

STRS PENSION DIRECTIVE

As you know I have been working with the CFLA through ACCCA and they have been collaborating with several other professional associations on the impact of the CalSTRS decision to disallow certain job titles as being creditable positions under the STRS retirement system. Fortunately, this problem does not reflect on change in job classification prior to 1996, so for many of our retirees this review will have no impact. However, for those that we are advising that are contemplating retirement, this advisory should be taken very seriously, and they should review their work record and take action by the May 23, 2014 date if they have any questionable job classifications and did not file a waiver to stay in STRS.

There is a secondary impact of this advisory that is not mentioned and that has to do with retirees that may be working in creditable positions under STRS. We need to advise our colleagues of these new requirements.

- STRS Retirees that worked in a CalPERS creditable Position with or without a Waiver – There may be a number of retirees who worked in a classified management position in business services and human resource for example, and filed a petition to stay in STRS. Unfortunately, under the current guidelines you cannot now go back and serve in a PERS position as a retiree even if you had ten to twenty years' experience. Under the current STRS guidelines and statute, an STRS retiree cannot work in a PERS qualified position in a K-12 or community college.
- PERS/STRS Coordinated retirement – There is a need in my mind to get clarification regarding those retirees that had coordinated retirements where they retired from both systems simultaneously. It is unclear in my mind as to their status in working in retirement. I am sure you cannot serve in a creditable positions that are not recognized by the system, but since you were in both systems can you serve in a retirement service in either system.
- Advice to Districts – As districts contact PPL for interim positions that fall into the questionable list of creditable positions under STRS, we need to advise them that the position should be classified as a PERS position and we will only be able to refer candidates that meet PERS qualifications. Keep in mind my caveat regarding coordinated retirements. I will continue to seek clarifications about their status under this ruling.

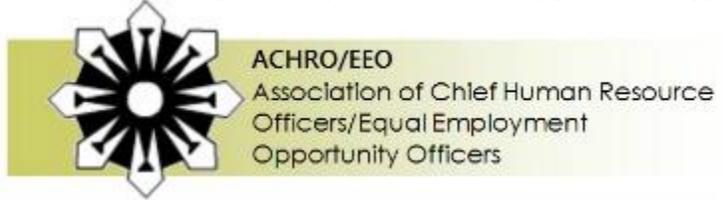
Den

From: communications@accca.org [mailto:communications@accca.org]

Sent: Monday, January 13, 2014 9:53 AM

To: daverill@pplpros.com

Subject: ACCCA Alert: Protect Your CalSTRS Service Credit



MEMBERSHIP ADVISORY:

PROTECT YOUR CALSTRS SERVICE CREDIT

This Advisory has been developed by a work group from the Association of California School Administrators (ACSA), and the Association of California Community College Administrators (ACCCA), in conjunction with the various organizations identified on this document, to inform K-12 and Community College administrators of important actions by CalSTRS affecting retirement service credit.

Background

On August 29, 2012, CalSTRS issued an [Employer Information Circular \(Volume 28; Issue 1\), titled "Positions Not Eligible for Creditable Service."](#) The purpose of this circular was to provide guidance for employers regarding the types of positions that CalSTRS determined to not be eligible for CalSTRS service credit or in other words, positions that CalSTRS has determined are part of the classified service. Specific positions identified in that circular included:

- Director of Human Resources
- Chief Financial Officer
- Chief Information Technology Officer
- Chief of Police
- Director of Buildings, Grounds, and Maintenance
- Director of Payroll Services

Although this circular cited specific job titles, it also stated, “The specific title given the employee, whether it is, for example, director, dean, or chief, does not determine whether the service is creditable to CalSTRS. Rather, it is the *nature of the duties performed by the employee that will determine whether the service is creditable to CalSTRS.*”

Even if the administrative position was designated as certificated/academic by the employing district, if CalSTRS determines that the position is classified and the member did not file an election form to remain in CalSTRS within 60 days of assuming the position, CalSTRS may disallow the service credit earned in that administrative position.

Since that circular was released, audits conducted by CalSTRS have resulted in challenges to the service credit earned by some administrators who are in positions that CalSTRS determined to be classified.

The various administrative associations noted on this advisory, including the Association of California School Administrators (ACSA), and the Association of California Community College Administrators (ACCCA), have been monitoring these events and assisting their members regarding this issue. On November 25, 2013 CalSTRS Issued a new [Employer Information Circular “Right of Retirement System Election When Changing Positions” \(Volume](#)

[29: Issue 3](#)) which offers affected CalSTRS members an opportunity to file a retroactive election form and resolve potential questions about service credit earned in these positions.

Recommended Action

CalSTRS is recommending that ***employers*** submit an [Election Form \(ES 372\)](#) and a Justification Letter if there is any concern or uncertainty about an employee's creditable service.

Therefore, any employees that began working in any position since July 1, 1996 that might be questioned by CalSTRS, and you did not complete an election form within 60 days of beginning that assignment ***it is recommended that you have your employer submit this form and a justification letter before the deadline on May 23, 2014. These forms will not be accepted by CalSTRS after the May 23, 2014 deadline.***

If you have worked for more than one employer or in multiple positions for your employer, only **one** Enrollment Form is necessary, but the Justification Letter should list all employers and positions from your current position to the last position in which you were performing work that could be challenged by CalSTRS.

The CalSTRS Circular and Election Form are linked to this advisory for your use. Also attached is a [sample justification letter](#) that was developed by the Legal Services Unit at the Orange County Department of Education.

The Enrollment Form and Justification Letter must be mailed by the employer to:

CalSTRS,
Member Account Services
P.O. Box 15275 MIS 17
Sacramento, CA 95851-0275

Note: CalSTRS **will NOT** accept forms that are emailed or faxed. ***All forms and justification letters must be postmarked no later than Friday, May 23, 2014.*** If CalSTRS requires additional information from the employer or employee after May 23, 2014, it can be submitted without penalty as long as the enrollment form and justification letter were submitted by the deadline. Be sure to request copies of the enrollment form and justification letter from your employer.

Administrators who have worked in a variety of positions and districts since 1996 should carefully review their own employment history as the examples in this Advisory may not cover every situation. Additional information may be available from the CalSTRS Employer Services Helpline at **1-877-277-5778**.

[Click here](#) to view all STRS Reclassification Supporting Documents