NOTES

Welcome and Introductions
- Ed Derman welcomed everyone
- Each person introduced him or herself
- Ed reviewed the agenda
  - Allowed more time for meeting so we can have a more robust discussion and resolve some of the issues
  - Virginia Johnson, CalSTRS staff, will present additional examples of CalSTRS Defined Benefit allowance compared to Social Security benefits, as requested in January
  - Julie Gallego, CalSTRS staff, will present additional information, requested in January
    - Retirement plan options for University of California faculty
    - Community College faculty population data for the Cash Balance and DB programs
  - Review and discuss comparative estimates for the different plan design approaches
    - Earning service credit based on a measurement of minimum earnings and a multiple of the federal minimum wage
    - Whether it may be appropriate to establish a plan like the CB Program as the default plan for part-time employees
    - Benefit estimates if all Community College service was credited to a plan like the CB Program, compared to benefits provided under the DB Program
  - Discuss an issue that came up after January’s meeting related to the different restrictions when retirees return to work under CB and DB
    - Provisions are different and some are necessary to comply with federal law, but changes can be made to provide consistency
    - Carolyn Widener noted this is important in light of recently introduced anti-spiking legislation
    - Proposed anti-spiking rules may prevent employees from increasing retirement benefits towards the end of their careers
    - Part-time employees often need to continue working after retirement because of their relatively small pension benefits
  - Julie will provide an update on the Community College employee survey
Social Security vs. Defined Benefit

- Virginia presented three examples of Social Security and DB benefits
  - All examples -
    - Assumed the career is 35 years; Social Security bases benefit on 35 years of earnings
    - Used the data identified during the 2008 Benefit Comparison and Adequacy Study to be consistent with estimates previously provided
    - Assumed a 4-percent salary increase each year
    - Based the Social Security benefit on turning 62 in 2010 but assumed retiree does not take the Social Security benefit until age 66 (full retirement age for this group)
  - In all examples, DB benefit is larger than Social Security benefit
    - DBS benefits are not included in the DB estimate because too many assumptions would have to be made, rendering the estimates meaningless
  - Estimate A compares benefits if the employee worked full time for 35 years, contributing the entire career either to CalSTRS or Social Security
    - Length of career is not representative of part-time community college employees
    - Average amount of service credit for CalSTRS members working part-time at the community college is about 14 years
    - *Julie’s post-meeting update:* At the 25th, 50th, and 75th percentiles of service credit, the average service credit is –
      - 25th percentile – 6.17 years
      - 50th percentile – 9.11 years
      - 75th percentile – 14.59 years
  - Estimate B compares benefits if the employee worked part time contributing the entire career either to CalSTRS or Social Security
    - Examples use four part-time scenarios –
      - Worked 25 years at .8 percent each year
      - Worked 30 years at .8 percent each year
      - Worked 25 years at .7 percent each year
      - Worked 30 years at .7 percent each year
    - Social Security credits the member for a whole year if they work the majority of the year
    - CalSTRS does not provide credit for the whole year if the member works a partial year
  - Estimate C compares benefits if the employee changes careers mid-way
    - Examples use two scenarios –
      - Worked for private sector for 20 years then CalSTRS for 15 years
      - Worked for CalSTRS for 15 years then private sector for 20 years
    - For someone who worked first in CalSTRS, the final comp is lower because the compensation was paid at the beginning of the career
- Working at CalSTRS at the end of the career gives a better benefit under DB because compensation is typically higher at the end of a career
- Windfall Elimination Provision is applied to Social Security benefit because they don’t have sufficient Social Security credits to avoid it
  - Maximum WEP for someone turning 62 in 2010 is $381
  - The offset cannot be more than half of the CalSTRS benefit
  - In all examples, CalSTRS benefit equals or exceeds $381
- Social Security provides a replacement ratio between 25 and 55 percent
  - High wage earner receives 25 percent replacement ratio
  - Low wage earner receives 55 percent replacement ratio

University of California Faculty and Social Security Coverage
- Julie provided follow-up information about Social Security coverage for University of California employees
  - Full-time employees hired after 1976 are in Social Security and UCRP
  - UC faculty with less than 50 percent load are only in Social Security; they are not in the University of California Retirement Program
  - Provided notes from a 2003 conference call with the UCRP
  - The employee’s contract terms dictate the service credit that is earned
    - Service credit is based on a percentage of a full-time load, as reflected in the contract
    - The UC bases service credit on load
  - The percentage of non-tenured faculty at the UC is larger than at the Community College
  - Julie will follow-up with the UCRP to find out the following –
    - If anyone at the UC works less than 50 percent
    - If payroll is processed through the campus
    - If there are “freeway fliers” and how those are handled
    - If they report the campus load and whether it is aggregated at the UCRP
    - How they handle office hours and duties other than teaching
- There are 9 UC campuses, compared to 72 Community College districts

Service Credit Based on Load
- Part-timer Community College faculty are limited to 67 percent of a full-time load
  - Every college calculates the overall load compared to the load of a full-time teacher for the purposes of tracking tenure
  - Some campuses include additional duties in the load, some do not
    - There is no consistency among Community College districts in the activities that are included in the teachers’ load
    - Employees at different districts accrue different amounts of service credit for the same duties
- Whether additional duties are included in the overall load can be collectively bargained
  - Discussed the different ways that campuses deal with additional duties and pay for those duties
    - Some districts use models that are completely opposite the models used by other districts
    - Whether pay for additional duties is included in the teaching load makes a difference to the final compensation
  - Can CalSTRS administer reporting if each college reports the overall load?
  - Policy question: Is CalSTRS concerned with ensuring consistency between campuses/districts or consistency throughout an individual member’s career?
    - If we used load, one approach to ensure consistency among campuses could be to limit the load to only the classroom teaching assignment, with everything else being credited to DBS Program
    - This results in full-time employees getting service credit for activities for which part-time employees will not get credit
    - It is inequitable to give service credit to part-timers only for teaching when full-time employees get credit for everything they do
  - John Symkowick, CalSTRS staff, talked about a spiking bill that deals with creditable service
    - The bill proposes that any duty, which requires time and receives pay, will receive service credit under the pension system
  - Carolyn talked about how teaching loads do not vary, even when the time requirements for the classes vary
    - Provided an example –
      - Teaching political science course requires same amount of work regardless of whether it’s taught over 56 hours in the fall, 58 hours in the spring, or 48 hours in the summer.
      - Teaching one, 3-unit political science course is equal to a 20-percent load, regardless of the hours that are required.
    - This is why using overall load is more accurate than hours
  - Discussed the differences in compensation earnable and final compensation depending on whether additional duties are included in the load
    - Ed walked the group through an example –
      - Calculated the earnable when pay for additional duties is included in the assignment and reflected in the earnable
        - The earnable goes up because the earnings go up
      - Calculated the earnable when pay for additional duties is reported as a separate assignment and is not reflected in the earnable
        - Whether it gets service credit depends on whether it’s reported as a separate assignment
  - Discussed the types of duties that can be included in an assignment
    - Approach may differ depending on type of additional duty –
      - Release time to do union work
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- Office hours
- Parity pay
- PhD. differential
  - The variation would result in –
    - Employees at different districts accruing different amounts of service credit for the same duties
    - Different calculations of earnings and compensation earnable
- Every campus calculates the percentage of a full-time load of each part-time faculty member
  - Districts should be able to report this number to CalSTRS
  - Inequities result when campuses require different things as part of the 67 percent
  - There’s no standardization about how to calculate the load
  - There is consensus among the group that teachers should get credit equal to the load they are teaching –
    - Teaching 20 percent of a full-time load should result in 0.20 of a year of service credit
  - One approach could be to credit DB with the pay that is associated with the reported load and credit all other pay to DBS
    - This approach does not benefit part-timers
- Decided to defer trying to resolve all of the load issues until it is determined that load is the approach that will be pursued

Cash Balance and Defined Benefit Part-Time Community College Faculty Population
- Julie quickly went over the data
  - CB Program –
    - 11,627 active CB participants
    - 15,037 inactive CB participants
    - In 2007-2008, 113 CB participants retired from the CB Program
      - 20 rolled over lump sums
      - 86 had lump sums paid directly to them
      - 7 chose to annuitize their CB account balance
  - DB Program –
    - 25,760 members employed part-time by a Community College (no K-12 employment)
    - Nearly 55 percent of these DB members are between the ages of 40 and 59
    - 80 percent of these DB members have less than 10 years of service credit
    - Over 58 percent are not vested in the DB Program (have less than 5 years service credit)
- CalSTRS staff answered questions about inactive and active members
- Discussed whether CalSTRS provides advice about consolidating benefits when employees have membership in both programs
We do not contact these members and actively give them this advice
- Consolidating CB and DB benefits may not be the best choice for everyone in every situation
- The decision may hinge on the cost to consolidate compared to the relative size of the DB benefit

Julie will find out the number of inactive CB participants who are now DB members

Due to time, agenda items were moved - discussed the survey prior to lunch, discussed the minimum earnings model after lunch

Community College Employee Survey
- Julie provided an update that the Community College employee survey is almost ready to go out
  - Survey will be distributed to the Community College Human Resources office via email with a link to an external, web-based survey
    - We will ask the HR office to forward the survey link to their certificated faculty
  - Discussed whether the unions are a more reliable source for faculty email addresses
    - Julie expressed concerns about using the union, it may jeopardize the quality of the responses if only union-active employees respond
  - Agreed survey will not catch everyone regardless of distribution approach
  - Employer email distribution lists may not differentiate between full- and part-time faculty
    - The first question in the survey filters out full-time faculty
  - Julie noted this is an online survey that includes protections to avoid multiple responses
  - Discussed additional questions to ask, suggestions include –
    - Whether the employee knows their or their employers’ contribution rates,
    - Whether they are satisfied with their retirement plan choices,
      - Many employees don’t know what kind of retirement plan they are in and as a result the don’t know whether they are satisfied
    - Whether they understand their retirement plan options,
    - Discussed whether the answers to these questions are meaningful for our purposes
      - Carolyn noted this survey could be useful to provide support to the legislature for whatever legislation results from this effort
    - Ask for general comments at the end
      - Responses would be of limited use because it is not attached to a specific member, it is reported as a “laundry list” of comments
- Ask what the choices for retirement were when they were hired at their college
  - Julie noted the questions need to be simple to increase response rate
- Types of employment should be limited to instruction or “non-instructional” because administrators are not part-time employees
- The option for “SDI” (State Disability Insurance) should be added to the list of disability coverage
  - David expressed concern that the survey may look like a brochure to join CalSTRS
    - *Julie’s post-meeting update: Julie has removed the question that asked whether the employee would switch all of their retirement coverage to CalSTRS*
    - *Determined responses would not be valuable*
    - *Sensitive to the issue that David raised*
  - David suggested phrasing questions in a way that reveals the level of investment they are willing to make to their retirement
    - This comfort level will vary depending on type of career and age of members
- Julie noted that Barstow and Ohlone Community College districts did not respond to requests for contact information
- Suggested surveying the employers to find out what plans they offer and what rates they contribute
  - *Julie’s post-meeting update: Julie will begin drafting an employer survey once the employee survey is complete*

**Benefit Estimates: Minimum Earnings**
- Julie provided four estimates of benefits that could be paid under the minimum earnings models
  - Based on different levels of service credit –
    - Less than 5 years
    - 10 years
    - 15 years
    - 20 years
  - Examples represent different working patterns –
    - Paid regularly on a monthly basis
    - Paid lump-sum for several months of work
    - Worked a full year consistently
    - Worked partial years consistently
  - Under minimum earnings, employee earns service credit at an accelerated rate
  - Model uses actual earnings for final compensation
    - Results in significantly lower final compensation
    - May not always result in a drastic difference in the monthly benefits paid under DB and minimum earnings
Tom Barrett noted that large differences in final compensation result in small benefit differences
- $56,000 final comp (earnable) under DB compared to $32,000 final comp (actual earnings) under minimum earnings
- Results in $10 difference in monthly DB benefit compared to monthly minimum earnings benefit
  - In three out of four estimates, the minimum earnings benefit is better than DB

Two of our goals when addressing benefits for part-timers –
  - Ensure consistency throughout a member’s career and
  - Ensure the final compensation period is long enough to prevent spiking

The minimum earnings model would likely be applied to all community college (full- and part-time)
  - This makes it easier to administer in cases when members moved from part-time to full-time employment
  - Carolyn requested estimates of benefits for full-time employees
    - In theory, it should balance-out – a truly full time employee would earn a full year of service credit under each model and their final comp would be the same
    - Julie will provide estimates for full-time employees
  - Discussed how to deal with employees who work more than 100 percent
    - Would these members have DBS accounts?
    - Would DBS be used for service in excess of 1.000?
    - Julie will find out how Colorado PERA handles over loads

To what extent might part-time employees lose jobs to full-time employees who are trying to increase their workload for the purposes of increasing their final earnings?

Minimum earnings may benefit full-time faculty disproportionately

However, this model appears to be relatively simple

Peter Haley explained administration of lump-sum payments, when income is not received every month
  - If the employer reports the income with the months labeled correctly, CalSTRS can credit service for those months
  - We would have to create rules around the service period and the levels of pay that would be required during that time

As long as the employee has earnings by a date specific, they’d get credit for that month
  - Julie will find out how Colorado PERA measures the monthly earnings, whether it is a total for the month, as calculated after the month, or if it is tied to a specific date in the month

Cliff Liehe has concerns about spiking and legitimate variations in workload and does not like the idea of applying this approach to part-timers
  - Those who work a lot at the beginning of their careers don’t benefit from the increased workload
  - Those who work a lot towards the end may be able to spike their pensions
    - There is a lot of inconsistency in the workload of part-timers
Julie will provide alternative solutions for spiking and benefit estimates
Colorado PERA prevents spiking with a 3-year final compensation period and 8 percent cap on annual salary increases
Inherent in a benefit based on final comp is the ability to spike, those who work a lot early in a career don’t receive a pension benefit that reflects the additional workload
  • For full-time, the differences even out over the life of the career
  • For part-time, for whom the benefit is based on earnable, the discrepancy is more apparent

Return-to-Work Provisions under the CB and DB Programs
  • Julie reviewed the provisions for returning to work after receiving a CB, DB and DBS benefit
    o DB and DBS benefits are linked
      ▪ Return to work provisions are found under the DB Program
      ▪ CalSTRS reduces the monthly DB benefit if a retired member earns more than the earnings limit
      ▪ There is no corresponding reduction in the DBS benefit
      ▪ Not everyone takes a DBS annuity
        • There is no way to reduce the lump-sum payment after it has been paid
    o Discussed returning to work before and after age 60 under the CB Program
      ▪ Restrictions are different for an annuity versus lump sum
      ▪ There are no employment restrictions when retiring with a lump sum
    o Re-employment with an employer that offers CB results in automatic reinstatement to CB participation
      ▪ Employers and Employees make contributions, accrue new benefits
  • Focused discussion mostly on CB Program provisions
  • CalSTRS staff clarified CB “Termination Benefit” versus CB “Retirement Benefit”
    o When ending employment due to retirement
      ▪ Participant must be at least age 55
      ▪ The employee files a Retirement Application
      ▪ The employer certifies that the employees has stopped working
      ▪ CalSTRS pays the benefit on the benefit effective date requested by the participant
    o When ending employment due to termination (not disability or retirement) –
      ▪ Benefit paid in lump sum form only
      ▪ Also known as a “refund of contributions and interest”
      ▪ The participant files a Termination Benefit Application
      ▪ The employer certifies they have stopped working
      ▪ The participant is prohibited from performing CalSTRS-covered service for 6 months before CalSTRS pays the benefit
  • Returning to work after receiving a CB Retirement Benefit annuity
    o Retired at age 60 or older, required to wait one year before returning to work
Retired younger than age 60, required to wait until age 60 before returning to work
- Return to work when prohibited, CalSTRS ends retirement annuity
- Returning to work after receiving a CB Retirement Benefit lump sum
  - No restriction on returning to working regardless of retirement age
  - CalSTRS is seeking legislation to make this consistent with the annuity provisions
    - Legislation would prohibit returning to work for six months after receiving a lump sum retirement benefit
- Julie will clarify the following as it relates to retirement –
  - Whether retirees automatically become CB participants if re-employed by an employer that offers CB
  - What happens if they return to work for an employer that does not offer CB
  - How CalSTRS knows retirees are re-employed
- For CalSTRS to pay any kind of DB or DB benefit, all service creditable to CalSTRS must stop
- Some of the return-to-work provisions are tied to federal requirements
  - CalSTRS’ federal tax counsel provides guidance
  - CalSTRS must prove that employees have stopped working before we pay a Retirement or Termination benefit to maintain our tax-qualified status
- CB and DB cannot be completely parallel because they are different types of plans
  - CB is a defined benefit/defined contrition hybrid plan
  - DB is a defined benefit plan
  - If they became more consistent, CB would have to adopt DB’s provisions
  - DB’s provisions cannot be relaxed
- Carolyn expressed frustration over the process for drafting spiking and post-retirement employment legislation
  - CalSTRS has been part of these negotiations and discussions
    - Responsible parties are not receptive to our concerns
  - Earnings after retirement are limited
    - Earnings limit is not as meaningful for high-income workers, compared to lower-income workers (administrators vs. teachers)
- Vast majority of CB retirees take the lump-sum benefit, which allows them to return to work immediately and unrestricted
  - Very few CB participants take an annuity
    - CB account balances are small
    - Plan is relatively young
    - Rates of contributions are relatively low

**Benefit Estimates: CB/DBS Program**
- Julie went over benefit examples if a part-time employee contribute their entire career to a plan like CB
  - Assumed 8 percent employee and 8.25 percent employer contributions
  - Used the DBS Program because benefit would be the same as under CB
• Four examples were provided (labeled A-D)
  o Examples represent different work patterns
  o Compares benefits when employee does and does not have employment outside teaching
  o Shows monthly benefit amount and total account balance
    ▪ Total account balance most meaningful
    ▪ Reflects the Cost of Living Adjustment and Purchasing Power
    ▪ Both are paid under DB but not paid under DBS
  o Assumes the actuarially assumed rate of return on investments
    ▪ DB Program assumes it earns 8 percent interest going forward while the benefit is accumulating
    ▪ The DB annuity will be based on the 8 percent return
  o DB pays a slightly higher benefit than DBS
    ▪ The return on investment is higher
    ▪ There is a slightly higher contribution rate
      ▪ The state contributes to DB but not to DBS
    ▪ Carolyn is concerned that these estimates used a rate of return that is too high
      ▪ Shows an artificially high benefit
  o Ed explained the purpose of the estimates is to show the difference in benefits that are based on a formula that uses service credit, versus benefits based on contributions and interest
    ▪ Julie will provide benefit estimates that use lower interest rate assumptions
    ▪ Difference in benefits will be substantial
    ▪ CB/DBS benefit would be much smaller than the DB benefit
  o Programs are funded through contributions or investment earnings
    ▪ Lower interest rate assumption results in higher contribution rates
  o Creating a CB/DBS program for part-time faculty solves the problem of the district reporting inaccurate information to CalSTRS
    ▪ Employers are able to report employee earnings
    ▪ This also provides the secure retirement that many part-time faculty do not have
    ▪ Advocates for part-time faculty could get more involved if there was a more meaningful program
• Discussed difference between defined benefit and defined contribution plans
  o Defined contribution plan does not guarantee the principle or the interest
  o Defined benefit plan guarantees the principle and an interest rate
  o Unfunded liability results if a defined benefit plan does not earn its assumed rate of interest
    ▪ The Gain and Loss Reserves provide funding when the interest earned is less than assumed
  o CB and DBS programs are hybrid because they have provisions of both defined benefit and defined contribution plans
- Defined benefit because principle and a specified rate of interest earnings are guaranteed
- Defined contribution because the benefit is based on the account balance not a formula
  - “Pro” to CB/DBS is immediate vesting
  - “Cons” to CB/DBS are no meaningful disability and survivor benefits
    - Survivor benefit different from death benefit
      - Survivor benefit is a monthly annuity
      - Death benefit is a lump-sum payment
    - CB/DBS pays death and disability benefits equal to the account balance
    - Cost to fund program increases when disability and survivor benefits are included
      - Amount of monthly benefits would be slightly smaller to offset cost
      - The cost in DB for disability and survivor benefits is relatively small
      - Part of this is mitigated by the large population in DB
- Julie will provide information about the costs associated with making DBS completely equal to DB
  - Assume DBS includes –
    - COLA
    - Purchasing Power
    - Disability benefits for those under age 60
    - Survivor benefits
    - State contribution
  - Provide costs as a percentage of pay
  - Include the provisions that are low cost
    - Any additional provisions will create additional equality among the programs
  - Increasing the population would create more members to share the cost
  - Including the state contribution may create anxiety with lawmakers
  - Possible approach could be to mandate all employers offer both DB and the new alternative (CB/DBS)
    - All part-timers would either elect another plan or default into CB/DBS
    - All full-timers would go into DB
    - No Community College could offer DB to their part-timers
  - It would be important to create consistency between the DB and CB/DBS benefits
    - Consistent provisions for taking a lump sum
    - After 2010, DB no longer allows for a lump-sum benefit
    - May be prudent to limit leakage from the benefit if DB/DBS is the only retirement benefit
    - Policy questions –
• Should DBS allow for a lump sum regardless of the amount in a member’s account?
• What is the most money members should be able to take as a lump sum at retirement?

Recap Different Approaches
• If load could be made to work, many in the group would favor it as the approach
• No one favors the Colorado PERA model (minimum earnings)
  o Many in the group feel they do not understand it well enough to make a decision
• Group wants estimates of DBS benefits that include provisions to make it comparable to DB
• Reiteration of our policy goals –
  • Create a system that is more accurate than the current model
  • Create transparency and ease of administration, plan simplification
  • Create a plan that is easy for employees to understand, easy for employers to administer
  o Group feels that all of this is accomplished with the CB/DBS model
  o CB/DBS model is complex for employees to calculate an estimate of their benefits due to changing interest rate assumptions

Next Meeting
• No meeting in April
• Julie will send out a choice of dates for the next meeting in May

Julie post-meeting update:
• The group may benefit from some contextual data about Community College employees, who are members of the DB Program –
  o There are 40,537 DB members employed by a Community College (full- and part-time)
    ▪ Community College employees are 8.8 percent of the total DB membership
    ▪ Of these 40,537 members, 63 percent are employed part-time
Follow-Up from Last Meeting: Social Security Benefits Comparison

**Estimate A**

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<th>CalSTRS</th>
<th>Social Security</th>
<th>Difference</th>
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<td></td>
<td>Percentile of</td>
<td>Benefit</td>
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<td></td>
<td>CalSTRS part-</td>
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<td></td>
<td>timers</td>
<td>Replacement</td>
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<td>Work full time in CalSTRS or Private Sector</td>
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Follow-Up from Last Meeting: Social Security Benefits Comparison

**Estimate B**

Assumptions:
Member works in employment covered by CalSTRS or Social Security, not both. Therefore WEP not applicable.
CalSTRS = max age factor (2.4) * yrs of service * ave of highest 3 years earnable (full-time salary)
In SS formula, actual salaries * SS inflation factor used

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<tr>
<th>Based on Percentile of CalSTRS part-timers</th>
<th>CalSTRS</th>
<th>Social Security</th>
<th>Difference</th>
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<td>Replacement Ratio</td>
<td>Monthly Benefit</td>
<td>Replacement Ratio</td>
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<td>Work .8 for 30 years (= 24 yrs of CalSTRS service credit)</td>
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<td></td>
<td>50</td>
<td>2,176</td>
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<td>75</td>
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**Follow-Up from Last Meeting: Social Security Benefits Comparison**

**Estimate C**

Assumptions:
Member works in employment under CalSTRS then shifts to employment covered by Social Security or the reverse.
Salaries from Benefits Adequacy Study; discounted 4% per year
CalSTRS = max age factor (2.4) * yrs of service* ave of highest 3 years earnable (full-time salary)
In SS formula, actual salaries * SS inflation factor used
WEP formula assumes age 62 in 2010, but doesn't take benefit until full retirement age

<table>
<thead>
<tr>
<th>Work for private sector 20 years, then shifts to CalSTRS for 15 years</th>
<th>CalSTRS</th>
<th>Social Security</th>
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<td>Based on Percentile of CalSTRS part-timers</td>
<td>Monthly Benefit</td>
<td>Replacement Ratio</td>
</tr>
<tr>
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<td>Monthly Benefit</td>
<td>Replacement Ratio</td>
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<td>25</td>
<td>1,126</td>
<td>35%</td>
</tr>
<tr>
<td>50</td>
<td>1,360</td>
<td>35%</td>
</tr>
<tr>
<td>75</td>
<td>1,682</td>
<td>35%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Work for CalSTRS employer for 15 years, then shifts to private sector for 20 years</th>
<th>CalSTRS</th>
<th>Social Security</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Monthly Benefit</td>
<td>Replacement Ratio</td>
</tr>
<tr>
<td></td>
<td>Monthly Benefit</td>
<td>Replacement Ratio</td>
</tr>
<tr>
<td>25</td>
<td>498</td>
<td>15%</td>
</tr>
<tr>
<td>50</td>
<td>601</td>
<td>15%</td>
</tr>
<tr>
<td>75</td>
<td>743</td>
<td>15%</td>
</tr>
</tbody>
</table>
Follow-Up from Last Meeting: Pension Options for UC Employees

Conference Call with Jill Slocum, Academic Advancement, University of California
Office of the President – phone: 510-987-9482
July 22, 2003
10:00-11:00 a.m.

➤ Jill Slocum is responsible for a special group of faculty working in the health and sciences, such as medical professionals. She has been with the University for many years and has general knowledge of appointment and benefit issues.

➤ Note: an “apples to apples” comparison of the UC retirement system to the Teachers’ Retirement System is not possible. The UC system has many different titles and classifications for their classroom teachers and many of the issues related to retirement benefits are dictated by the title of the assignment to which they are appointed. In addition, many issues related to the appointment are handled at the individual school or department level.

1. The appointment, as communicated in writing, dictates the amount of service credit that will be earned:

   “Full-time” appointment (100%) = one year of service credit (1.00)
   “Partial-year” appointment (50%-99%) = a proportionate percentage of service credit (0.50-0.99)

   ➤ If someone is hired on a part-time basis, the partial-year appointment must be a basis of 50% or more, for one year or more.

   ➤ A full-time appointment is defined by the title of the position into which the person is hired; the title of the position is governed by the type of work that will be expected.

   ➤ There are 5 faculty series; “lecturer” is not considered a faculty category. Only 1 faculty series is considered a tenured position – Associate Professor. Someone appointed to, or advancing into, the position of Associate Professor is considered a tenured faculty member.

   ➤ Tenure requires faculty to have an equal balance of teaching, public service, professional competence and research.

   ➤ Many other categories of assignments never obtain tenure status, such as adjunct professors. Adjust professor positions require a heavier load of teaching and research.
Follow-Up from Last Meeting: Pension Options for UC Employees

2. One year of service is defined as 3 quarters/2 semesters in a 9-month appointment or 4 quarters in an 11-month appointment

- There are two kinds of appointments – 9-month and fiscal year. Most teaching appointments are 9-month assignments. An appointment to a 9-month assignment requires at least 750 hours for the appointee to have “benefit status.”

- For those who do not have “benefit status,” there are 403 (b) and 415 (b) programs available in which the employee can elect participation.

- Is there a class load requirement included in the above definition of full-time?
  - The most common course load for full-time is 9 courses per 9-month academic year (3 courses each quarter). However, this course load is not a requirement; it is just the general rule. Course load is handled at the school or department level. There is currently a study underway to look at course loads.

- Do they calculate non-load based hours (office hours, preparation time, etc.) separately and if so, what is that calculation?
  - No, office hours and prep time are included in the 9-course full-time load consideration.

- Service credit for partial-year appointments is calculated based on the 9-course full-time load. Example: If an employee teaches 1 course each quarter, the employee would receive .33 of a year of service credit. Partial-year assignments are calculated individually at the department level.

- Do they monitor whether the partial-year appointment is fulfilled and if so, how?
  - The university retirement system does not play a role in monitoring whether appointments are fulfilled. Monitoring is done at the department level. All reporting comes to the retirement system through the payroll system.

3. Full-time equivalent is used to calculate the Highest Average Plan Compensation, which is used in the calculation of the retirement benefit

- What is their full-time equivalent and how is it calculated?
  - Full-time equivalent is calculated individually on a department level, based on the 9-month, 9-course load expectation.
Follow-Up from Last Meeting: Pension Options for UC Employees

- Is the HAPC earned or earnable?
  - The HAPC is the highest average full-time equivalent earnable compensation over a three-year period.

- How do they deal with multiple assignments at multiple pay rates?
  - It is very unlikely that a university instructor, even a part-time instructor, would work multiple assignments at multiple pay rates. If this were to happen, the work that is in addition to the career appointment and would count toward the accrual of service credit, but salary is always based on the career appointment. In addition, not all work is applicable towards receiving retirement benefits.
  - Some work may be considered “additional” and outside the contract assignment; the nature of the work determines whether service credit will be earned and credited to the retirement system. Some work may be considered “overtime” and part of the contract assignment; in which case, no additional service credit is earned.
  - The retirement system uses a weighted average to address multiple pay rates when calculating final compensation.

4. Contributions are made by both the University and the employee, but at the time of the research, no contributions were needed due to the positive funding status of the Plan

- Have contributions been reinstated and if so, what are the rates?
  - Employer contributions are not being made. At this time, employee contributions of 2% continue to be made, even though the Plan does not require them for funding. When these contributions are not needed to fund the Plan, they are deposited into an individual account for the employee and can only be withdrawn by the employee at the time of retirement. It is anticipated that employer contributions will begin again sometime in 2004 and at that time, the employee contributions will no longer go to the employee’s individual account, but will go to the general retirement fund.
  - UPDATE: The Board of Regents voted in February 2009 to reinstate employee and employer contributions to the retirement plan. As of April 15, 2010, there will be a 2 percent employee contribution and a 4 percent employer contribution. The employee contribution is expected to increase at a rate of 1 percent annually
Follow-Up from Last Meeting: Pension Options for UC Employees

5. Is there a service credit requirement for the purposes of vesting?
   
   ➢ Yes, an employee must accrue 5 years of service credit to be vested. Part-time employees will take longer than 5 years to accrue the necessary service credit because they earn an amount of service credit that is proportionate to the percentage of their appointment.

6. Is unused sick leave taken into account when calculating service credit?
   
   ➢ 9-month faculty do not accrue sick leave or vacation time. It is expected that they will be in the classroom (or on campus) during university operating hours during their 9-month assignment and take vacation during the 3 month summer break. Academic employees (such as librarians and administrators) who do accrue sick leave will have their unused leave added to the calculation of their service credit.

7. Is the University Retirement Plan coordinated with Social Security?
   
   ➢ Those employees hired prior to 1976 are not coordinated with Social Security. In 1976 there was an election and it was decided that all new hires would be coordinated with Social Security.

8. What section of the California code governs the provisions of the University Retirement Plan?
   
   ➢ Retirement benefits are governed by the UC’s own standing orders. (Jill will send website link to the UCRP)
   ➢ Appointments are governed by the Academic Personnel Manual
Follow-Up from Last Meeting: CB Benefit Program Population Information

### Cash Balance Benefit Program Participant Information

<table>
<thead>
<tr>
<th>Count</th>
<th>Average Account Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Participants</td>
<td>$5,486</td>
</tr>
<tr>
<td>Inactive Participants</td>
<td>$1,898</td>
</tr>
<tr>
<td>Participants commencing a benefit during 2007-08</td>
<td>113</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Types of Benefits</th>
<th>Count</th>
<th>Average lump-sum</th>
<th>$5,457</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lump-Sum rolled over</td>
<td>20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lump-Sum paid directly</td>
<td>86</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annuity</td>
<td>7</td>
<td>Average monthly annuity</td>
<td>$258</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Types of Annuities</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participant-Only Lifetime</td>
<td>2</td>
</tr>
<tr>
<td>Participant’s Lifetime w/ 100% to Beneficiary</td>
<td>1</td>
</tr>
<tr>
<td>Participant’s Lifetime w/ 50% to Beneficiary</td>
<td>1</td>
</tr>
<tr>
<td>5-Year Period Certain to Participant</td>
<td>1</td>
</tr>
<tr>
<td>3-Year Period Certain to Participant</td>
<td>2</td>
</tr>
</tbody>
</table>
Follow-Up from Last Meeting: Defined Benefit Program Population Information

Part-Time Community College Faculty
DB Program Members - Based on Data as of December 2009

- Currently there are 22,123 DB members who are employed strictly on a part-time basis by one community college.
- In addition, there are 3,637 DB members employed on a part-time basis by more than one community college district (a.k.a. “freeway fliers”).
- All total, there are 25,760 DB members employed part-time by one or more community college.
- There are 40,537 DB members employed by a Community College.
- 63% of DB members, who are employed by a CC, are part-time.

What are the ages of these members?

<table>
<thead>
<tr>
<th>Age (in years)</th>
<th>Count</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-89</td>
<td>54</td>
<td>0.21%</td>
</tr>
<tr>
<td>70-79</td>
<td>576</td>
<td>2.24%</td>
</tr>
<tr>
<td>60-69</td>
<td>4,226</td>
<td>16.41%</td>
</tr>
<tr>
<td>50-59</td>
<td>7,753</td>
<td>30.10%</td>
</tr>
<tr>
<td>40-49</td>
<td>6,330</td>
<td>24.57%</td>
</tr>
<tr>
<td>30-39</td>
<td>5,664</td>
<td>21.99%</td>
</tr>
<tr>
<td>20-29</td>
<td>1,154</td>
<td>4.48%</td>
</tr>
</tbody>
</table>

25,757* 99.99%

*3 member records do not include birth dates

How long have they been members of CalSTRS?

<table>
<thead>
<tr>
<th>Length of Membership (in years)</th>
<th>Count</th>
<th>% of Total Part-Time Membership</th>
</tr>
</thead>
<tbody>
<tr>
<td>56+ years</td>
<td>14</td>
<td>0.054%</td>
</tr>
<tr>
<td>50-55</td>
<td>9</td>
<td>0.035%</td>
</tr>
<tr>
<td>45-49</td>
<td>34</td>
<td>0.132%</td>
</tr>
<tr>
<td>40-44</td>
<td>149</td>
<td>0.578%</td>
</tr>
<tr>
<td>35-39</td>
<td>512</td>
<td>1.988%</td>
</tr>
<tr>
<td>30-34</td>
<td>714</td>
<td>2.772%</td>
</tr>
<tr>
<td>25-29</td>
<td>810</td>
<td>3.144%</td>
</tr>
<tr>
<td>20-24</td>
<td>1,409</td>
<td>5.470%</td>
</tr>
<tr>
<td>15-19</td>
<td>2,217</td>
<td>8.606%</td>
</tr>
<tr>
<td>10-14</td>
<td>4,685</td>
<td>18.187%</td>
</tr>
<tr>
<td>5-9</td>
<td>7,164</td>
<td>27.811%</td>
</tr>
<tr>
<td>1-4</td>
<td>7,034</td>
<td>27.306%</td>
</tr>
<tr>
<td>less than 1</td>
<td>1,009</td>
<td>3.917%</td>
</tr>
</tbody>
</table>

25,760 100.000%
Follow-Up from Last Meeting: Defined Benefit Program Population Information

**How much DB service credit do these members have?**

<table>
<thead>
<tr>
<th>Service Credit (in years)</th>
<th>Count</th>
<th>% of Part-Time Total Membership</th>
</tr>
</thead>
<tbody>
<tr>
<td>41-44.999</td>
<td>8</td>
<td>0.031%</td>
</tr>
<tr>
<td>36-40.999</td>
<td>80</td>
<td>0.3%</td>
</tr>
<tr>
<td>31-35.999</td>
<td>241</td>
<td>0.9%</td>
</tr>
<tr>
<td>26-30.999</td>
<td>362</td>
<td>1.4%</td>
</tr>
<tr>
<td>21-25.999</td>
<td>664</td>
<td>2.6%</td>
</tr>
<tr>
<td>15-20.999</td>
<td>1,280</td>
<td>5.0%</td>
</tr>
<tr>
<td>10-14.999</td>
<td>2,488</td>
<td>9.7%</td>
</tr>
<tr>
<td>5-9.999</td>
<td>5,588</td>
<td>21.7%</td>
</tr>
<tr>
<td>0-4.999</td>
<td>15,049</td>
<td>58.4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>25,760</td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

**What is the statewide part-time community college population (including those who are not members of CalSTRS)?**

Statewide Community College Faculty: 63,313  
Full-time (or otherwise Tenure) Faculty: 18,175  
Part-time/Temporary Faculty: 45,156  
Percent of Faculty that is Part-Time/Temporary: 71.30%

25,760 are members of CalSTRS’ DB Program

19,396 are NOT DB members

64% of Statewide Community College faculty are CalSTRS members
### Benefit Estimates for Minimum Earnings Model

<table>
<thead>
<tr>
<th>MEMBER A</th>
<th>DB Program</th>
<th>Minimum Earnings</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Monthly Benefit</td>
<td>$131.01</td>
<td>$151.53</td>
</tr>
<tr>
<td></td>
<td>Service Credit</td>
<td>2.99</td>
<td>8.137</td>
</tr>
<tr>
<td>Final Comp/Highest Earnings</td>
<td>$26,289.96 AFC</td>
<td>$11,172.49 AHAE</td>
<td>$15,117.47 higher final comp under DB</td>
</tr>
</tbody>
</table>

| MEMBER B |          | Monthly Benefit | $373.04 | $390.24 | $17.20 more per month under minimum earnings |
|          |          | Service Credit | 5.087 | 11.143 | 54% more service credit under minimum earnings |
| Final Comp/Highest Earnings | $43,999.08 AFC | $21,012.32 AHAE | $22,986.76 higher final comp under DB |

| MEMBER C |          | Monthly Benefit | $672.34 | $662.32 | $10.02 more per month under DB |
|          |          | Service Credit | 7.169 | 12.131 | 41% more service credit under minimum earnings |
| Final Comp/Highest Earnings | $56,270.52 AFC | $32,758.31 AHAE | $23,512.21 higher final comp under DB |

| MEMBER D |          | Monthly Benefit | $1,165.52 | $1,412.20 | $246.68 more per month under minimum earnings |
|          |          | Service Credit | 13.858 | 19 | 37% more service credit under minimum earnings |
| Final Comp/Highest Earnings | $50,462.88 AFC | $44,595.79 AHAE | $5,867.09 higher final comp under minimum earnings |

In this table:
- “Final Comp” means the annual final compensation (monthly final compensation multiplied by 12 months), as used by CalSTRS to calculate the DB benefit
- “AFC” means annual final compensation
- “Highest Earnings” means the average of the three highest years of salary
- “AHAE” means average highest annual earnings
Benefit Estimates for Minimum Earnings Model

Method:
- Used the same population of part-time employees that was used for the Benefit Comparison and Adequacy Study in 2008
  - Population comprised of all DB members who were employed part-time and retired during the 2006-07 school year
- Used 4 members from this population:
  - Member A: Less than 5 years of service credit (concurrent retirement)
  - Member B: 5 years of service credit
  - Member C: Between 5 and 10 years of service credit
  - Member D: Between 10 and 15 years of service credit
- Identified the monthly earnings for each year of DB membership
- Assumed all examples retired at age 60
  - Used flat rate of 2 percent for all retirements (it is not uncommon for a retirement plan to use a flat rate for all retirements that occur at or over age 60)
- The DB Benefit examples also assume retirement at age 60 and use a 2-percent age factor

Observations:
The monthly minimum earnings model would not necessarily simplify administration for CalSTRS or employers because:
- Members often receive compensation for several months at a time (for example, paid in April for the period January-April)
- As a result, members often do not receive compensation every month
- To remedy, we could either distribute these earnings evenly across the appropriate months or annualize the monthly minimum earnings

A familiar “trade-off” is seen with this model:
- Using the average of the members’ three highest annual earnings results in a lower dollar figure than using final compensation
  - The average highest annual earnings is approximately one-half of the amount of the final compensation (earnable)
- Members earn more service credit under the minimum earnings model, though on a sliding scale
  - The longer a member works, the smaller the difference in service credit
  - Members at the low end earn 63 percent more service credit under minimum earnings
  - Members at the high end earn only 24 percent more service credit under minimum earnings
- This trade-off between lower annual earnings and higher service credit results in benefits that are similar to the benefits received under the pre-1996 structure that used a higher full-time equivalent (1,050 hours/year) and provided service credit in proportion to full-time
Benefit Estimates for Minimum Earnings Model

- Members can receive a benefit that is slightly higher than their current DB benefit under minimum earnings
- In one case, the member would receive a better benefit under DB than minimum earnings
Discussion: Alternative CB/DBS Program Estimates

Cash Balance Benefit Program

Benefits Provided
- Retirement and disability benefits – lump sum or annuity
- Termination benefit – lump sum

Requirements to Receive Benefits
- Termination of all CalSTRS-covered employment
- Termination Benefit requires a waiting period between application and receipt of the benefit; creditable employment is prohibited during the waiting period
  - If creditable employment is performed during waiting period, CalSTRS cancels application for benefit

Post-Benefit Employment
- Creditable employment is restricted once a Retirement or Disability annuity begins
  - Creditable employment prior to age 60 is prohibited
  - Creditable employment after age 60 is prohibited only under the Retirement Annuity; the prohibition is waved if the participant waits 12 months before returning to work
  - If creditable employment is performed when prohibited, CalSTRS cancels the annuity
- The former CB participant is allowed to perform unlimited amounts of creditable service after receiving a lump-sum benefit of any kind
- After receiving any CB benefit, if creditable service is performed for an employer that offers the CB Program, the employee is automatically instated to CB participation
  - Employer and employee contributions are required
  - A new benefit is accrued

Defined Benefit Program

Benefits Provided
- Retirement and disability benefits – annuity
- Termination benefit – lump sum

Requirements to Receive Benefits
- Termination of all CalSTRS-covered employment
- There are no waiting periods required between application and receipt of any benefit

Post-Benefit Employment
- Creditable employment at any age is limited after beginning a retirement or disability annuity
  - If retired member’s creditable earnings exceed the limit, CalSTRS reduces the retirement annuity equal to the excess
  - If disabled member’s earnings exceeds the limit, CalSTRS cancels the disability annuity
- Employment within the limit does not affect the annuity
Discussion: Alternative CB/DBS Program Estimates

- No employer or employee contributions are required
- No new benefit is accrued

- After receiving a Termination benefit, if creditable service is performed that is subject to DB membership, the employee is automatically instated to active DB membership
- After beginning any annuity, a member can terminate the annuity and reinstate to DB membership
  - Employer and employee contributions are required
  - A new benefit is accrued

Defined Benefit Supplement Program

Benefits Provided
- Retirement and disability benefits – annuity or lump sum
- Termination benefit – lump sum

Requirements to Receive Benefits
- Termination of all CalSTRS-covered employment
- Termination Benefit requires a waiting period between application and receipt of the benefit; creditable employment is prohibited during the waiting period
  - If creditable employment is performed during waiting period, CalSTRS cancels application for benefit

Post-Benefit Employment
- DBS has the same restrictions as DB
- Consequence of violating restrictions is loss or reduction of DB annuity
- DBS lump sum or annuity not impacted if member violates DB employment restrictions
- Because creditable earnings within the DB earnings limit does not require employer or employee contributions, no new DBS benefit is accrued
- After receiving a DBS Termination Benefit, if creditable service is performed that is subject to DB membership, the employee is automatically instated to active DB and DBS membership
- After beginning any annuity, a member can terminate the annuity and reinstate to DB and DBS membership
  - Employer and employee contributions are required
  - A new benefit is accrued
Discussion: Alternative CB/DBS Program Estimates

**Benefit Estimates**
Part-time Community College Employee Contributes Entire CalSTRS Career to the Defined Benefit Supplement Program

Employer contribution: 8.25%
Employee contribution: 8%
Average annual wage increase: 4.25%
Final Compensation: 3 Years

Note:
- DBS does not have a 2-percent cost of living adjustment
- DBS does not receive Purchasing Power Protection benefits
- The State contributes an additional amount to the DB Program but not to the DBS Program
- If contributions to CB were equal to DB contributions, benefit payable would be equal to these DBS estimates

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age at retirement</strong></td>
<td>63</td>
<td>63</td>
<td>63</td>
<td>63</td>
</tr>
<tr>
<td><strong>1st Career</strong></td>
<td>15 yrs CalSTRS</td>
<td>25 yrs CalSTRS</td>
<td>10 yrs private</td>
<td>15 yrs private</td>
</tr>
<tr>
<td><strong>2nd Career</strong></td>
<td>10 yrs private</td>
<td>0 yrs private</td>
<td>15 yrs CalSTRS</td>
<td>10 yrs CalSTRS</td>
</tr>
<tr>
<td><strong>DBS Program</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Account Balance/ Lump-Sum Benefit</td>
<td>$152,434</td>
<td>$215,636</td>
<td>$104,315</td>
<td>$63,201</td>
</tr>
<tr>
<td>Monthly Lifetime Annuity</td>
<td>$1,173</td>
<td>$1,659</td>
<td>$803</td>
<td>$486</td>
</tr>
<tr>
<td><strong>DB Program</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Value of Benefit</td>
<td>$96,788</td>
<td>$244,586</td>
<td>$146,751</td>
<td>$97,834</td>
</tr>
<tr>
<td>Beginning Monthly Allowance</td>
<td>$603</td>
<td>$1,523</td>
<td>$914</td>
<td>$609</td>
</tr>
<tr>
<td>CalSTRS Service Credit (0.7 earned each year – used to calculate DB benefit)</td>
<td>10.5</td>
<td>17.5</td>
<td>10.5</td>
<td>7</td>
</tr>
</tbody>
</table>
Survey of Community College Employees

Survey questions (with directions in italics)

1. Does your Community College employer consider you to be a full- or part-time employee? (“Full-time” may also mean a regular, tenure, or contract employee; “part-time” may also mean adjunct or temporary employee.)
   a. I am considered a full-time (regular or tenure) employee by my Community College employer.
   b. I am considered a part-time (adjunct or temporary) employee by my Community College employer.

   Answer a - survey is complete
   Answer b - continue to question 2

2. Are you currently a member of CalSTRS?
   a. Yes.
   b. No.

   Answer a - skip to question 6
   Answer b - continue to question 3

3. As a part-time Community College employee, were you aware that you could elect to be a member of the CalSTRS Defined Benefit Program?
   a. Yes
   b. No

   All answers continue to question 4

4. Do you currently have a life insurance policy or a death benefit that is payable to your loved ones if you die before you retire (select all that apply)?
   a. I do not have life insurance or death benefit coverage.
   b. I have death benefit coverage through Social Security.
   c. I have death benefit coverage through my retirement program (other than Social Security).
   d. I have life insurance or other death benefits through a private policy that I purchase through my employer or union.
   e. I do not know if I have disability insurance or coverage.

   All answers continue to question 5
Survey of Community College Employees

5. Do you currently have disability insurance or a disability benefit that you can use if you become disabled and cannot perform work for your Community College employer (select all that apply)?
   a. I do not have disability coverage.
   b. I have disability coverage through Social Security.
   c. I have disability coverage through my retirement program (other than Social Security).
   d. I have disability coverage through a private policy that I purchase through my employer or union.
   e. I do not know if I have disability insurance or coverage.

All answers - skip to question 7

6. How did you become a member of CalSTRS?
   a. I elected to be a member of the Defined Benefit Program.
   b. I was automatically enrolled as a member of the Defined Benefit Program.
   c. I elected to be a member of the Cash Balance Benefit Program.

All answers - continue to question 7.

7. Are you currently employed by more than one Community College district?
   a. Yes.
   b. No.

All answers - continue to question 8

8. Please indicate the retirement plan(s) under which you have coverage for your Community College employment (if you have more than one Community College employer, select all that apply):
   a. CalSTRS Defined Benefit Program
   b. CalSTRS Cash Balance Benefit Program
   c. Social Security
   d. Public Agency Retirement System (PARS)
   e. Accumulation Program for Part-time and Limited-service Employees (APPLE)
   f. Pension Eligible Alternative Retirement (PEAR)
   g. Bencor
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h. Other ________________________
   i. I don’t know.

Answer a or b ONLY - skip to question 10
If answer includes c-i - continue to question 9

9. If given the opportunity to change retirement plans, would you elect CalSTRS membership for all of your Community College employment?
   a. I would elect CalSTRS membership.
   b. I would continue with the retirement plan coverage that I currently have.
   c. At this time I do not know which retirement plan I would choose.

All answers - continue to question 10

10. Is your Community College employment your primary employment?
   a. Yes, I only work in the Community College.
   b. Yes, the majority of my employment is with the Community College, though I have other employment, as well.
   c. No, the majority of my employment is outside of the Community College.

Answer a - skip to question 13
Answer b or c - continue to question 11

11. What type of organization do you work for, in addition to the Community College?
   a. Private educational institution
   b. Other private-sector employment (including self-employed)
   c. California State University
   d. University of California
   e. Other public-sector employment
   f. Nonprofit

All answers - continue to question 12

12. Do you contribute to Social Security for the employment that you indicated in the previous question?
   a. Yes
   b. No
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c. I don’t know.

All answers - continue to question 13

13. What type of certificated service do you perform for your Community College employer (select all that apply)?
   a. Classroom teacher/instructor
   b. Administrator
   c. Other (counselor, librarian, etc.)

All answers - continue to question 14

14. Does your Community College employer provide you with sick leave?
   a. Yes
   b. No
   c. I don’t know.

End of survey.