



## District Business & Advisory Services

Mail Code: 252

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**Bulletin: 13-068**

Date: April 15, 2013

To: Charter School Administrators

From: Joyce Shen  
Advisor, District Business & Advisory Services

Re: Direct Funded Charter School Retirement Reporting  
**Memorandum of Understanding for FY 2013-14**

**Deadline: July 1, 2013**

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The purpose of this bulletin is to remind all Direct Funded Charter Schools to submit their Memorandum of Understanding (MOU)<sup>i</sup> and fees for Retirement Processing Services to the Santa Clara County Office of Education on or before July 1, 2013. As promised we reviewed the costs of our reporting services and reduced the fee to \$1,800 for fiscal year 2013-14. The MOU and the 2013-14 fees are required for all Direct Funded Charter Schools who offer CalSTRS retirement to their employees and are not to be confused with other administrative fees that are charged by your authorizing agency.<sup>ii</sup>

Charter Schools have the unique ability to decide whether to provide CalSTRS benefits and services to their employees (Education Code 47605). Charter Schools must meet the following criteria to participate in CalSTRS retirement programs:

- Are recognized as a public Charter by the California Department of Education
- Elect participation in CalSTRS and enroll eligible employees (members)
- Provide documentation to CalSTRS confirming participation before reporting contributions
- Report contributions to CalSTRS via School District or County Office of Education. The School District or County Office of Education may charge the Charter School to cover the actual costs of the reporting services (Ed Code 47611.3)

If a Charter School elects to participate in CalSTRS or CalPERS or both, the Charter School is required to inform all applicants for positions within the Charter School of the retirement system options for the employees of the Charter School. If a Charter School chooses to make the CalSTRS Retirement Plan available, all employees of the Charter School who perform creditable service shall be entitled to have that service covered under that plan. Additionally, once a Charter elects to participate in CalSTRS, all parts of the Teachers' Retirement Law apply (Ed Code 47611).<sup>iii</sup>

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<sup>i</sup> Memorandum of Understanding attached.

<sup>ii</sup> Bulletin 12-140 May 16, 2012 Direct Funded Charter School Retirement Reporting

<sup>iii</sup> <http://www.calstrs.com/overview/retirement-benefits-charter-schools>