

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS)

CalPERS provides a variety of retirement, disability and survivor benefits for eligible members (non-certificated) within the state of California through contributions from employers and CalPERS members. The defined benefits are payable upon retirement.

Membership

To be eligible for the CalPERS school member benefit retirement formula, you must be employed in a classified position within the District. It is the responsibility of the District to determine if its employees are eligible to participate in CalPERS. For employees who do not qualify for CalPERS, the District will provide a "Notice of Exclusion" form to inform the individual of the reason for not qualifying. Employees who do qualify for CalPERS will be enrolled online by District Office Payroll within 90 days.

Full-Time Classified

CalPERS considers full-time employment to be between 34 and 60 hours per week. Employers generally have the ability to determine what constitutes full-time for an employee provided that the employee works between 34 and 60 hours per week. However, Government Code section 20636.1 specifies that for all non-certificated school members full-time is considered 40 hours per week. This means that all hours up to 40 hours per week must be reported to CalPERS for non-certificated school members at the straight time rate.

Persons in full-time employment whose appointment/employment does not fix a term of employment longer than six months should be monitored; if full-time employment actually continues for more than six months, membership is compulsory, and the effective date of membership cannot be later than the first day of the first pay period of the seventh month of employment.

Less than Full-Time Classified

The standard to consider for the membership eligibility of less than full-time employees is whether they work 1,000 hours (if paid on an hourly basis) or 125 days (if paid on a daily or per diem basis) in a fiscal year (July 1 through June 30). Overtime service is included in computing the 1,000 hours or 125 days.

Time during which the member is paid for time excused from working due to vacation, sick leave, etc., is included in the 1,000 hours.

Once an individual reaches the 1,000 hour threshold within a fiscal year, every subsequent hour worked for the duration of his or her employ is CalPERS eligible.

Local Safety

District employees who are sworn peace officers within the unit shall receive the 2% at 50 Safety PERS plan from the Public Employees Retirement System. Employees within this unit are not enrolled in Social Security.

1959 Survivor Benefit

The benefit is available to the Local Safety member not covered under Social Security. The employee must complete and sign a "Payroll Deduction Card" requesting the deduction of \$2.00 per month.

Separation

Upon receipt of notice from the employee indicating a permanent separation from the CalPERS-covered employment (resignation, termination, etc.), District Office Payroll will notify CalPERS through on-line reporting. Once notified, CalPERS will send a letter of instruction directly to the member.

Switching or Retaining Retirement Systems

If you are a CalPERS member and change to employment covered under certain other public retirement systems in California, such as the California State Teachers' Retirement System (CalSTRS), you can continue your existing CalPERS coverage or change to that other system.

The election to stay within CalPERS:

- must be made within 60 days of the date of hire into your new position;
- must be done on the appropriate CalSTRS form provided by the District;
- is effective as of the date of hire into your new position; and
- is irrevocable and applies to all service for that employer.

If election is not made pursuant to these parameters, you will be switched to the pension system assigned to your new position.

Working After Retirement

California retirement law and federal tax law provide specific employment restrictions for retirees who, without reinstating from retirement, return to work with an employer in the same public retirement system from which they receive a benefit. While certain exceptions and unique situations can arise, the hiring of a CalPERS retiree (retired annuitant) will generally be subject to the following conditions.

- The retired annuitant must meet the bona fide separation requirement.
- A 180-day waiting period from separation of service must be met.
- The retired annuitant has specialized skills needed to perform work of limited duration or their employment is needed during an emergency to prevent stoppage of public business.
- The hours worked do not exceed 960 hours in a fiscal year (July 1 through June 30) for employment with all CalPERS employers combined.
- The pay rate received is not less than the minimum nor exceeds the maximum paid to other employees performing comparable duties, divided by 173.333 to equal an hourly rate.
- No benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate is given.
- You cannot be appointed as a retired annuitant if you received unemployment insurance payments for prior retired annuitant work for any CalPERS employer within 12 months prior to the appointment date. Upon accepting employment, you must certify in writing to the employer that you comply with this requirement.

Retiree employment found to be in violation of the retirement law and regulations is unlawful employment and could be subject to consequences. The consequences may apply to both the retired CalPERS member and the employer.

CalPERS Website: www.calpers.ca.gov

CalPERS Benefit Booklet

CalPERS Retirement Law Book

CalPERS Employer Procedures Manual