



District Business and Advisory Services

Judy Lee Kershaw, Director - DBAS: 408-453-6599

Bulletin: 19-018

Date: January 29, 2019

To: District Chief Business Officers
District Fiscal Directors
District Personnel and Payroll Directors

From: Nghia Do, District Business Advisor

Re: **Action Required:** California State Teachers' Retirement System (CalSTRS) Data Conversion Clean Up

The purpose of this bulletin is to inform districts that CalSTRS has been preparing for the implementation of its new pension system by conducting system maintenance efforts to align the data visible on Remote Employer Access Program (REAP) to reflect CALSTRS' internal system's data, specifically regarding member contributions.

As a result of this data alignment effort, CalSTRS has identified a population of individuals established in Secure Employer Web Site (SEW) as non-member that is not in agreement with payroll data that has been reported with member code 1. Based on this preliminary research, CalSTRS concludes that these individuals are truly non-members and both member and employer contributions should not have been collected nor remitted for the identified periods of non-member service.

CalSTRS has compiled a list of individuals whose payroll data may have been reported incorrectly with member code 1. The following information are included in the list:

- Report Unit
- CalSTRS Client ID
- Member Tax ID (SSN Number)
- Fiscal year of reporting
- Member Contribution Amounts (Pre-tax and Post-tax)
- Employer Contribution Amounts
- Non-member date
- Individual's name (first, middle initial, Last)
- The last known address CalSTRS has on file

ACTION REQUIRED:

 Districts:

1. Review the CalSTRS list of data discrepancies that will be emailed to your district by your service team advisor.
2. Determine the appropriate membership date for each identified employee and update the information in REAP. CalSTRS has established a deadline of 45 calendar days (approximately the first week of March 2019) to complete this work.
3. If districts fail to review and establish the correct membership date for these individuals by the deadline, CalSTRS will adjust the payroll data and refund both the related employee and employer contributions to the district. Districts will then have the responsibility of returning the employee contributions to those individuals who were working as non-members.

Please distribute this memo within your District as deemed appropriate.