

PAYROLL USERS GROUP

Wednesday, May 25, 2022

9:30 AM

City Centre – 1A

AGENDA

- 1. CalPERS**
- 2. CalSTRS**
 - a. Permissive Elections**
 - b. Copy Pay Lines**
- 3. Retiree Update Screens**
- 4. Elena's Notes**
- 5. New Pay Line Information**
- 6. New PERS & STRS Members**
- 7. Ret Bases**
- 8. Retros**
- 9. Docks**
- 10. Summer Deferred**
- 11. California Schools Summer Assistance Program (CESAP)**
- 12. Payroll Processing Dates**

Next PUG Meeting: August 25, 2022



California Public Employees' Retirement System
P.O. Box 942715 | Sacramento, CA 94229-2715
888 CalPERS (or 888-225-7377) | TTY: (877) 249-7442
www.calpers.ca.gov

Actuarial

Circular Letter

May 23, 2022

Circular Letter: 200-034-22

Distribution: XII, XVI

To: All School Employers
Subject: 2022-23 School Employer and Employee Contribution Rates

Purpose

The purpose of this Circular Letter is to inform you of the following employer and employee pension contribution rates approved by the California Public Employees' Retirement System (CalPERS) Board of Administration on April 19, 2022. These rates will be in effect for fiscal year (FY) 2022-23.

Employer Contribution

The employer contribution rate for FY 2022-23 will be 25.37%, effective with the first payroll period ending in July 2022.

Employee (Member) Contributions

The member contribution rate for some school employees will change effective July 1, 2022. In accordance with the Public Employees' Pension Reform Act (PEPRA), PEPRA members employed by schools are required to contribute at least 50% of the total normal cost rate of their pension benefit. PEPRA contains a provision that states when the total normal cost rate changes by more than 1% of payroll, the member contribution rate must be adjusted to half of the new normal cost rate. For FY 2022-23, the total normal cost rate for PEPRA school members has changed by more than 1% of payroll since the last member rate adjustment. As a result, the member contribution rate for PEPRA members will increase to 8.00% effective with the first payroll period ending in July 2022. The member contribution rate for classic members is set by statute and will remain at 7.00%.

Additional Information

Additional information can be found on the CalPERS website in [Agenda Item 6d \(PDF\)](#) from the Finance & Administration Committee meeting held on April 18, 2022. The complete actuarial valuation report is expected to be available on the CalPERS website later this year.

Questions

If you have questions, call our CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

Scott Terando, Chief Actuary
Actuarial Office



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Announcements

Circular Letter

May 11, 2022

Circular Letter: 200-028-22

Distribution: IV, V, VI, X, XII, XVI

To: Public Employers with an Existing Section 218 Agreement
Subject: State Social Security Administrator Program Funding

Purpose

The purpose of this Circular Letter is to inform you that the State Social Security Administrator (SSSA) will not be issuing the Annual Maintenance Fee invoices for fiscal year 2022-23.

This decision was made because the fees collected during previous fiscal years exceed our targeted amount to fund anticipated expenditures for the next fiscal year.

Background

The SSSA started collecting an Annual Maintenance Fee on July 1, 2019. The purpose of the fee is to fund the SSSA and the services it provides, including:

- Serve as the liaison between Social Security Administration (SSA), the Internal Revenue Service, public entities, and stakeholders
- Process modifications for public entities to provide coverage for their employees
- Maintain Section 218 related records
- Perform education and outreach including monthly webinars about Social Security coverage for public employers
- Conduct the Annual Information Request to ensure tax compliance with respect to Social Security and Medicare withholding for all public entities in California

Additional Information

The SSSA will still send the required Annual Information Request form to gather information related to your employee coverage.

The \$650 contracting fee will not be affected by this decision and will continue to be assessed when an agency establishes a new Section 218 Agreement or amends an existing Section 218 Agreement.

The SSSA will provide future communications once the invoices and respective rates are re-established.

Questions

To learn more, read [Understanding State Social Security Fees](#) located on the CalPERS website.

If you have any questions, email the [SSSA Office](#) or call SSSA directly at (916) 795-0810. You may also call our CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

Renee Ostrander, Chief
Employer Account Management Division

Creditable Compensation

This document provides information about what constitutes creditable compensation for the Defined Benefit Program pursuant to Education Code sections 22119.2 and 22119.3. Specific citations to the Education Code (EDC) and California Code of Regulations (5 CCR) are provided where applicable.

Questions? Contact EmployerTraining@CalSTRS.com or send a secure message in the Secure Employer Website. Please include supporting documentation for review.

Revised: 01/14/2022

What is creditable compensation?

Creditable compensation consists of the earnings you report to us each month for active employees. Creditable compensation depends on whether the employee is part of the DB 2% at 60 or DB 2% at 62 benefit structure. For more information, see the [Benefit Structures](#) job aid available at employersupport.calstrs.com.

Creditable compensation can include the following:

- Compensation paid for the use of sick leave, vacation leave, or an employer-approved leave of absence. This does not include compensation paid for the relinquishment of unused leave.
- Member contributions picked up by an employer pursuant to EDC 22903 or 22904.
- Amounts deducted from a member's compensation, including but not limited to, deductions for participation in a deferred compensation plan, deductions to purchase an annuity contract, tax-deferred retirement plan, or insurance program; and contributions to a plan that meets the requirements of Section 125, 401(a), 401(k), 403(b), 457(b), or 457(f) of Title 26 of the United States Code. This does not include compensation for payments that are deemed covered by the employer.

Does the compensation meet the conditions of creditable compensation? (EDC 22119.2, 22119.3)

Compensation must meet all the following criteria to be creditable:

Paid for the performance of creditable service

Compensation must be paid for the performance of creditable service. For more information, see the [Creditable Service](#) job aid available at employersupport.calstrs.com.

Paid each pay period creditable service is performed (DB 2% at 62 only)

The Public Employees' Pension Reform Act of 2013 intended only to allow regular, reoccurring compensation to count towards retirement. For DB 2% at 62 members, this means compensation must be paid every pay period in which the creditable service is performed for it to be considered creditable.

We will still accept compensation that is paid in the following pay period if that is simply due to the nature of how payroll is run. For example, an employee performs creditable service in November and is paid for the November pay period during the month of December. The compensation is considered paid every pay period. However, if the employee performs the service in November and December and is paid in a lump sum in January, which is when the December pay period is paid, the compensation is not considered paid in every pay period. None of the compensation earned during the months of November or December are creditable since compensation cannot be partially creditable. Creditable compensation is either all creditable or not creditable at all.

Compensation only needs to be paid each pay period the employee was eligible for the payment. For example, an employee is paid for having excess students in their classroom and they have excess students in September and November, but not in October. They are paid for the excess students for the September pay period and again for the November pay period. This is considered paid each pay period since they were paid for the pay periods when they were eligible for the payment.

Paid in cash to all in the same class of employees

Compensation must be paid in cash to all in the same class of employees. For more information, see the [Class of Employees](#) job aid available at employersupport.calstrs.com.

Paid in accordance with a publicly available contract

Compensation must be paid in accordance with a publicly available written contractual agreement. By publicly available, we mean that the agreement is available upon request. You do not need to have all agreements posted online for them to be considered publicly available for our purposes.

Is the compensation reportable as salary? (5 CCR 27400)

For compensation to be salary, it must be explicitly characterized as salary and must be used as the basis for future pay increases with the following exceptions:

- Compensation paid to perform creditable service activities that are related to, and an outgrowth of, the instructional and guidance program of the school.
- Compensation paid to perform creditable service activities that are related to the examination, selection, in-service training, mentoring, or assignment of teachers, principals, or other similar personnel involved in the instructional program.

Is the compensation reportable as special pay? (5 CCR 27401)

Remuneration paid in addition to salary or wages is known as “special pay” in the system. For compensation to be special pay, it must meet all the following requirements:

- Paid to all in the class of employees, in the same dollar amount, percentage of salary or amount being distributed.
- Paid in the same manner to all in the class of employees and not available in an alternative format.
- Not associated with the performance of additional service.

In addition to these requirements, special pay must be paid for specific conditions. Contribution File format users report these conditions using the applicable Earnings Type. These conditions still apply to compensation reported using the F496 File format even though the information is not reported. F496 File format users must report special pay using the applicable Assignment Code for the position and **Contribution Code 6** for DB 2% at 60 members and using **Assignment Code Special Compensation 2% at 62 (72)** and **Contribution Code 6** for DB 2% at 62 members.

Earnings Type (value)	Type of Special Pay
Special Pay Available Funding (AVFG)	Availability of funds.
Special Pay Certificate/License/Degree (CLDE)	Possession or attainment of a certificate, license, special credential or advanced degree.
Special Pay Longevity (LNGY)	Career or service longevity.
Special Pay Hiring/Transfer/Retirement (HTRT)	Hiring, transfer or retirement. Note: Due to the nature of these payments, the compensation is typically a Limited-Term Payment and reported using Assignment Code Limited-Term Special Pay (71) .
Special Pay Difficult to Staff (DTSF)	Employment in a position that is hazardous or difficult to staff.
Special Pay Excess Students (EXST)	Employment in an assignment in which the number of students enrolled exceeds the contractual class size maximum.

Earnings Type (value)	Type of Special Pay
Special Pay Performance Benchmark (PMBK)	Achievement of a performance benchmark.

Is the compensation reportable as a limited-term payment? (5 CCR 27602 – DB 2% at 60 only)

Special pay is considered a limited-term payment if the compensation is not ongoing and is limited by one or more of the following:

- The number of times is specified in law or in a publicly available written contractual agreement.
- The compensation has a specified end date.
- The compensation is not scheduled to continue.

Limited-term payments are creditable only for DB 2% at 60 members and are creditable directly to the Defined Benefit Supplement Program. Limited-term payments are not creditable for DB 2% at 62 members.

Contribution File format users report limited-term payments directly to the Defined Benefit Supplement Program using **Assignment Code Limited-Term Special Pay (71)** and the applicable Earning Type for the special pay.

F496 File format users report limited-term payments directly to the Defined Benefit Supplement Program using **Assignment Code Limited-Term Special Compensation (71)**.

What types of compensation are never reportable?

Amounts Not Deducted from a Member's Salary (5 CCR 27500)

Compensation paid in addition to salary that is contingent upon the purchase of any of the following items is deemed covered by the employer and is not creditable compensation:

- Payments for participation in a deferred compensation plan.
- Payments to purchase an annuity contract, tax-deferred retirement plan, or insurance program.
- Contributions to a plan that meets the requirements of Section 125, 401(a), 401(k), 403(b), or 457(f) of Title 26 of the United States Code.

Fringe Benefits (5 CCR 27501)

Fringe benefits are excluded from creditable compensation pursuant to EDC 22119.2(d)(6) and 22119.3(c)(6). Fringe benefits include any of the following:

- A good or service for which the cost is paid to a third party or otherwise covered by the employer.
- Compensation allocated to an employee to cover a personal or business expense that could otherwise be provided in the form of that good or service.
- Cash in lieu of, or cash remaining from, that good or service.

Expenses Paid or Reimbursed by an Employer (5 CCR 27502)

Compensation that is an expense paid or reimbursed by an employer is excluded from creditable compensation pursuant to EDC 22119.2(d)(7) and 22119.3(c)(7).

An expense paid by an employer includes any of the following:

- Compensation allocated to an employee to cover a cost the employee is expected to incur while performing duties for that employer, which could otherwise be covered by the employer or provided in the form of a reimbursement of the cost.
- Cash paid directly to a third party of a cost that is otherwise covered by the employer.
- Cash in lieu of, or remaining from, compensation allocated to cover a cost the employee is expected to incur while performing duties for that employer, which could otherwise be covered by the employer or provided in the form of a reimbursement of the cost.

An expense reimbursed by an employer is compensation that meets all the following:

- There is a business connection to the expenditure.
- The employee is required to provide documentation or accounting of the expenditure to the employer.
- The employee is required to return excess reimbursements or advances to the employer if actual incurred expense is less than the amount reimbursed or advanced.

Creditable Service

The document provides information about what constitutes creditable service for the CalSTRS Defined Benefit Program and Cash Balance Benefit Program pursuant to Education Code sections 22119.5 and 26113, respectively. References to other Education Code (EDC) sections are provided where applicable. The board has the final authority to determine whether activities not specified in law are creditable service.

Questions? Contact EmployerTraining@CalSTRS.com or send a secure message in the Secure Employer Website. Please include applicable supporting documentation for review.

Revised: 01/31/2022

Creditable Service Overview

Creditable service is the work employees perform for which they are eligible for CalSTRS benefits. For service to be creditable, it must meet all the following requirements:

- Be performed by an employee of a CalSTRS employer.
- Be performed in a position that meets the minimum requirements (unless exempt).
- Be a creditable service activity.

In some cases, creditable service may also include “outgrowth” activities, service covered by another California public retirement system, service as an elected officer of an employee organization, or service as a trustee.

Is the employee employed by an employer? (EDC 22131 and 26122)

For service to be creditable under the Defined Benefit Program or Cash Balance Benefit Program, a person must be employed by an employer. To be employed by an employer, an employee must be employed by one of the following who offers the applicable program:

- Charter school (must be approved and eligible for State apportionment)
- Community college district
- County office of education
- School district (including joint powers authorities)

Those employed by a third-party administrator, private institution or as an independent contractor are not employed by an employer and therefore are not performing creditable service. However, if these employees are retired, they may be performing retired member or participant activities, respectively. For more information, see the [*Working after Retirement*](#) job aid available at employersupport.CalSTRS.com.

Does the employee meet the minimum requirements or are they exempt?

Minimum requirements vary by the type of employer. We cannot determine if a specific position is subject to or meets minimum requirements. Contact the California Commission on Teacher Credentialing or Board of Governors for help. These minimum requirements are for CalSTRS purposes. Positions may be subject to other requirements for employment purposes. Refer to the Education Code or Department of Education, if needed.

Charter schools

Charter school employees are not subject to minimum requirements for creditable service.

Community college districts

The position must be one of the following and subject to minimum standards adopted by the Board of Governors of the California Community Colleges pursuant to EDC 87356:

- Faculty member, as defined in EDC 87003.
- Academic position, as defined in EDC 87001(b).
- Educational administrator, as defined in EDC 87002(b).

The following are exempt from the minimum requirements for creditable service:

- Presidents and chancellors. This does not include assistant or vice presidents and vice chancellors. Contribution File format users report creditable compensation associated with presidents and chancellors using **Service Type Superintendent/President/Chancellor (SPCC)**. F496 File and Voluntary Deduction File users do not report Service Type.
- Employees providing vocational training pursuant to a contract between the community college district and the United States Department of Defense. These employees must meet the requirements provided in the contract. Contribution File format users report creditable compensation associated with this vocational training using **Service Type Teaching (TEAC)**. However, if the employee is subject to the Community College Comparison Calculation use **Service Type CCD/CCCC Lab Instructor (01)**, **CCD/CCCC Lecturer / General Instructor (02)**, or **CCD/CCCC Adult Education Instructor (03)**, as applicable. For more information see the [Community College Comparison Calculation](#) job aid available at employersupport.calstrs.com. F496 File and Voluntary Deduction File users do not report Service Type.

School districts and county offices of education

The position requires certification qualifications as designated in regulations adopted by the Commission on Teacher Credentialing pursuant to EDC 44001.

The following are exempt from the minimum requirements for creditable service:

- Superintendents of California public schools. This does not include assistant or vice superintendents. Contribution File format users report creditable compensation associated with a superintendent using **Service Type Superintendent/President/Chancellor (SPCC)**. F496 File and Voluntary Deduction File users do not report Service Type.
- Consulting teachers participating in the California Peer Assistance and Review Program for Teachers (PAR) pursuant to Article 4.5 of Chapter 3 of Part 25 of Division 3 of Title 2 of the Education Code. Contribution File format users report creditable compensation associated with those employed in PAR using **Service Type PAR Consultant (PAR)**. F496 File and Voluntary Deduction File users do not report Service Type.
- Audiometrists. Contribution File format users report creditable compensation associated with audiometrists using **Service Type Health Services (HESE)**. F496 File and Voluntary Deduction File users do not report Service Type.

Is the employee performing a creditable service activity?

The following table lists the creditable service activities found in EDC 22119.5 along with the Service Type used to report creditable compensation associated with the service when using the Contribution File format. Service Type is not reported when using the F496 File or Voluntary Deduction File formats.

Service Type	Creditable Service Activity
Teaching (TEAC)	<p>The work of teachers, instructors, district interns, and academic employees employed in the instructional program for pupils, including special programs such as adult education, regional occupation programs, childcare centers, and prekindergarten programs pursuant to Section 22161. Sojourn and exchange teachers are excluded from membership pursuant to Education Code section 22601.</p> <p>Exception: If the employee is subject to the Community College Comparison Calculation, you must use Service Type CCD/CCCC Lab Instructor (01), CCD/CCCC Lecturer / General Instructor (02), or CCD/CCCC Adult Education Instructor (03), as applicable. For more information see the <u>Community College Comparison Calculation</u> job aid available at employersupport.calstrs.com.</p>

Service Type	Creditable Service Activity
Counseling (COUN)	<p>Education or vocational counseling, guidance, and placement services.</p> <p>Exception: If the employee is subject to the Community College Comparison Calculation, you must use Service Type CCD/CCCC Counselor (05). For more information see the Community College Comparison Calculation job aid available at employersupport.calstrs.com.</p>
Program Research/Evaluation (PRRE)	The work of employees who plan courses of study to be used in California public schools, or research connected with the evaluation or efficiency of the instructional program.
Curriculum/Material Development (CRMD)	The selection, collection, preparation, classification, demonstration, or evaluation of instructional materials of any course of study for use in the development of the instructional program in California public schools, or other services related to California public school curriculum.
Mentoring/Training (METR)	The examination, selection, in-service training, mentoring, or assignment of teachers, principals, or other similar personnel involved in the instructional program.
Health Services (HESE)	The work of nurses, physicians, speech therapists, psychologists, audiologists, and other California public school health professionals.
Librarian (LIBR)	<p>Services as a California public school librarian.</p> <p>Exception: If the employee is subject to the Community College Comparison Calculation, you must use Service Type CCD/CCCC Librarian (04). For more information see the Community College Comparison Calculation job aid available at employersupport.calstrs.com.</p>
Child Welfare Services (CWSR)	Activities connected with the enforcement of the laws relating to compulsory education, coordination of child welfare activities involving the school and the home, and the school adjustment of pupils.
Supervision/Administration (SVAD)	The work of employees who are responsible for the supervision of persons or administration of the duties described in this subdivision.

Is the service creditable another way?

Outgrowth

Creditable service also includes the performance of California public school activities related to, and an outgrowth of, the instructional and guidance program of the California public school when performed for the same employer in the same fiscal year for which the member is performing another creditable service activity. We do not have a list of what is considered "outgrowth." Report creditable compensation paid for the performance of outgrowth using **Service Type Outgrowth (OUTG)**. F496 File and Voluntary Deduction File users do not report Service Type.

Other retirement system service – Retirement System Election (EDC 22508 and 22508.5)

Service covered by another California public retirement system is creditable service for the Defined Benefit Program if the employee elected coverage pursuant to EDC 22508 or 22508.5 (for more information see the [*Defined Benefit Program Membership*](#) job aid available at employersupport.calstrs.com).

Contribution File format users report creditable compensation associated with this service using **Service Type Other Retirement System Service (ORSS)**. F496 File and Voluntary Deduction File users do not report Service Type.

Other retirement system service – Grandfathering or misreported service (EDC 22119.6)

Activities that are not otherwise creditable service are creditable service for the Defined Benefit Program if the activities were:

- Performed for an employer on or before December 31, 2015; and
- Reported as creditable service to CalSTRS; and
- The employee did not elect to have the service excluded from CalSTRS coverage pursuant to EDC 22508.7.

This only applies to service in that specific position. If the employee becomes employed in another position, for the same or another employer, on or after January 1, 2016, the activities in that position must meet the definition of creditable service to remain creditable to CalSTRS. However, the employee may be able to elect the service be covered by the CalSTRS Defined Benefit Program via the *Retirement System Election* (ES 372) form.

Contribution File format users report creditable compensation associated with this service using **Service Type Other Retirement System Service (ORSS)**. F496 File and Voluntary Deduction File users do not report Service Type.

Elected officer of an employee organization (EDC 22711)

Members may accrue service credit under the Defined Benefit Program for time served as an elected officer of an employee organization while on a compensated leave of absence pursuant to EDC 44987 or 87768.5. Members and employers must contribute to CalSTRS at a rate adopted annually by the board. These rates are currently the same as the regular contribution rates.

The member must have been employed and performed creditable service in the month prior to beginning their leave of absence (excluding periods not included in the school term). A school term is defined as a minimum period of 35 weeks that begins on the first day and ends on the last day creditable service is required to be performed by a member employed on a full-time basis (EDC 22168.5). Members do not have to be on a full-time leave of absence to perform service as an elected officer.

Contribution File format users report compensation paid for a leave of absence to serve as an elected officer of an employee organization using **Benefit Program Code Defined Benefit Member (DB1)**, **Assignment Code Elected Officer (37)** and **Service Type Elected Officer (ELOF)**. The system will calculate contributions at the applicable rate adopted by the board.

F496 File format users, report compensation paid for a leave of absence to serve as an elected officer of an employee organization using **Member Code Member (1)** and **Assignment Code Elected Officer (37)**. The system will calculate contributions at the applicable rate adopted by the board.

Trustee service (EDC 26403)

Creditable service for the Cash Balance Benefit Program also includes trustee service if the trustee elects to participate in the program for trustee service performed for that employer. For more information, see the [*Cash Balance Benefit Program Participation*](#) job aid available at employersupport.calstrs.com.

Contribution File format users report creditable compensation paid for service as a trustee using **Service Type Trustee Service (TRST)**.

PENSION PLAN LIMITS FOR TAX YEAR 2022

The purpose of this circular is to alert employers to the Internal Revenue Service pension plan limits for tax year 2022 and to inform employers of the creditable compensation limit under the Teachers' Retirement Law for California State Teachers' Retirement System (CalSTRS) members and participants who are subject to the California Public Employees' Pension Reform Act of 2013 (PEPRA). CalSTRS is not authorized to give tax advice; accordingly, if you have any questions about these or any other Internal Revenue Code (IRC) sections, please contact your tax advisor or the Internal Revenue Service.

The following limits apply to benefits paid and compensation creditable to the Defined Benefit (DB), the Defined Benefit Supplement (DBS) and the Cash Balance Benefit (CB) programs.

Internal Revenue Code Section 401(a)(17) Compensation Limit

IRC section 401(a)(17) limits creditable compensation that may be counted toward a CalSTRS retirement benefit for all persons who became a CalSTRS DB member or CB participant on or after July 1, 1996.

The annual compensation limit in effect for July 1, 2021, through June 30, 2022, is \$290,000. The annual compensation limit in effect for July 1, 2022, through June 30, 2023, is \$305,000.

A list of past IRC section 401(a)(17) limits can be found in the attached appendix.

If you have an employee who will earn compensation in excess of this limit *and* the employee became a CalSTRS member or participant on or after July 1, 1996, please contact your CalSTRS employer representative for reporting instructions. Do not remit employer or member contributions to the DB, DBS or CB Benefit programs on any compensation that exceeds the limit.

Creditable Compensation Limit for CalSTRS 2% at 62 DB Members and CB Participants Subject to the California Public Employees' Pension Reform Act of 2013

PEPRA limits creditable compensation that may be counted toward a CalSTRS retirement benefit for all CalSTRS DB members and CB participants subject to the act. All persons first hired on or after January 1, 2013, are subject to PEPRA and are known as CalSTRS 2% at 62 DB members and CB participants subject to PEPRA.

The creditable compensation limit is applicable to compensation creditable to the DB, DBS and CB Benefit programs combined and is based on 120% of the 2013 Social Security contribution and benefit base, adjusted annually for changes to the Consumer Price Index for All Urban Consumers: U.S. City Average.

The creditable compensation limit for CalSTRS 2% at 62 DB members and CB participants subject to PEPPRA for July 1, 2021, through June 30, 2022, is \$154,418.

If you have an employee who will earn creditable compensation in excess of this limit, please contact your CalSTRS employer representative for reporting instructions. Do not remit employer or member contributions to the DB, DBS or CB Benefit programs on any compensation that exceeds the limit.

CalSTRS will publish a separate employer information circular to inform employers of the compensation limits for CalSTRS 2% at 62 DB members and CB participants subject to PEPPRA that will be effective July 1, 2022.

Internal Revenue Code Section 415(b) Retirement Benefit Limit

IRC section 415(b) limits the amount of annual retirement benefits that may be received from a tax-qualified pension plan. The annual retirement benefits payable from the CalSTRS DB and CB Benefit programs are subject to the dollar limits imposed by IRC section 415(b).

The limitation on the annual benefit for CalSTRS members or participants, age 65, who participate in the DB or CB Benefit programs is \$208,346 for the 2022 calendar year.

The limit assumes a 2% at 60 benefit formula and is actuarially adjusted for retirement before and after age 65. For example, the 2022 limit for members age 55 with less than 30 years of service is \$123,671; the 2022 limit for members at age 55 with more than 30 years of service is \$125,659; and the 2022 limit for members age 70 is \$212,946.

Any retirement benefits in excess of the limit that are payable to CalSTRS 2% at 60 DB members and CB participants not subject to PEPPRA are payable from the Replacement Benefits Program administered by CalSTRS. No action is required by employers to initiate payment of benefits under the Replacement Benefits Program.

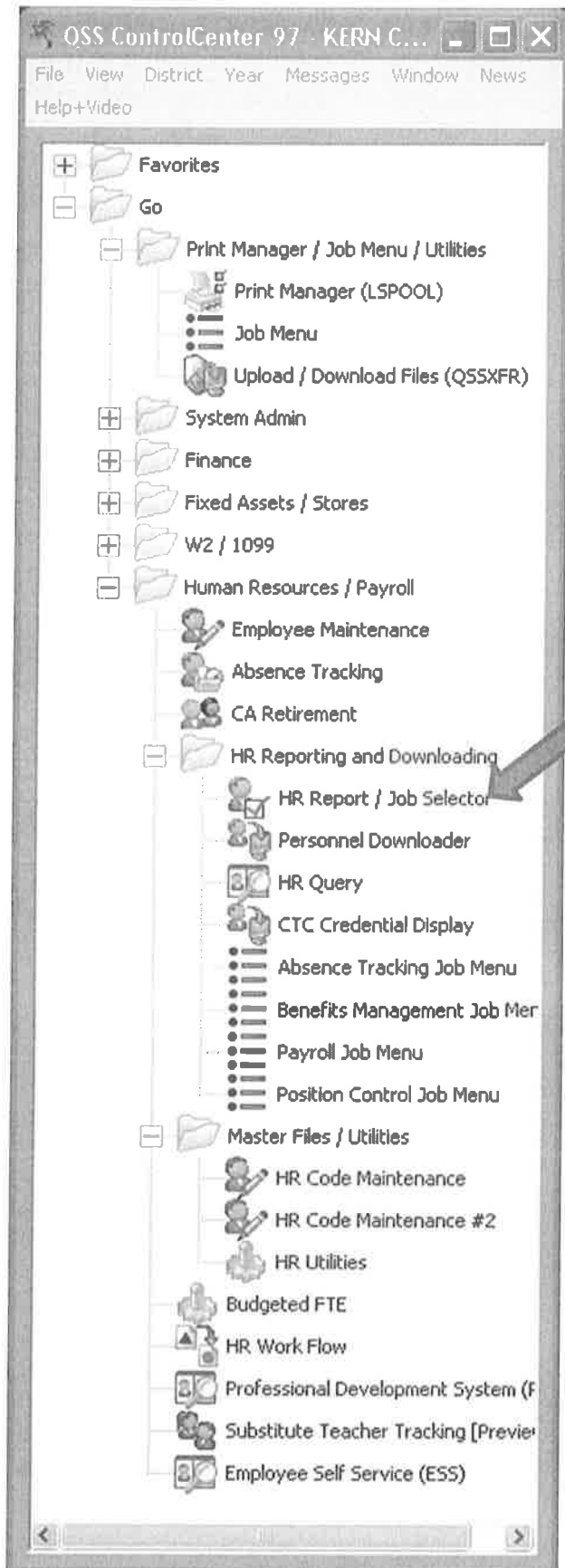
Under federal law, if members or participants were paying the Medicare Part A payroll tax when employed, payments from the Replacement Benefits Program will also be subject to the payroll tax deduction. CalSTRS will work with the member regarding any tax deductions under this part. CalSTRS 2% at 62 DB members and CB participants subject to PEPPRA are not eligible for the Replacement Benefits Program.

If you have any questions regarding this circular, please contact CalSTRS Employer Services at EmployerHelp@CalSTRS.com.

Appendix

IRC Section 401(a)(17) Compensation Limit		
Federal Calendar Year	CalSTRS Plan Year	Compensation Limit
1996	1996-1997	\$150,000
1997	1997-1998	\$160,000
1998	1998-1999	\$160,000
1999	1999-2000	\$160,000
2000	2000-2001	\$170,000
2001	2001-2002	\$170,000
2002	2002-2003	\$200,000
2003	2003-2004	\$200,000
2004	2004-2005	\$205,000
2005	2005-2006	\$210,000
2006	2006-2007	\$220,000
2007	2007-2008	\$225,000
2008	2008-2009	\$230,000
2009	2009-2010	\$245,000
2010	2010-2011	\$245,000
2011	2011-2012	\$245,000
2012	2012-2013	\$250,000
2013	2013-2014	\$255,000
2014	2014-2015	\$260,000
2015	2015-2016	\$265,000
2016	2016-2017	\$265,000
2017	2017-2018	\$270,000
2018	2018-2019	\$275,000
2019	2019-2020	\$280,000
2020	2020-2021	\$285,000
2021	2021-2022	\$290,000
2022	2022-2023	\$305,000

COPY PAYLINES



COPY PAYLINES

HR Report/Job Selector 97 - KERN CSOS TRUST/SERVICE FUNDS OSS/OASIS

File Options Help+Video

Reports | Global Settings | Field Selection | Districts | Employee Selection | Custom Selection Screen | Schedule Job

Show Reports Show Jobs Category:

ID	Name	Description	Category	Access
501	PER680ST	Update Employee Experience	PER	No
502	PER990ST	Reset Job Code --> Job Category Relationship	PER	No
503	PER994ST	Update PER-PAY Data From Employee's Prime Position	PER	No
504	ABT500ST	Request Repair of Orphaned Positions	ABT	No
505	PER500ST	Reset Deduction Accumulators	DED	No
506	PL0900ST	Copy Paylines	PAY	Yes
507	PCT900ST	Re-Calculate Employee Projections	PAY	Yes
508	PCT920ST	Update D-EMP-POSITION with Bonus Recalculations	PAY	Yes
509	PL0402ST	Load Payline Data from Position Control (ENH)	PAY	No
510	ABT994ST	Update Employee Leave Pay Rate	ABT	No
511	PER810ST	Batch Employee Termination	PER	No
512	PER804ST	Reset Calendar Relationships	PER	No
513	PTI100ST	Payroll Timesheet Import	PAY	Yes
514	PCT902ST	Re-Calculate Employee Projections (EH PosCtl)	PAY	Yes
515	PL0400ST	Load Payline Data from Position Control (STD)	PAY	Yes
516	PER800ST	Update Per-Pay Data from Employee Payroll/Pos Data	PER	No

Yr:2014 Dist:97 Site:0 5/27/2014 9:26 AM

COPY PAYLINES

HR Report/Job Selector 99 KERN DATA PROCESSING TEST DI QSS/OASIS

File Options Help+Video

Job 88120

Reports | Global Settings | Field Selection | Districts | Employee Selection | Custom Selection Screen | Schedule Job |

Job: pl0900st - Copy Paylines

Roll Selected Pay Lines to New Year

Required Data	Optional Data
Report Title: 22 to 23	
Run Mode: Report Only	Report Type: Source/Target
From Year: 22 To Year: 23	Non-Terminated Empl Only: <input type="checkbox"/>
Active/Inactive Paylines: Active	Make Inactive Active: <input type="checkbox"/>
Position Number Selection: Both	Zero the Pos Number: <input type="checkbox"/>
Exclude All Pay Lines with SP-EP: <input type="checkbox"/>	Blank the SP-EP: <input type="checkbox"/>
Balance of Contract Pay Line Selection: Both	

You should run the job in Report Only mode first and check the report to see if the result is correct. If report only mode shows odd entries do not proceed to update.

If lines look good, change Run Mode to Update/Report and submit the job.

Pay Lines 99 - TEST DISTRICT QSS/OASIS

File Options Navigation Window

Reset Recalculate Switch to: v

FLINTSTONE, FREDDY U 555-55-5555 7 SEID 5555555555 ABJMAITE

Show SSH YLL-04/07/2022-12:13:25

Ret Sys: 02/00

1/1 - NML

D	Rate	Units	RT	S	Ex-Gross	Pay Type	St-Ded	SP	EP	Ret. Base	AC	P	C	WSC
	\$,335.44	1.00	L		\$,335.44	NDL	IFUNV			5,455.92	08	4	1	
Adjustment >	0.00	0.00			0.00	NDL				0.00	08	4	1	
Name	Pay Schd	HR/DAY	S	B	Start	End	User	Annual Contract	ACA Hours	Days Worked	FTD Paid			
	E12	0.00	1					0.00	0.00	0.00	0.00			
PERS SCT	STRS Service Type	STRS Time Base	STRS Earnings Type	FT Base Hrs										
	TEAC - Teaching	FLTH - Full-Tim		0.00										

AVFG - Special Pay Available Funding
CLDE - Special Pay Certificate/License/Degree
DTSF - Special Pay Difficult to Staff
EXST - Special Pay Excess Students
HIRT - Special Pay Hiring/Transfer/Retirement
LNGV - Special Pay Longevity
PHBN - Special Pay Performance Benchmark
SLRY - Salary

Prct 100.00 L 01-0000-0-1100.00-0000-0000-000-00-000-0000

Totals

File - Cached Yr: 2022 Dist: 99 Site: 00 GS: W 5/24/2022 9:01:46 AM

Pay Lines 99 - TEST DISTRICT QSS/OASIS

File Options Navigation Window

Reset Recalculate Switch to:

FLINTSTONE, FREDDY U 555-55-5555 7 SEID 5555555555 AB|MA|TE

Show SSN VLL-04/07/2022-12:13:25

FY: 22 New... Go... History M:0 E:0 Ret Sys: 02/00

1/1 - NML *

D	Rate	Units	RT	S	Ex-Gross	Pay Type	St-Ded	SP	EP	Rel Base	AC	P	C	WSC
	8,335.44	1.00	L		8,335.44	HML	TPUMV			5,455.92	08	4	1	
Adjustment >	0.00	0.00			0.00	HML				0.00	08	4	1	

Name Pay Sctd HR/DAY S B Start End User Annual Contract ACA Hours Days Worked FTD Paid

E12 0.00 1 1 / / / / 0.00 00 0.00 0.00 0.00

PERS SCT STRS Service Type STRS Time Base STRS Earnings Type FT Base Hrs

FLTH - Full Tm 0.00

Acct Add From Copy *

SBT	Ex-Gross	YTD Paid
...	8,335.44	0.00
...	8,335.44	0.00

New - Cached Yr: 2022 Dist: 99 Site: 00 GS: W 5/24/2022 9:02:26 AM

Pay Lines 99 - TEST DISTRICT QSS/OASIS

File Options Navigation Window

Reset Recalculate Switch to:

FLINTSTONE, FREDDY U 555-55-5555 7 SEID 5555555555 AB|MA|TE

Show SSN VLL-04/07/2022-12:13:25

FY: 22 New... Go... History M:0 E:0 Ret Sys: 02/00

1/1 - NML *

D	Rate	Units	RT	S	Ex-Gross	Pay Type	St-Ded	SP	EP	Rel Base	AC	P	C	WSC
	8,335.44	1.00	L		8,335.44	HML	TPUMV			5,455.92	08	4	1	
Adjustment >	0.00	0.00			0.00	HML				0.00	08	4	1	

Name Pay Sctd HR/DAY S B Start End User Annual Contract ACA Hours Days Worked FTD Paid

E12 0.00 1 1 / / / / 0.00 00 0.00 0.00 0.00

PERS SCT STRS Service Type STRS Time Base STRS Earnings Type FT Base Hrs

FLTH - Full Tm 0.00

Copy All Acct Paste - Acct Add From Copy *

SBT	Ex-Gross	YTD Paid
2-1Y3-1Y4	8,335.44	0.00
0-000-0000	8,335.44	0.00

New - Cached Yr: 2022 Dist: 99 Site: 00 GS: W 5/24/2022 9:02:45 AM

RETIREE KILERB UPDATE SCREENS

Demographic 99 - TEST DISTRICT QSS/OASIS

File Options Navigation Window

FLINTSTONE, FREDDY U 99/555-55-5555 7 SEID 5555555555 AB|MA|TE Chan

Show SSN W:1-03/29/2022

Title	Last Name	First Name	I.	Preferred	Preferred Last	Name History *
MR.	FLINTSTONE	FREDDY	U			

Mailing Address: 113 1/2 CAVE ST Restrict

City: BAKERSFIELD State: CA ZIP: 93311

Hm: (555) 212-7625 T: C Restrict Wk: (555) 223-3466 Ex: T: Oth: (000) - T

Work email: rothomas@kern.org

Home email:

Resident Address: 111 1/2 CAVE ST

City: State: ZIP:

Hire: 02/01/1995 Rehire: Original Hire: Date of Birth: 06/05/1940

Long base: 07/01/1995 Ann base: 07/01/1995 TB Ex: 02/01/2010 Evaluation due: 07/01/2030

Fingerprint: Seniority: 02/01/2000 Prev Seniority: 02/01/1995 Misc:

Type: RT - RET Group: Gender: M I9: B1 C1 Bargaining unit: 00 - UNION

Ethnicity: HW - HAWAIIAN Rep code: 99 - LISA PR Citizen: US - USA

Hispanic/Latino: Race: Ethnic/Race: Disabled: Veteran: # Dependents: 2 Fringe: Loye

Lang 1: Lang 2: Lang 3:

Update employee type to Retired.

W4/Control 99 - TEST DISTRICT QSS/OASIS

File Options Navigation Window

FLINTSTONE, FREDDY U 99/555-55-5555 7 SEID 5555555555 AB|MA|TE

Show SSN VLL-10/12/21

Control Information

Check sort: 0011 - DISTRICT OFFICE Alt check sort: 0000 - NO CODE

Pay code: 08 - CLASS RETIREE W/ H&W BENS EOM Primary RS: 04 - RETIRED PERS Unit: 000

Ret code: 00-4-8 Secondary RS: 00 - NO CODE Unit: 000

Pay schedule: EBEN - EOM BENEFITS ONLY Statutory ded: TPUF - FIT SIT PERM/FU OASD MEDI

DPO: N SUI: 1 - Regular funding EIC: Sub: 0 - Not sub Def Pay Bal: 1

Control group: ACA Class

Ret rate: 0.000000 Member ID: Current: 0000

User def (1): (2): (3): (4): (5): Previous: 0000

Pending ret: Model: 0000

SMF status/date:

Update Pay code – 07 – Certificated with H&W or 08 Classified with H&W

Update Primary RS (retirement system)

Update Pay schedule to EBEN. If a retiree with benefits comes back to work you will not change this screen but use ESUP, MASUP or MBSUP depending on when you are paying them.

Deductions 99 - TEST DISTRICT QSS/OASIS

File Options Window

FLINTSTONE, FREDDY U 99/555-55-5555 7 SEID 5555555555 AB|MA|TE

Show SSN VLL-03/22

Edit Ded Add Ded Copy Ded Copy Selected Delete Ded Reset Ded Delete All Reset All Hold All Ded Ignore All Ded Clear Hold/Ignore

Ln	DS	Code	Code Name	Employee	Employer	T	RL	B	F	S	vb	Minimum	Maximum	Balance	Limit	Start	End
1	12	0022	SISC III-BLUECROSS	0.00	550.00							0.00	0.00	0.00	0.00		

Update deduction screen to retiree premium amounts.

Pay Lines 99 - TEST DISTRICT QSS/OASIS

File Options Navigation Window

Reset Recalculate Switch to: ▾

FLINTSTONE, FREDDY U 99/555-55-5555 7 SEID 5555555555 AB|MA|TE

1 / 1 - NML *

FY: 22 New... Go... History W:0 X:0

D	Rate	Units	RT	S	Ex-Gross	Pay Type	St-Ded	SP	EP	Ret. Base	AC	P	C	WSC
	0.01	1.00	L		0.01	RML	T			0.01	00	4	9	
Adjustment >	0.00	0.00			0.00	RML	T			0.00	00	4	9	

Name	Pay Schd	HR/DAY	S	B	Start	End	User	Annual Contract	ACA Hours	Days Worked	FTD Paid
	EBEN	0.00	1					0.00/00	0.00	0.00	0.00

PERS SCT STRS Service Type STRS Time Base STRS Earnings Type FT Base Hrs

Add Delete Delete All Acct Copy Acct Copy Acct Copy All Acct Paste Acct Add From Copy

Prcnt	FD-RESC-Y-OBJT.S0-GOAL-FUNC-ST2-TY3-TYP4	SBT	Ex-Gross	FTD Paid
100.00	01-0000-0-1100.00-0000-0000-000-00-000-0000	...	0.01	0.00
100.00	***Totals**		0.01	0.00

Add pay line to run benefits using Pay schedule EBEN.

Termination 99 - TEST DISTRICT QSS/OASIS

File Options Window

FLINTSTONE, FREDDY U 99/555-55-5555 7 SEID 5555555555 AB|MA|TE

ChangeMode

Show SSN PAQ-11/12/2013-10:33:12 ▾

Termination reason: RE - RETIREMENT ▾

Termination date: 07/01/2022

OK to rehire? Yes ▾

OK to pay? B - Benefits Only ▾

Use termination date to end open assignments in fy 22? ▾

Direct Deposit: Cancel if set up. ▾

These field selections only apply to employees currently being terminated using this screen. For previously terminated employees, these fields will be read-only.

Date	Comments
06/01/2008	WAS TERMINATED AS A RETIREE 6/30/08
11/12/2013	had to leave



Update Termination screen with termination reason, date, and Benefits only.

MEETING SIGN-IN SHEET

9:30am

Project: Payroll User Group - Quarterly Meeting Meeting Date: Wednesday, 5/25/22 at 9:00am
Facilitator: Vicki Lueck Place/Room: City Centre, Room 1A

DISTRICT	NAME (PRINT)	INITIALS
Arvin	Chuan Chuan	CC
Arvin		
BCSD	Barbara Blamill	BB
BCSD	Elenie Azavedo	EA
Beardsley		
Beardsley		
Belridge		
Blake		
Buttonwillow		
Delano Joint Union		
Delano Joint Union		
Delano Union Elementary	Janelle Miranda	JM
Delano Union Elementary		
DiGiorgio	Ryan Lubatti	RL

DISTRICT	NAME (PRINT)	INITIALS
Edison		
El Tejon		
El Tejon		
Elk Hills		
Fairfax		
Fruitvale	Haley Garcia	hcg
Fruitvale		
Greenfield	Lorrea Ruiz	LR
Greenfield	Elizabeth Proctor	EP
Kernville		
KHSD		
KHSD		
Lakeside		
Lamont		
Lamont		
Lamont		

DISTRICT	NAME (PRINT)	INITIALS
Linns Valley		
Lost Hills		
Maple		
Maricopa	Norris Cokrug	NC
McFarland	Melissa Jester	MJ
McKittrick		
Mojave	Susan Rokkonen	SR
Muroc		
Norris	Veronica Guerra	VG
Norris	Natalie Ansdalghere	NA
Panama-Buena Vista	April Bernal	AB
Panama-Buena Vista	Dawn Wood	DW
Pond		
Richland		
Richland		
Rio Bravo Greeley		

DISTRICT	NAME (PRINT)	INITIALS
Rosedale	Shannon Goldsberry	SG
Rosedale		
Sierra Sands		
Sierra Sands		
South Fork	Debbie Hughes	~
Southern Kern		
Southern Kern		
Standard	Amber Gonzalez	AG
Standard		
Standard		
Taft High	Mandi Evans	ME
Taft City		
Taft College		
Tehachapi		
Tehachapi		
Vineland		

01 Voluntary Deductions: EE 01 deductions post. But, ER side deductions require NML payline. There must be enough funds in the vol ded to cover the credit. If not, please post a positive on the ER side with a NML line to pay the credit. We can not print a negative warrant, if not enough funds we will post a transfer to cover credit out of obj code 9518.

Bonus/Retros: Please contact Vicki before entering these to confirm the correct coding.

Child Support/SDU: EE vol ded and child support totals match. Any changes, please update both screens. If, you have issues, go to the child support screen and in the ' % ' tab, enter 100 and save, DO NOT TAB OUT OF CELL. Run reports PAY228 & PAY600 for vol ded 199, to verify child support balances.

Current Liability: Indicate on 510 prelist title CL Payroll; July mida & July midb are current liability payrolls

DD Prenotes: 2nd and last Friday of the month. If, you delete a DD and the EE isn't due the all the funds from the payroll, please complete a cancel form. So, totals are not reported on their w2.

DD enrollment: please verify you are receiving the request from the EE and not fraudulent email request. Contact EE through phone or personally to confirm the DD request if sent via email. A lot of fraudulent requests are received via email hacking. PLEASE GIVE THIS NOTE TO YOUR ACCOUNTS PAYABLE STAFF for vendor requests.

DOCK: Please use the NML line to make sure you use the correct St-Deds

End of Year (EOY): CL (Current Liability) if July MIDA & MIDB payroll needs to be paid from last fiscal year budget; type on title of prelist CL (current liability), 'T's on Mid payrolls and Roll paylines include KILERB lines.

Pay620: Please review this report when requesting payroll prelist. No negatives, exceptions: Summer payout and STRS excess contribution refunds. If you have a negative please contact us to clear before submitting payroll to auditing.

Retros: dates required, 1st day of month EE started and last date of month retro pays, e.g. 8/1/22-10/31/22

Rolling new year paylines: you must roll budget first and then you can roll payroll lines. Make sure you roll your KILERb lines (non-pay benefits/retirees/board members)

Summer deferral payouts: Prelist for payout month June/July, they will be part of EE count, but not gross wages.

W4 changes: do not change the w4 on mid payrolls for EOM staff receiving mid supplemental pay. It will add back to EOM wages and cause the EE to pay more extra taxes and cause payroll run to halt.