, reflects an unfunded liability of $107.3 billion—that is, the shortfall between our assets and the amount we need to pay future benefits. This shortfall was anticipated, primarily due to the adoption of our lower investment return assumption and an increase in our members’ life expectancies. These changes also caused the system’s funded ratio—the ratio of the smoothed actuarial value of assets to benefit obligations—to decrease, from 63.7 percent to 62.6 percent.

Even with this decline, we project a future upswing with a steady ascent toward full funding by 2046.

Learn more at CalSTRS.com/plan-funding.
Your Defined Benefit Supplement Account—Additional Money for Retirement

As a Defined Benefit member, you have a Defined Benefit Supplement account that provides additional savings for your retirement.

Your Defined Benefit account contains your member contributions up to one year of service performed in a school year. Any contributions on your earnings in excess of one year of service are credited to your Defined Benefit Supplement account. If you’re a CalSTRS 2% at 60 member, your contributions on limited-term payments are also credited to your Defined Benefit Supplement account.

Your Defined Benefit Supplement account balance earns a guaranteed interest rate. For 2018–19, the rate is 2.89 percent. When you retire, you’ll receive your CalSTRS monthly retirement benefit and the funds in your Defined Benefit Supplement account.

Contributions to your Defined Benefit Supplement account don’t affect your ability to make contributions to 403(b), 457(b) or similar tax-advantaged accounts.

Find your current account balance on your Retirement Progress Report at myCalSTRS.com.

Excess Contributions

If you make contributions on earnings in excess of one year of service, you are eligible for a return of your contributions that exceed the contribution rate for Defined Benefit Supplement compensation—8 percent for CalSTRS 2% at 60 members and 9 percent for CalSTRS 2% at 62 members.

Any excess member contributions you made during the school year are reported on your Retirement Progress Report. Your myCalSTRS account shows a breakdown of excess contributions by employer.

We will return excess member contributions to your employer in late September. Your employer is responsible for returning your excess member contributions to you, less any authorized adjustments or tax withholding. If you have any questions regarding the return of your excess contributions, please contact your employer.

View the Defined Benefit Supplement videos at CalSTRS.com/videos.

As a full-time educator, if you take on extra-pay assignments, such as summer school or coaching, your extra service helps you save more in your Defined Benefit Supplement account.
Ways to Increase Service Credit

The more service credit you have at retirement, the greater your CalSTRS monthly benefit. You may buy service credit for:

- Eligible leave, including maternity, paternity and sabbatical leave, and leave approved under the federal Family and Medical Leave Act and the California Family Rights Act.
- Eligible service in out-of-state or foreign public schools, the military, Peace Corps or Job Corps.
- Nonmember service for part-time or substitute work performed before you were a CalSTRS member.
- Redeposits of previously refunded contributions, plus interest, after returning to CalSTRS-covered employment.

View the Purchasing Service Credit video at CalSTRS.com/videos or see the fact sheet and booklet at CalSTRS.com/publications.

Transfer Unused Sick Leave If You Change Districts

At service retirement, CalSTRS will convert your unused sick leave to additional service credit using the information your employer provides. If you change employers during your career, be sure to coordinate with your former employer to arrange for the transfer of your accumulated unused sick leave to your new employer.

It is cheaper to buy service credit earlier in your career than later.

Check Your Money IQ

You know the cost of a cup of coffee, a movie ticket and your monthly rent or mortgage, but how about your total monthly expenses?

Use the worksheet on pages 23 and 24 to help you find more money for your future goals.
What If You Leave Education?

You can keep your money with CalSTRS if you leave education or you can request a refund. A refund includes the total balance of your own Defined Benefit Program contributions and interest, and a distribution of the total balance of your Defined Benefit Supplement account. You cannot withdraw employer contributions that were made to the Defined Benefit Program. Even if you think you may not return to public education, taking a refund may not make financial sense.

+ Benefits of leaving your contributions with CalSTRS:
  • You’ll keep your service credit.
  • Your accounts will continue to accrue interest.
  • You’ll be eligible for a monthly retirement benefit when you’re age 55 if you have at least five years of service credit—or under the special circumstances of concurrent retirement with certain California public retirement systems.

- Consequences of cashing out include:
  • You’ll no longer be a member of CalSTRS.
  • You’ll give up all rights to your retirement benefit as well as survivor and disability benefits unless you return to CalSTRS-covered employment.
  • Your refund may be subject to additional federal and state taxes if you take your refund before age 59½ and do not roll over your funds to a qualified retirement plan.
  • If you take a refund, it’s expensive if you return to public education and want to redeposit your service credit.

View the Refund: Consider the Consequences video at CalSTRS.com/videos or the fact sheet at CalSTRS.com/publications.

What if I’m a member of another retirement system?

If you’re a member of CalSTRS and certain other California public retirement systems, you may be eligible to service retire concurrently and:

• Qualify for a CalSTRS service retirement benefit at age 55 or older with less than five years of CalSTRS service credit.
• Increase your CalSTRS service retirement by using higher salaries from another public retirement system for your final compensation.

See the Concurrent Retirement fact sheet at CalSTRS.com/publications.
Review Your Retirement Progress Report

Keep tabs on your CalSTRS account and service credit balances by reviewing your Retirement Progress Report each year. Your new report is available online on myCalSTRS in mid-September.

Your report summarizes:

- The service credit you earned the previous year.
- Your total accumulated service credit.
- The name of your one-time death benefit recipient.
- Accumulated contributions and interest in your Defined Benefit and Defined Benefit Supplement accounts.
- Information about your disability and survivor benefit coverage.

Find your Retirement Progress Report at myCalSTRS.com.

If you believe there’s a discrepancy in your report, don’t wait to correct errors. Contact your employer immediately.

Be sure to verify your paycheck information, including your deductions, each pay period.
As a California public school educator, you do not contribute to Social Security, so you will not receive a Social Security benefit for your CalSTRS-covered employment when you retire.

If you’re counting on Social Security through your spouse or other employment, two federal rules—the Government Pension Offset and the Windfall Elimination Provision—may leave you with a smaller Social Security benefit or possibly no Social Security benefit at all.

Your CalSTRS retirement benefit will not be reduced by these rules.

Get the Facts on Social Security

As a California public school educator, you do not contribute to Social Security, so you will not receive a Social Security benefit for your CalSTRS-covered employment when you retire.

If you’re counting on Social Security through your spouse or other employment, two federal rules—the Government Pension Offset and the Windfall Elimination Provision—may leave you with a smaller Social Security benefit or possibly no Social Security benefit at all.

Your CalSTRS retirement benefit will not be reduced by these rules.

- See the Social Security, CalSTRS and You fact sheet at CalSTRS.com/publications.
- View the Introduction to Social Security video at CalSTRS.com/videos.

Consider investing the percentage of your salary that would have gone to Social Security into a tax-advantaged 403(b) or 457(b) account, such as CalSTRS Pension2.
Learn the Advantages of CalSTRS Pension2 403(b) and 457(b) Plans

You’re already off to a great start with your CalSTRS retirement benefit. Next, you’ll likely need personal savings. Pension2, the CalSTRS voluntary supplemental savings plan, offers low cost, flexible 403(b), 457(b), Roth 403(b) and Roth 457(b) plans. It’s designed to fill the gap between your CalSTRS retirement benefit and your retirement income goal.

Designed With Your Interests in Mind

With Pension2, you’ll belong to a plan with:

- Low and transparent costs—no commissions, no load fee and no surrender charges.
- Flexible investment choices that match all levels of investment ability:
  - **Easy Choice Portfolios**—designed to take into account your risk tolerance and retirement date, each is a ready-made mix of the core investment options.
  - **Core Investment Options**—build your own portfolio from a carefully selected list of more than 20 funds.
  - **Self-Directed Brokerage Account**—gives you access to a greatly expanded range of mutual funds.
- Professional advice services and planning tools.
- A website with investment education and retirement income planning tools.

See the Pension2 ebook with online enrollment at Pension2.com or call toll free 888-394-2060.

You can save a little or a lot—and you can change your contribution amount any time.
A Little Now Can Really Add Up Later

Let’s say you contribute $100 a month to your account directly from your paycheck. If your account averages a 5 percent rate of return annually, after 20 years you could have $41,103. If you increase your monthly contribution to $300 a month, your savings could grow to $123,310.

An added benefit of tax-deferred contributions: Your $300 investment may reduce your paycheck by only $173.*

Most likely, your district offers dozens of 403(b) products and hundreds of investment options to choose from. 403bCompare gives you an easy and transparent way to compare fees, performance and services to find the one that best matches your needs. Compare plans at 403bCompare.com and see the Pension2 advantages.

Pension2 Has Low Costs—Something Everyone Likes

Did you know that most investment plans charge fees and expenses? Even 1 percent can make a big difference over time. Compare fees charged by your district’s 403(b) products at 403bCompare.com.

The Difference 1 Percent Can Make

Let’s say you make a one-time investment of $10,000, make no additional contributions, and earn an average of 5 percent over 30 years. Investment fees usually range from 0.5 percent to 1.5 percent a year. Pay 1 percent less in fees and after 30 years, you could have 37 percent more—that’s an additional $10,000.

To Start Your Pension2 Account

You’ve done your research and selected your plan. Next:

1. Enroll online at Pension2.com or call 888-394-2060.
2. Determine how much you want to invest.
3. Fill out your district’s Salary Reduction Agreement form, available from your payroll office or online at 403bCompare.com (select Find Employer).
Start a 403(b) or 457(b) Account Today

We get it. Retirement is probably one of the last things on your mind. We know you’re busy, so we’re making it easy for your future to start now.

Start Small

Did you know you can start saving with as little as $25 a month? That’s less than what you may be spending on your morning cup of coffee.

One way to save is to invest in a 403(b) or 457(b) tax-advantaged account. It’s never too early to start. Already saving? Consider increasing your monthly contribution.

Why Start Now? It’s Smart!

Power of time and money. With compound interest, you earn interest on your total balance—your original contribution plus all interest earned and any additional contributions—so your money can grow faster.

Tax advantages. When you contribute to your 403(b) or 457(b) account directly out of your paycheck, you defer taxes on the money you invest each month. Your earnings grow tax-deferred, and your monthly taxable income is lower. Contribute to a Roth 403(b) or Roth 457(b) account through your paycheck and you won’t get a tax break up front, but your contributions and earnings will be tax-free at retirement when you withdraw your funds.

More time to take risks. The earlier you start, the longer you’ll be able to weather financial downturns and reap the benefits of strong economic times—and the longer you can take advantage of compound interest.

Investing involves risk, including risk of loss of principal.

Did you know you can start a 403(b) or 457(b) account with as little as $25 a month?
5 Questions to Ask Before Investing

Whether you’re opening an account to invest for the long term or save for the short term, it’s important to make sure the opportunity is right for you.

1. **What is my tolerance for risk?**
   All investments have risk. Understand your tolerance for risk before you invest. Low tolerance? You may want to choose a conservative strategy that relies mostly on fixed investments, such as bonds and bond funds. Higher risk tolerance? You may consider more aggressive investments, such as stocks and stock funds. Before you invest, know your risk profile. CalSTRS Pension2 Easy Choice Portfolios provide a ready-made mix of the Pension2 core investments for different time horizons and different risk tolerances.

2. **What is my timeline?**
   We all have a timeline. Your timeline is made up of the years that represent your financial life. Most of your timeline will be spent saving and building your savings, and the last part withdrawing and living off that money. It’s important to know when you’ll move from accumulation to withdrawal—and if you’re on track to meet your goals.

3. **Do I understand it?**
   If you don’t understand how an investment works, you can’t properly assess whether it matches your overall goals, risk tolerance and timeline. Investing doesn’t have to be complicated. Take the time to find the investment that best meets your needs.

4. **What are the fees, expenses and commissions?**
   Most investments charge fees and expenses. All fees and expenses should be transparent. If they aren’t, be wary. Returns are never guaranteed, but fees, expenses and commissions are. Investments should come with a prospectus or other document that breaks down the costs. If you’re working with a financial professional, be sure to ask ahead of time how he or she gets paid: a commission on the investments you buy or a percentage of the value of the assets your adviser manages for you, an hourly fee, a fixed fee, or all of these. Compare costs of 403(b) plans in California at [403bCompare.com](http://403bCompare.com).

5. **How easily can I pull my money out?**
   Be sure you know your options if you change your mind and decide to pull your money out or need it for an emergency. For example, some 403(b) annuity investments require you to stay invested for a set period of time and charge hefty penalties if you pull your money out early. Penalties that make it difficult to get out of an investment should make you think twice before getting in.

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Want to learn more? Attend our Financial Awareness Series workshops (see page 19). And our Pension2 team can help you determine your investment timeline and risk tolerance. Simply call Pension2 at 888-394-2060.
**Name Your One-Time Death Benefit Recipient**

You’re working hard to earn your CalSTRS benefits. Be sure to name your loved ones or a favorite organization to receive your one-time death benefit. You also have other survivor benefits along with disability benefits.

**Your Survivor Benefits**

Your spouse, children and other loved ones may be eligible for survivor benefits after your death. The type and amount of benefits depend on:

- Your years of service credit.
- Your type of coverage: A or B. Find your coverage on your Retirement Progress Report.
- Your membership status.
- Whether you elect an option.

Depending on your member status at the time of your death, your beneficiaries may be eligible for three types of benefits:

- One-time death benefit.
- Monthly benefit.
- Defined Benefit Supplement distribution.

**One-Time Death Benefit**

After your death, your one-time death benefit recipient will receive a one-time death benefit if eligibility requirements are met. The amount of this benefit depends on whether you die before or after retirement. You may name a living person, estate, trust or charity as your recipient.

You can change your death benefit recipient any time, with no financial penalty.

**Monthly Benefit**

If you die before retirement, your survivors, including your spouse or registered domestic partner and dependent children, may be eligible for a monthly survivor benefit. You may choose to elect an option to provide a lifetime monthly benefit to one or more beneficiaries instead of a monthly survivor benefit when you’re eligible to retire, under Coverage B disability retirement or at retirement.

**Defined Benefit Supplement Distribution**

Your membership status when you die determines how the balance in your Defined Benefit Supplement account will be distributed.

If you die before retirement, your Defined Benefit Supplement account balance will be distributed to your one-time death benefit recipient. If you did not name a recipient, CalSTRS will pay the balance to your estate.

If you die after retirement, your account balance will be distributed to your one-time death benefit recipient or option beneficiary, depending on the distribution you elected at retirement.

See the [Survivor Benefits brochure at CalSTRS.com/publications](http://CalSTRS.com/publications).

View the [Survivor Benefits video at CalSTRS.com/videos](http://CalSTRS.com/videos).

Name your one-time death benefit recipient using myCalSTRS. Then be sure to keep your recipient information current.
Your Disability Benefits

You may be eligible for disability benefits if you have a medically determined physical or mental impairment that is permanent or expected to last at least 12 consecutive months and:

• Prevents you from performing your usual duties with or without reasonable accommodation, or
• Prevents you from performing duties in a comparable level position.

In general, the basic disability benefit is 50 percent of your final compensation. The maximum benefit, including benefits for eligible dependent children, is 90 percent of your final compensation.

So that you have income while your application for disability benefits is being evaluated, you may apply while:

• You’re still working.
• You’re receiving sick leave or differential pay.

In addition, if you’re eligible to service retire, you can apply for service retirement during the evaluation of your application. However, if your disability benefits application isn’t approved, you’ll remain in service retirement and won’t be eligible to apply for disability again.

Unlike workers’ compensation benefits, your disability benefit does not require your disability to be work-related.

Attend a Workshop, View a Video

Want to learn more about your benefits as a CalSTRS member? How to save, plan and protect your financial future? Take advantage of our workshops for every stage of your career and member education videos covering a host of topics. In addition, CalSTRS representatives are available by secure online messaging, by phone or at our member service centers to answer your questions.

My Retirement Workshops
Looking for a quick way to learn how to make the most of your CalSTRS membership? Then the My Retirement interactive workshop series is for you.

My Retirement System—introduces your retirement, survivor and disability benefits, how to calculate your retirement benefit, and why it pays to start a 403(b) or 457(b) supplemental savings plan sooner rather than later.

My Retirement Benefits—provides more in-depth information about your benefits, earned and purchased service credit, and the gap between your CalSTRS benefit and your retirement income goal and ways you can bridge it.

My Retirement Decisions—covers the decisions you’ll need to make before you retire, including if you want to elect a beneficiary option, how to complete the application and what you’ll need to know after retirement.

Sign up at CalSTRS.com/workshops.

Financial Awareness Workshops
Learn how to make smart financial decisions today about your future. You’ll take home a booklet of helpful checklists and worksheets after attending each of our three financial awareness workshops.

Save for Your Future—learn how to create a spending plan, understand your credit score and credit report, build and keep good credit, and manage debt.

Plan for Your Future—create an action plan for your retirement, estimate your income and expenses, and more.

Protect Your Future—learn how to maximize and protect your income and reduce the risk of underestimating your expenses, and how to choose a financial professional.

Register now at CalSTRS.com/financial-awareness.
Our Member Service Centers

We have six member service centers where you can attend workshops, meet with CalSTRS benefits specialists by appointment or seek general information on a walk-in basis. We can also review and receive forms, and provide CalSTRS forms and publications.

In addition, we have local benefits planning offices located statewide that provide workshops, benefits planning sessions and other assistance.

Connections Newsletter

Stay engaged and be informed by reading Connections, which provides information about benefits, retirement planning, workshops, legislative news and more. Published in spring and fall.

Go paperless. Sign up on myCalSTRS to receive your newsletter electronically to help us conserve natural resources and reduce costs.

View Our Member Benefit Videos

Browse our library of three- to five-minute member education videos:

Understanding the Formula:
Know how your retirement benefit is calculated.

The Gap: Consider how much of your working salary you’ll need to live the retirement you want.

Refund—Consider the Consequences:
Understand the consequences of taking a refund if you leave teaching.

Defined Benefit Supplement Program:
Learn about this additional source of money for retirement.

CalSTRS.com/videos
Keep Your Address Current

Be sure CalSTRS has your current mailing and email addresses, so you don’t miss out on important communications from us.

Moved or planning a move soon?
Three ways to update your contact information:

- myCalSTRS makes it easy. From the home page, select Update Your Profile, then follow the instructions. Not yet registered for myCalSTRS? Complete the registration process today to activate your account.
  
  myCalSTRS.com

- Complete the Address Change Request form, sign, date and mail it to us.
  
  CalSTRS.com/forms

- Call us at 800-228-5453. To use this option, you must have a valid email address. Best times to call are Wednesday, Thursday or Friday from 7 a.m.–10 a.m. or 4 p.m.–6 p.m.
Your Monthly Spending Plan Worksheet

Use this worksheet to track your household income and expenses for one month. For each expense, jot down what you estimate you spend in the “Estimate” column, then write down what you actually spent in the “Actual” column. Next, calculate the difference between your estimated and actual expenses in the “Difference” column. Finally, determine if the expense is a “Must-Have” or “Want.”

Give it a try!

Each month, take a look at your results:

Do you still have money left after all your expenses and regular savings? If so, consider putting some or all of that extra money into your 403(b) or 457(b) account. If you have credit card debt or a student loan, consider increasing your monthly payments to pay down your debt faster.

Are you in the negative and spending more than you take in? Then consider adjusting your expenses. Look first at your discretionary spending, or your “wants.” Find small ways to save.

Are you not meeting your “Must-Haves” and your “Wants”? Think about adjusting your expectations or look into supplementing your income by taking on an extra-pay assignment.

What are your savings goals? Start with your short-term goals—save for a vacation, new car or wedding? Build an emergency fund or pay down credit card debt? How about your long-term goals? Save for retirement or a down payment for a home? Write down your goals, prioritize them, then keep track of your progress.

Make sure you cover all expenses. You may find some of your expenses vary from month to month, so you may want to track your spending for three months.

Start by writing down all your purchases every day for two weeks to understand your spending habits. You’ll get a good idea of how many times you eat out, and how many coffees and other items you buy. Be sure to include them along with your regular household expenses, including rent or mortgage, utilities and groceries.

♂ Or try a budget app to manage your spending habits.
### Income

<table>
<thead>
<tr>
<th>Description</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly pay (after taxes)</td>
<td></td>
</tr>
<tr>
<td>Alimony or child support</td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td></td>
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<tr>
<td>Other income:</td>
<td></td>
</tr>
<tr>
<td>Other income:</td>
<td></td>
</tr>
<tr>
<td><strong>Total Monthly Income</strong></td>
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</tr>
</tbody>
</table>

### Expenses

#### Home

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimate</th>
<th>Actual</th>
<th>Difference</th>
<th>Must-Have or Want?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage/rent</td>
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<tr>
<td>Second mortgage</td>
<td></td>
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<tr>
<td>Property taxes</td>
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<td></td>
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<tr>
<td>Homeowner’s insurance</td>
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<tr>
<td>Association dues</td>
<td></td>
<td></td>
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<tr>
<td>Repair/maintenance</td>
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<tr>
<td>Other:</td>
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<td></td>
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<tr>
<td><strong>Total Home Expenses</strong></td>
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#### Utilities

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<th>Must-Have or Want?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric/gas</td>
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<tr>
<td>Water/sewer</td>
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<tr>
<td>Phone (landline)</td>
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<tr>
<td>Phone (cell/family plan)</td>
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<tr>
<td>Other:</td>
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<tr>
<td><strong>Total Utilities Expenses</strong></td>
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</tbody>
</table>

#### Food/Household Items

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<tr>
<th>Description</th>
<th>Estimate</th>
<th>Actual</th>
<th>Difference</th>
<th>Must-Have or Want?</th>
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</thead>
<tbody>
<tr>
<td>Groceries/household items</td>
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<td></td>
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<tr>
<td>Eating out (meals, snacks)</td>
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<tr>
<td>Coffee</td>
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<tr>
<td>Other:</td>
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<tr>
<td><strong>Total Food/Household Expenses</strong></td>
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#### Transportation

<table>
<thead>
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<th>Must-Have or Want?</th>
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<tbody>
<tr>
<td>Car payment 1</td>
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<tr>
<td>Car payment 2</td>
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<tr>
<td>Gas/public transportation</td>
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<tr>
<td>Car insurance</td>
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<tr>
<td>Repairs/maintenance</td>
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<tr>
<td>Other:</td>
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<td><strong>Total Transportation Expenses</strong></td>
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#### Health/Grooming

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimate</th>
<th>Actual</th>
<th>Difference</th>
<th>Must-Have or Want?</th>
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<tbody>
<tr>
<td>Health insurance</td>
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<tr>
<td>Prescription medication</td>
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<tr>
<td>Gym/health club</td>
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<tr>
<td>Grooming (hair, nails)</td>
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<tr>
<td>Other:</td>
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<tr>
<td><strong>Total Health/Grooming Expenses</strong></td>
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#### Family/Pets

<table>
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<tr>
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<th>Estimate</th>
<th>Actual</th>
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<th>Must-Have or Want?</th>
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<tbody>
<tr>
<td>Childcare/babysitting</td>
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<tr>
<td>Child support</td>
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<tr>
<td>Alimony</td>
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<tr>
<td>Allowances</td>
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<tr>
<td>Tuition and fees</td>
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<tr>
<td>Pet food, supplies, veterinarian</td>
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<td>Other:</td>
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<td><strong>Total Family/Pet Expenses</strong></td>
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<tr>
<td>Expenses</td>
<td>Estimate</td>
<td>Actual</td>
<td>Difference</td>
<td>Must-Have or Want?</td>
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<td>----------------------------------------------</td>
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<tr>
<td><strong>Entertainment/Recreation</strong></td>
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<tr>
<td>Cable TV, internet, streaming services</td>
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<tr>
<td>Movies, concerts, other events</td>
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<tr>
<td>Newspapers, magazines, books</td>
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<tr>
<td>Clubs, sports, hobbies</td>
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<tr>
<td>Vacations</td>
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<td>Other:</td>
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<tr>
<td><strong>Total Entertainment/Recreation Expenses</strong></td>
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<tr>
<td><strong>Debt</strong></td>
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<tr>
<td>Credit card 1</td>
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<td>Credit card 3</td>
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<tr>
<td>Student loan 1</td>
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<td>Student loan 2</td>
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<tr>
<td>Personal loan</td>
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<td>Other:</td>
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<td>Other:</td>
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<tr>
<td><strong>Total Debt Expenses</strong></td>
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<tr>
<td><strong>Savings/Investing</strong></td>
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<tr>
<td>Emergency savings</td>
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<tr>
<td>College/education savings</td>
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<tr>
<td>Retirement (403(b), 457(b), IRA)</td>
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<tr>
<td>Short-term goal 1</td>
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<tr>
<td>Short-term goal 2</td>
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<tr>
<td>Short-term goal 3</td>
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<tr>
<td>Long-term goal 1</td>
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<tr>
<td>Long-term goal 2</td>
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<tr>
<td>Long-term goal 3</td>
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<tr>
<td>Other:</td>
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<tr>
<td><strong>Total Savings/Investing Expenses</strong></td>
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<tr>
<td><strong>Miscellaneous</strong></td>
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<tr>
<td>Gifts (family, friends)</td>
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<td></td>
<td></td>
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<tr>
<td>Donations (church, charities)</td>
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<tr>
<td>Other:</td>
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<tr>
<td><strong>Total Miscellaneous Expenses</strong></td>
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</tr>
</tbody>
</table>

Now that you have a spending plan, you have a realistic idea of your monthly income and expenses. To figure out your net income, simply subtract your monthly expenses from your monthly income.

\[
\text{Monthly Income} - \text{Monthly Expenses} = \text{Net Income}
\]
### CalSTRS Benefits Planning Offices

#### Member Service Centers

<table>
<thead>
<tr>
<th>Location</th>
<th>Telephone Number</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Glendale</td>
<td></td>
<td></td>
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<tr>
<td>Irvine</td>
<td></td>
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</tr>
<tr>
<td>Riverside</td>
<td>800-228-5453 ext. 3</td>
<td>M-F 8–5</td>
</tr>
<tr>
<td>San Diego</td>
<td></td>
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<tr>
<td>Santa Clara</td>
<td></td>
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<tr>
<td>West Sacramento</td>
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</table>

#### Satellite Offices*

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<thead>
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<th>Location</th>
<th>Telephone Number</th>
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<tbody>
<tr>
<td>Bakersfield</td>
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</tr>
<tr>
<td>Ceres</td>
<td></td>
</tr>
<tr>
<td>Cordelia</td>
<td></td>
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<tr>
<td>Culver City</td>
<td></td>
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<tr>
<td>Downey</td>
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<tr>
<td>El Centro</td>
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<tr>
<td>Eureka</td>
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<tr>
<td>Fresno</td>
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<tr>
<td>Lancaster</td>
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<tr>
<td>Oroville</td>
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<tr>
<td>Oxnard</td>
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<tr>
<td>Palm Springs</td>
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<tr>
<td>Pleasant Hill</td>
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<tr>
<td>Redding</td>
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<td>Salinas</td>
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<td>San Francisco</td>
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<td>Santa Rosa</td>
<td></td>
</tr>
<tr>
<td>Visalia</td>
<td></td>
</tr>
<tr>
<td>Walnut</td>
<td>800-228-5453 ext. 3</td>
</tr>
</tbody>
</table>

*Hours and services vary at satellite offices, so please call ahead of time or visit CalSTRS.com/localoffices for more information.

### CalSTRS Resources

#### WEB
- CalSTRS.com
- Click Contact Us to email
- myCalSTRS.com
- 403bCompare.com
- Pension2.com

#### CALL
- 800-228-5453
- 7 a.m. to 6 p.m.
- Monday through Friday
- 916-414-1099
- Calls from outside the U.S.
- 888-394-2060
- CalSTRS Pension2®
- Personal Wealth Plan
- 855-844-2468 (toll free)
- Pension Abuse Reporting Hotline

#### WRITE
- CalSTRS
- P.O. Box 15275
- Sacramento, CA 95851-0275

#### VISIT
- Member Services
- 100 Waterfront Place
- West Sacramento, CA 95605
- Find your nearest CalSTRS office at CalSTRS.com/localoffices

#### FAX
- 916-414-5040

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