



District Business and Advisory Services

Bulletin: 20-034

Date: May 13, 2020

To: District Human Resource and Payroll Managers
District Human Resource and Payroll Personnel

From: Nghia Do, District Business Advisor

Re: California Public Employees Retirement System (CalPERS) and California State Teachers' Retirement System (CalSTRS) Recent Updates

Updates on CalPERS:

The Families First Coronavirus Response Act (FFCRA) that became Public Law No: 116-127 on March 18, 2020 provides emergency paid sick leave and/or emergency family and medical leave to eligible employees between April 1, 2020 and December 31, 2020. Below are the guidelines from CalPERS for reporting paid leave under the FFCRA:

1. Membership Reporting
 - Reporting to CalPERS all hours of sick leave and/or family and medical leave paid to an employee under the FFCRA.
 - Including the paid hours of sick leave and/or family and medical leave under the FFCRA when determining if part time, seasonal, or intermittent employee reaches 1,000 hours of service within a fiscal year.
2. Post Retirement Employment Reporting
 - Retired annuitants can receive paid sick leave and/or family and medical leave under the FFCRA.
 - ✓ The payment to a retired annuitant for sick leave and/or family and medical leave under the FFCRA is not considered to be prohibited benefits under applicable working after retirement laws
 - ✓ A retired annuitant will not be subjected to reinstatement solely for receiving the payment.
 - Reporting to CalPERS a retired annuitant's paid hours of sick leave and/or family and medical leave under the FFCRA.
 - Including a retired annuitant's paid hours of sick leave and/or family and medical leave under the FFCRA in the 960-hour per fiscal year limitation.
3. Compensation Reporting
 - All paid hours of sick leave and/or family and medical leave covered by the FFCRA are compensation earnable or pensionable compensation and should be reported to CalPERS.

4. Payroll Reporting

- Reporting the paid hours of sick leave under the FFCRA in the same manner as other sick leave.
- Reporting the paid hours of sick leave covered by the FFCRA at the member’s regular full-time base pay rate with the appropriate corresponding earnings that is paid to the employee, not to exceed earnings for full-time service.
 - ✓ The full-time pay rate reported to CalPERS should not include additional benefits or non-pensionable items.

Updates on CalSTRS:

✚ Assembly Bill (AB) 1452 makes minor and clarifying changes to Education Code (Ed Code) sections 22501, 22502, 22503, 22504, 22601.5, 22602, 22604, 26400, 26401, and 26403 regarding CalSTRS mandatory membership qualification in the Defined Benefit Program. The following updates took effective on **January 1, 2020:**

1. Membership date for an employee employed at 50% or more of full-time for school district or county office of education is the first day of employment.
2. Membership date for a part time employee on a non-temporary basis at a community college is also the first day of employment.

✚ Annual Postretirement Earnings Limit for retired CalSTRS members for the fiscal year 2019-20 and 2020-21 as follow:

Annual Postretirement Earnings Limit	
FY2019-20	FY2020-21
\$46,451	\$47,713

Additional information can be found in the CalPERS Circular Letter 200-021-20 and CalSTRS Employer Directives 2020-02 and 2020-03.

<https://www.calpers.ca.gov/docs/circular-letters/2020/200-021-20.pdf>

<https://www.calstrs.com/sites/main/files/file-attachments/directive2020-02.pdf?1583278961>

<https://www.calstrs.com/sites/main/files/file-attachments/directive2020-03.pdf?1585347448>

Please distribute this memo within your District as deemed appropriate.