



District Business & Advisory Services

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Bulletin: 18-006

Date: September 27, 2017

To: District Chief Business Officers
District Fiscal Directors
Payroll and Human Resource Managers
Charter School Administrators

From: Nghia Do, Advisor – DBAS

Re: Refund of Fiscal Year 2016-17 CalSTRS Excess Contributions

The District Business and Advisory Services (DBAS) has now received the California State Teachers’ Retirement System (CalSTRS) refunds for excess contributions made during FY2016-17. Attached is a listing, by district, of excess employer and member contributions as determined by CalSTRS.

Excess contributions commonly occur when a member works for more than one employer or performs extra duties above the contracted days or hours, accumulating service credit in excess of one year. The service credit and contributions in excess of one year cannot be reported in the CalSTRS Defined Benefit (DB) program. These excess contributions and service credit are reported in the Defined Benefit Supplement (DBS) program at contribution rates which are lower than that of the Defined Benefit Plan. Therefore, earnings transferred from DB to DBS accounts result in an overpayment of employer and employee contribution. The table below illustrates the difference between the DB and DBS contribution rates for FY2016-17.

FY2016 - 17			
	DB Contribution Rate	DBS Contribution Rate	Difference (Excess)
Employer	12.5800%	8.2500%	4.3300%
2% @ 60 Members	10.2500%	8.0000%	2.2500%
2% @ 62 Members	9.2050%	8.0000%	1.2050%

In the annual member statement, CalSTRS has notified all members who should receive a refund of excess contributions by listing the refund as a separate line item in the member’s statement.

In accordance with the attached report, DBAS has processed the total amount of excess employer and employee contributions due to each school district. Funds were transferred to the following fund-objects:

- Dependent school districts: 010-9920
- Fiscally Accountable/Independent school districts: 010-9920
- Charter schools: payments through Automated Clearing House (ACH)

The refund of the FY 2016-17 employer contribution expenditures should be accounted for as a revenue in the current fiscal year (CSAM Procedure 560). Districts will be responsible for re-classifying the refund of the employer contributions to an appropriate revenue object code.

To further assist districts, in a separate message with the STRS refund listing, DBAS has provided Districts with the information on each’s employee’s current status as either active or terminated. Please confirm the accuracy of the information provided before using the data and notify me of any discrepancies.

For active employees, please process the refunds in the October end of month payroll (October 31, 2017). The refund should be processed as an excess contribution, a negative amount in the deduction (PD) screen using **Vol-Ded code 7460 STRS Excess Contribution**.

For terminated employees’ refunds should be processed with the November 10th of month payroll (November 10, 2017) by setting up a “penny pay line” for each of these employees as follows:

- Create a penny (.01) pay line using **Stat-Ded NNNN** and **AC-P-C code 00-0-0**
- Select **‘YES’** for the option **‘OK to pay?’** in Termination (TE) screen

Districts can choose to process employees’ refunds on their own or authorize their DBAS service team to perform a mass upload of refunds to the employees’ QCC PD screen. Please contact the service team for more details or support on how to perform a mass upload of refunds.

Whether processing refunds on your own or with authorization to the DBAS service team for support on making a mass upload of refunds to the employees’ PD screen, the establishment of the “penny pay line” for terminated employees must be performed at the district level.

Refunds will be listed as a negative amount and displayed as a miscellenous item, as “STRS EXCESS CONTRIBUTION” on the employee’s paystub

DEDUCTIONS	TAX DEFERRED	EMPLOYER	EMPLOYEE
FEDERAL TAX			2,098.56
STATE TAX			728.18
MEDICARE		191.01	191.00
STRS	Y	1,466.29	1,257.21
UNEMPLOYMENT INSURANCE		6.59	
WORKER’S COMP. INSURANCE		206.28	
STATUTORY DEDUCTION TOTAL		1,870.17	4,274.95
MIS1STRS EXCESS CONTRIBUTION			-111.74
DUE ASSOC OF COLLEGE EDUCATOR			104.54
LIF METLIFE			51.30
MED1 BLUE SHIELD OF CALIF PPO	Y	1,634.38	493.00
DEN DELTA DENTAL PLAN		125.16	
DIS UNUM PROVIDENT		27.00	
EYE VISION SERVICE PLAN		18.46	
VOLUNTARY DEDUCTION TOTAL		1,805.00	537.10

Please distribute this memo within your District as deemed appropriate.

FY2016-17 STRS EXCESS CONTRIBUTIONS REFUND - DEPENDENT SCHOOL DISTRICTS

Report Unit Number	Report Unit Name	Excess Member Contributions	Excess Employer Contributions	Total Refunded Contributions
43107	BERRYESSA UNION ELEMENTARY SD	9,388.70	18,912.48	28,301.18
43108	CAMBRIAN SD	5,383.00	10,931.46	16,314.46
43109	CAMPBELL UNION ELEMENTARY SD	13,745.90	29,457.62	43,203.52
43112	EVERGREEN ELEMENTARY SD	13,413.17	26,268.63	39,681.80
43113	FRANKLIN-MCKINLEY ELEMENTARY SD	14,533.57	30,322.64	44,856.21
43117	LAKESIDE JOINT SD	224.95	432.90	657.85
43119	LOMA PRIETA JOINT UNION ELEMENTARY SD	2,812.67	5,639.60	8,452.27
43120	LOS ALTOS ELEMENTARY SD	8,069.76	17,217.96	25,287.72
43121	LOS GATOS UNION ELEMENTARY SD	9,585.24	18,547.96	28,133.20
43122	LUTHER BURBANK SD	1,054.91	2,047.47	3,102.38
43126	MORELAND ELEMENTARY SD	14,298.23	30,367.48	44,665.71
43128	MOUNT PLEASANT SD	5,609.51	12,244.40	17,853.91
43129	MOUNTAIN VIEW WHISMAN SD	13,329.91	29,081.09	42,411.00
43130	OAK GROVE ELEMENTARY SD	13,464.96	27,724.35	41,189.31
43131	ORCHARD ELEMENTARY SD	1,352.35	2,865.85	4,218.20
43136	SARATOGA UNION ELEMENTARY SD	3,722.57	7,415.75	11,138.32
43137	SUNNYVALE SD	17,631.26	36,736.89	54,368.15
43139	UNION ELEMENTARY SD	14,074.83	29,563.49	43,638.32
43151	CAMPBELL UNION HIGH SD	40,355.97	80,954.75	121,310.72
43153	FREMONT UNION HIGH SD	36,353.01	74,083.69	110,436.70
43156	LOS GATOS-SARATOGA JOINT UNION HIGH SD	12,322.37	24,033.04	36,355.41
43157	MOUNTAIN VIEW-LOS ALTOS UNION HIGH SD	22,048.12	44,151.14	66,199.26
43162	METROPOLITAN EDUCATION DIST	5,026.05	9,869.77	14,895.82
43175	WEST VALLEY-MISSION COM COLL DIST	99,971.73	195,650.30	295,622.03
43181	PALO ALTO UNIFIED SD	53,088.79	108,029.81	161,118.60
43183	GILROY UNIFIED SD	59,187.74	120,325.51	179,513.25
43184	MORGAN HILL UNIFIED SD	19,103.21	41,166.01	60,269.22
43185	MILPITAS UNIFIED SD	37,220.12	75,868.61	113,088.73
43188	SANTA CLARA UNIFIED SD	80,443.82	163,059.04	243,502.86
43190	SANTA CLARA COE	36,073.57	72,957.49	109,031.06
TOTAL		662,889.99	1,345,927.18	2,008,817.17

FY2016-17 STRS EXCESS CONTRIBUTIONS REFUND - FISCALLY ACCOUNTABLE/INDEPENDENT

Report Unit Number	Report Unit Name	Excess Member Contributions	Excess Employer Contributions	Total Refunded Contributions
43104	ALUM ROCK UNION ELEMENTARY SD	25,922.01	54,074.15	79,996.16
43152	EAST SIDE UNION HIGH SD	113,043.14	230,153.18	343,196.32
43171	FOOTHILL DE ANZA CCD	226,313.73	445,219.09	671,532.82
43172	GAVILAN JOINT CCD	37,107.36	74,021.02	111,128.38
43176	SAN JOSE EVERGREEN CCD	125,344.51	243,182.01	368,526.52
43182	SAN JOSE UNIFIED SD	145,074.98	296,864.07	441,939.05
TOTAL		672,805.73	1,343,513.52	2,016,319.25

FY2016-17 STRS EXCESS CONTRIBUTIONS REFUND - CHARTER SCHOOLS

Report Unit Number	Report Unit Name	Excess Member Contributions	Excess Employer Contributions	Total Refunded Contributions
43133	SPARK CHARTER	416.06	810.66	1,226.72
43141	BULLIS CHARTER	2,006.53	4,602.28	6,608.81
43142	LEADERSHIP PUBLIC SCHOOLS-SAN JOSE	23.40	59.45	82.85
43143	CHARTER OF MORGAN HILL	218.97	457.44	676.41
43146	DISCOVERY CHARTER	1,084.11	2,501.63	3,585.74
43147	ROCKETSHIP MATEO SHEEDY ELEMENTARY	959.10	2,936.15	3,895.25
43148	UNIVERSITY PREPARATORY ACADEMY CHARTER	2,562.01	5,198.08	7,760.09
43149	VOICES COLLEGE-BOUND ACADEMY	96.43	185.57	282.00
43158	GILROY PREP SCHOOL	113.46	300.65	414.11
43159	CORNERSTONE ACADEMY PREPARATORY	315.80	833.04	1,148.84
43165	SILICON VALLY FLEX ACADEMY	748.46	1,610.27	2,358.73
43167	ROCKETSHIP MOSAIC ELEMENTARY	190.21	624.32	814.53
43186	DOWNTOWN COLLEGE PREP-SAN JOSE USD	2,203.93	6,139.06	8,342.99
43187	DOWNTOWN COLLEGE PREP-ALUM ROCK SCHOOL	2,241.48	6,153.13	8,394.61
43240	ACE CHARTER	699.37	2,158.62	2,857.99
43252	THE FOUNDATION FOR HISPANIC EDUCATION	3,141.69	8,025.06	11,166.75
43352	SAN JOSE CONSERVATION CORPS	478.75	921.30	1,400.05
43452	ESCUELA POPULAR ACCELERATED FAMILY LEARNING SCHOOL	524.81	1,422.62	1,947.43
TOTAL		18,024.57	44,939.33	62,963.90