



RETIRED Educator

SUMMER 2020

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

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▶ A note from the Teachers' Retirement Board

At the March meeting of the Teachers' Retirement Board, CalSTRS Chief Executive Officer Jack Ehnes announced his plan to retire effective September 1, 2020. As the effects of COVID-19 on the global economy and CalSTRS operations became apparent during the days following his announcement, the board asked him to continue to serve as CEO through June 30, 2021.

We are grateful and pleased that Jack, also recognizing the severity of the emerging situation, agreed to stay on as CEO. Jack's experience and stable leadership will be necessary in the coming months. It is in the best interest of our membership, the fund and CalSTRS' dedicated staff that he stays through June 2021. His new retirement date also allows the board more time to conduct the executive search for a new CEO to ensure the most thorough and competitive process possible.

We will continue to do the critical work necessary to uphold our mission of securing the financial future and sustaining the trust of California's educators. CalSTRS has been delivering on its mission for well over a century, and this crisis does not and will not deter us. We are confident that by working together in alignment with CalSTRS' solid values, we will emerge from this challenge.

On behalf of the board, we thank you for your careers of dedication and commitment to California students and our state's public education system. The health and well-being of our members is of the utmost importance and we wish for your continued personal health and safety.

Also inside:

**Remaining pay
dates for 2020**

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CALSTRS
HOW WILL YOU SPEND YOUR FUTURE?

SEMIANNUAL NEWSLETTER FOR CALSTRS BENEFIT RECIPIENTS

Updates from CalSTRS on COVID-19

We know you may have concerns about the implications of the COVID-19 pandemic to your long-term retirement plans and questions about how to access CalSTRS services.

During this time, you can rely on CalSTRS to continue to pay your benefits on time. Retirees and beneficiaries will continue to receive payments without interruption, either by direct deposit or by paper check. If you are still receiving a paper check, we encourage you to sign up for direct deposit today at [myCalSTRS.com](https://mycalstrs.com) so that your money gets securely deposited into your checking or savings account every payday with less likelihood of delay than mailed payments. If you usually receive direct deposit statements in the mail, please be aware that due to the State of California's response to COVID-19, direct deposit statements will not be printed and mailed until further notice. You can find your direct deposit statements online at [myCalSTRS](https://mycalstrs.com).

Responding to state and community directives, we have temporarily reduced hours at our Contact Center from 8 a.m. to 5 p.m. and transitioned to working remotely. To protect the health and safety of members and employees, our member service centers will remain closed to visits and forms drop-off until further notice. Please visit [CalSTRS.com/covid-19-resources](https://calstrs.com/covid-19-resources) for more information.

We encourage you to use the online services available through your [myCalSTRS](https://mycalstrs.com) account, including filling out and submitting forms. For added convenience, we have instituted DocuSign® on the *Recipient Designation* form to make it easy for you to update your one-time death benefit recipient information. Now is also a good time to make sure all your contact information is up to date.

The spread of COVID-19 has affected global markets over the short term. CalSTRS is a long-term investor, and we think in terms of decades—not days, weeks or months. The CalSTRS Investment Portfolio is broadly diversified in order to respond to periods of market volatility and uncertainty. Your retirement benefits continue to be secure.

➤ [Go to CalSTRS.com](https://calstrs.com) for the latest updates.



Find information about COVID-19 and how to protect yourself:

California Department of Public Health: cdph.ca.gov
Centers for Disease Control and Prevention: cdc.gov

Teachers' Retirement Board

Harry M. Keiley, Chair
Sharon Hendricks, Vice Chair
Keely Bosler
Denise Bradford
Joy Higa
Fiona Ma
William Prezant
Tony Thurmond
Karen Yamamoto
Betty Yee

Jack Ehnes
Chief Executive Officer

Christopher J. Ailman
Chief Investment Officer

Laura Martin
Editor

Juliann Binder
Designer

Statements in this publication are general and the Teachers' Retirement Law is complex and specific. Nothing contained in this publication should be construed as legal advice.

If a conflict arises between information contained in this publication and the law, the law prevails.

CalSTRS Retired Educator is published twice a year for retired members and benefit recipients of the California State Teachers' Retirement System. Send your comments or suggestions to:

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CalSTRS
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MS 34
Sacramento, CA 95851

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Remaining pay dates for 2020

The tables below show the remaining pay dates for CalSTRS benefits payments in 2020. Payments are made in arrears, so the payment you receive each month is for the prior month's benefit.

See [CalSTRS.com/paydates](https://www.calstrs.com/paydates) to view or download the 2020 pay dates calendar.

2020 pay dates

Benefit month	Check mailing date		Direct deposit date
	Southern California* and out of state	Northern California**	
August 2020	08/27/2020	08/28/2020	09/01/2020
September 2020	09/28/2020	09/29/2020	10/01/2020
October 2020	10/28/2020	10/28/2020	10/30/2020
November 2020	11/25/2020	11/25/2020	12/01/2020
December 2020	12/29/2020	12/30/2020	01/04/2021

2020 Supplemental Benefit payment dates

Payments are made to members and beneficiaries whose current benefit is worth less than a specified percent of the original benefit when adjusted for inflation. The benefit currently protects 85% of your original purchasing power.

Benefit month	Check mailing date		Direct deposit date
	Southern California* and out of state	Northern California**	
September 2020	09/28/2020	09/29/2020	10/01/2020
December 2020	12/29/2020	12/30/2020	01/04/2021

What if your payment hasn't arrived yet?

Direct deposit

If you have direct deposit, your financial institution has until the close of the direct deposit date to place the funds in your account. Please contact your financial institution to find out what time it places your funds into your account.

Please note: The State Controller's Office has suspended mailing direct deposit advice statements as a result of COVID-19. You can find your monthly statement online at [myCalSTRS](https://mycalstrs.com).

Paper checks

If your benefit payment is mailed to you and you have not received it by the fifth business day from the issued date, contact us at 800-228-5453.

*ZIP codes beginning with 900–930
 **ZIP codes beginning with 931–961

CalSTRS releases valuation for 2019

In its first-ever virtual meeting in May, the Teachers' Retirement Board received the results of the actuarial valuation for the CalSTRS Defined Benefit Program as of June 30, 2019. The valuation provides a snapshot in time of CalSTRS' financial health and is part of the ongoing effort to monitor and assess our ability to meet our long-term commitments.

While important, the actuarial valuation through June 30, 2019, does not account for recent market volatility experienced in global markets. We continue to monitor the developing economic impacts from the COVID-19 pandemic. Because of the adoption of the CalSTRS Funding Plan in 2014, CalSTRS is better positioned today to handle volatility than it was a decade ago.

This actuarial valuation found that the unfunded actuarial obligation, known as the funding gap, decreased from \$107.2 billion at the June 30, 2018, valuation to \$105.7 billion as of the June 30, 2019, report. The funded ratio—the amount of assets at hand to pay benefits—improved from 64% to 66% during the same time period.

“CalSTRS continued to improve its funded status in the previous fiscal year, so we are stronger now in the face of current market volatility,” said Chief Executive Officer Jack Ehnes. “While we are long-term investors, in the short term we are focused on protecting the health of our staff, our members and also the fund during these unprecedented times.”



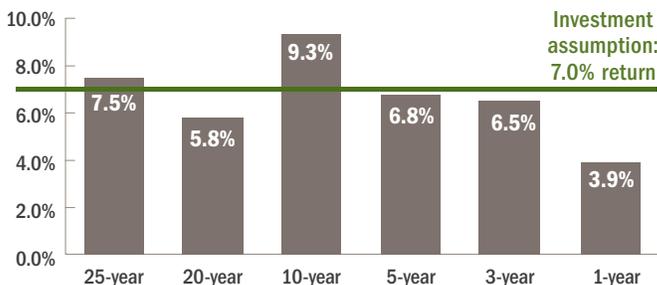
CalSTRS reports 3.9% investment return for fiscal year 2019–20 amid volatile markets

In July, CalSTRS announced a 3.9% net return on investments for the fiscal year ending June 30, 2020, and recorded the year-end fund value at \$246.0 billion. The 2019–20 return reflects the ongoing effect of the COVID-19 pandemic on global financial markets.

“Over CalSTRS’ more than 100 years, we have seen the fund weather several recessions, two world wars and the pandemic of 1918,” said Chief Executive Officer Jack Ehnes. “This crisis is unique in many ways, but for CalSTRS, this is the first time we have gone into a recession with a funding plan. We are ready and able to guide the fund through times of uncertainty.”

CalSTRS is a long-term investor with a goal of achieving an average return of 7% over a multiyear horizon to meet pension obligations for current and future retirees. The 25-year, 10-year and 5-year fund performance are all above or near the 7% investment return assumption at 7.5%, 9.3% and 6.8%, respectively. The 3-year fund performance landed at 6.5%.

**CalSTRS investment fund performance
long-term historical perspective**
(Net of fees as of June 30, 2020)



Financial markets experienced unprecedented volatility over the first half of 2020. January through March 2020 was the worst first quarter ever recorded in stock market history. March 2020 was also the most volatile month in history since the November 1929 stock market crash. After the spring 2020 decline, markets saw the quickest rebound in U.S. history.

“We have never seen the level of volatility the U.S. and global financial markets exhibited over the short period from late February to May,” said Chief Investment Officer Christopher J. Ailman.

“We evaluated risk daily, and sometimes multiple times a day, and were able to manage the portfolio remotely during shelter-in-place. CalSTRS adapted quickly and rose to the occasion during a year when the entire world has been called upon to go above and beyond.”

**– Chief Investment Officer
Christopher J. Ailman**

➤ **See [CalSTRS.com/news-releases](https://www.calstrs.com/news-releases) for more information.**

Postretirement earnings limit for fiscal year 2020–21

If you perform retired member activities in the California public school system, including substitute teaching, as an employee, an independent contractor, or an employee of a third party, there's a limit to the amount of money you can earn in a year without affecting your retirement benefit. For fiscal year 2020–21, the postretirement earnings limit is \$47,713. You can work in any job outside the California public school system with no restrictions on your earnings.

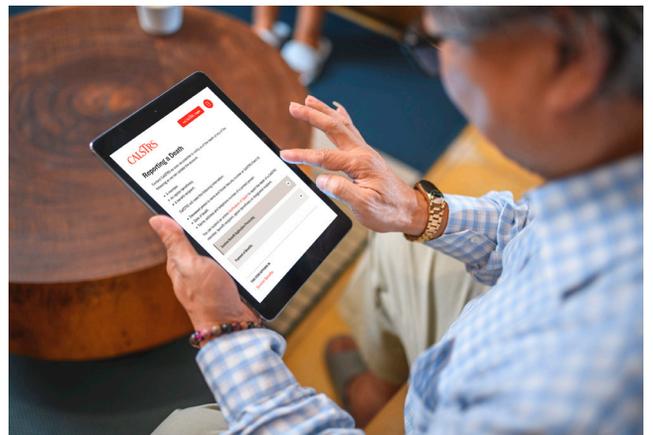
➤ See the *Working After Retirement* fact sheet at [CalSTRS.com/publications](https://www.calstrs.com/publications) to learn more.

CalSTRS hotline protects the system from fraud and abuse



CalSTRS has launched an Ethics and Compliance Hotline—a safe, secure and confidential way to report unethical acts or pension abuse. Any member of the public or CalSTRS employee can make anonymous reports online at [CalSTRShotline.ethicspoint.com](https://www.calstrshotline.ethicspoint.com) or by calling 844-896-9120 toll free. Your inquiry will be reviewed within 12 hours and you can also create a password to check in on your report's status. The hotline is available 24 hours a day, seven days a week.

Reporting the death of a member or beneficiary



Contact CalSTRS as soon as possible to notify us of the death of a member, benefit recipient, option beneficiary or designated recipient by submitting a Notification of Death online or calling us at 800-228-5453. You'll need to provide the person's full name, Social Security number or CalSTRS Client ID, date of birth and date of death. You can also upload and submit a copy of the death certificate. Find more information at [CalSTRS.com](https://www.calstrs.com) by clicking on the *I would like to...* drop-down menu in the upper-right hand corner and choose the *Report a Death* option.



Spend more time doing things you love.

**Still standing in line every month to deposit your check?
Sign up for direct deposit and get your money faster.**

When you sign up for direct deposit, your money gets securely deposited into your checking or savings account every payday. Sign up today using your *myCalSTRS* account or download the *Direct Deposit Authorization* form at **CalSTRS.com/forms**. Your first payment will be deposited into your account within one to two pay periods after we receive the authorization.

▶ **To learn more, go to CalSTRS.com/directdeposit.**



myCALSTRS

Access your benefit information online, anytime

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 Sign up for direct deposit.
- 2 Update your one-time death benefit recipient information.
- 3 Update your contact information.
- 4 Exchange secure messages with CalSTRS representatives.
- 5 Complete and submit forms online.
- 6 View your payment history, tax documents and more!

> 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.



Protect your myCalSTRS password

- CalSTRS staff will never ask for your password.
- Do not give your password to anyone for any reason.
- Change your password immediately if you know or suspect it has been compromised.
- Forgot your password? Go to myCalSTRS.com and select the *Forgot Your Username or Password?* link. Check out CalSTRS.com/myCalSTRS-help-videos for easy instructions on resetting your myCalSTRS password.

Update your one-time death benefit recipient information online

Now is a good time to update your recipient designation information. You may name one or more recipients for the one-time death benefit—a person, trust, charity, estate, parochial institution, corporation or public entity. Just log on to myCalSTRS.com for secure and convenient access to your CalSTRS accounts and select *Manage Your Beneficiary Selections*.

When you use *myCalSTRS* to complete your *Recipient Designation* form, you and your spouse or registered domestic partner will now electronically sign through DocuSign. DocuSign does not require *myCalSTRS* registration for your spouse or registered domestic partner, making submitting this form online easy!

CIO magazine: Sustainable Investment and Stewardship Strategies Investment Director Kirsty Jenkinson a rising leader in investment industry

CalSTRS Sustainable Investment and Stewardship Strategies Investment Director, Kirsty Jenkinson, was selected as one of *Chief Investment Officer* magazine's Class of 2020 NextGen investors. Jenkinson leads a portfolio of \$6.3 billion and is also responsible for overseeing CalSTRS' stewardship activities, including corporate engagement and proxy voting, and managing strategic relationships with key stakeholders, the media and the broader investment industry.

Each year, *CIO* magazine highlights "talented and inspiring asset allocators who show a strong ability to become potential game changers."

"In just over a year at CalSTRS, Kirsty has transformed the SISS team from primarily focusing on corporate governance to full environmental, social and governance (ESG) integration," said Chief Investment Officer Christopher J. Ailman. "She has a keen understanding of global issues, climate change, broader ESG drivers, and how to achieve sustainable returns in volatile markets. We are glad to have her on our team, especially

as ESG integration becomes increasingly important to the investment world."

Jenkinson's background shows her passion for mobilizing capital to create demonstrable environmental, social and governance outcomes while delivering positive risk-adjusted returns. Prior to joining CalSTRS in January 2019, Jenkinson led the sustainable investment strategies team at Wespath Benefits and Investments in Chicago and was a director at the World Resources Institute in Washington, D.C.

"I feel incredibly fortunate to be in a role that I find so fascinating and to work at a fund that really prioritizes understanding how sustainability factors are shaping our global economy, our investment landscape and the future that our beneficiaries will retire into. I am delighted to be recognized in the Class of 2020 and look forward to continuing to learn from industry leaders and my peers."

➤ [Learn more at ai-cio.com/lists/class-2020-nextgens.](https://ai-cio.com/lists/class-2020-nextgens)

Board elects chair, vice chair

During the May board meeting, Harry M. Keiley was elected as board chair and Sharon Hendricks as vice chair for the 2020–21 term. The Teachers' Retirement Board nominates and elects its chair and vice chair annually and newly elected officers assume their posts immediately.

Harry Keiley is a high school teacher with the Santa Monica-Malibu Unified School District and was elected to the board in 2007. He has served as the president of the Santa Monica-Malibu Classroom Teachers Association and chair of the California Teachers Association Political Involvement Committee. Keiley will also serve as vice chair of the board's Investment and Compensation committees.

Sharon Hendricks is a communications studies instructor with the Los Angeles Community College District and was elected to the board in 2011. She also serves as treasurer and retirement liaison for the Los Angeles College Faculty Guild, AFT 1521, and is active in the Community College Council of the California Federation of Teachers. In addition to her position as board vice chair, Hendricks will also serve as chair of the board's Compensation and Board Governance committees.

Board welcomes new member

Denise Bradford, an elementary school teacher from the Saddleback Valley Unified School District in Orange County, is serving a 4-year term as one of three elected members on the 12-member board. She started her work on the board representing current educators with the January meeting. Bradford, who is a new-educator mentor and curriculum leader, is president of the Saddleback Valley Educators Association representing 1,200 members. She graduated from the University of Southern California with bachelor's degrees in German language and literature and international relations and obtained her master's in educational leadership and administration from California State University, Fullerton.

Governor reappoints Karen Yamamoto to board

Gov. Gavin Newsom reappointed Karen Yamamoto to the board effective February 13, 2020. Yamamoto is a retired second grade teacher from the Washington Unified School District in West Sacramento and has served on the board since 2017. She has a master's degree in early childhood education from California State University, Sacramento. Her term runs through December 31, 2023.

View board meeting highlights at CalSTRS.com/board-highlights.

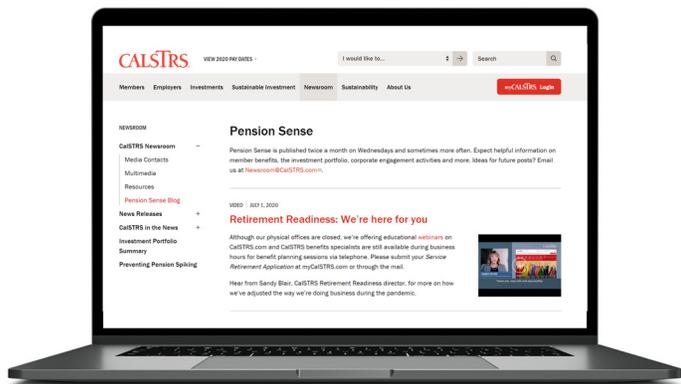


Your 403(b): Is it still working for you in retirement?

Have money in a 403(b) account that's not Pension2®? How does your 403(b) measure up to Pension2 and other plans your district offers? CalSTRS has made it easy to find out with our 403bCompare website where you can:

- Filter through hundreds of available 403(b) products to quickly compare costs, features, performance and services side by side.
- Create your own 403bCompare account for an easy and secure way to save comparison information about various 403(b) investment products.
- Access an array of retirement planning tools such as videos, calculators and more.

Explore your options at [403bCompare.com](https://www.calstrs.com/403bcompare)—it's easy to use and you can compare up to three products side by side at one time!



Pension Sense blog now online

Check out our new Pension Sense blog where you'll find helpful information on your benefits, the CalSTRS Investment Portfolio, corporate engagement activities and more.

➤ Go to [CalSTRS.com/pension-sense-blog](https://www.calstrs.com/pension-sense-blog) to learn more.

Now is the perfect time to combine your retirement accounts



CALSTRS

pension 2
personal wealth plan

CalSTRS' voluntary supplemental savings plan offers 403(b), 457(b), Roth 403(b) and Roth 457(b) plans with low costs and flexible investments

Have other retirement savings accounts? Roll over money currently held in other qualified retirement plans to CalSTRS Pension2, and you'll be able to manage your retirement savings in one place and benefit from some great features. What's more, you may be able to save on costs.

To get a no-cost, no-obligation comparison of the costs you may pay elsewhere and with Pension2, call 888-394-2060.

➤ **Learn more at [Pension2.com](https://www.Pension2.com).**

It's your future. Choose Pension2™.

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
CalSTRS Compliance and Ethics Hotline
844-896-9120 (toll free)
CalSTRShotline.ethicspoint.com
- 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**
- *The COVID-19 pandemic has affected our hours and services. See page 2 for more information.

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Moved or planning a move soon?

Two ways to update your contact information:



myCalSTRS makes it easy. From the homepage, select *Update Your Profile*, then follow the instructions.

➤ myCalSTRS.com



Complete the *Address Change Request* form, sign, date and mail it to us.

➤ CalSTRS.com/forms

- For your security, when you update your mailing or email address, we will send you a letter and an email confirming the update. Make sure we have your personal email address so we'll be able to reach you.

CalSTRS website security update

To ensure the continued safety of CalSTRS member data, we have updated our website security features. Our website no longer supports out-of-date internet browsers. A popup message will prompt you to update your browser if it is outdated.