



Contra Costa County Office of Education

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Karen Sakata, Superintendent of Schools

Business and Administrative Services

February 22, 2017

TO: District Business Officials
District Payroll
Contra Costa County School Districts

FROM: Felicia Hill
Manager, District Payroll Services

SUBJECT: CalSTRS Circulars – January 2017

The following is a summary of the most recent CalSTRS Employer Directives and Circulars. The full directive and circulars are attached for reference.

1) CalSTRS ER Directive 2017-01 Changes in the Teachers' Retirement Law made by Chapter 218, Statutes of 2016 (Senate Bill 1352) **Effective January 1, 2017**

a. Uniformed Services Employment and Reemployment Rights Act of 1994

Clarifies the following:

- The definition of service in the uniformed services.
- Receipt of credit toward plan vesting.
- Accrued benefits include DBS and CB contributions and interest credits if employee pays contributions.
- Employers are responsible for the cost of additional earnings credits and interest associated with DBS and CB.

See ER Directive 2017-02 for additional information

b. Retirement System Election (ES372)

Submit employee's completed Retirement System Election form to CalSTRS within 30 days of signature date.

c. Permissive Election (ES350)

- ES350 must be received by CalSTRS within 30 days of signature date.
- Membership date is the first day of the pay period following the election.

d. Voluntary Termination of Cash Balance Annuity

Added the following:

- Ability for Cash Balance annuitant to cancel their annuity and to start contributing to the program again.

2) CalSTRS EIC Volume 33; Issue 1 – Potential Changes in CalSTRS Actuarial Assumptions may increase 2% at 62 Member and State contribution rates; Employer rate not affected at this time.