Santa Clara County Office of Education
Dr. David M. Toston, Sr.
County Superintendent of Schools

Informational Bulletin
For Santa Clara School Districts

District Business and Advisory Services

Bulletin: 27-008

Date: November 4, 2026

To: District Chief Business Officers
District Directors of Fiscal Services
District Human Resources and Payroll Managers
District Human Resources and Payroll Personnel
Charter School Administrators

From: Reema Popli, Director - District Business Services
Nghia Do, Advisor - District Business Services

Re: **Actions Required**: Refund of Fiscal Year 2025-26 California State Teachers' Retirement System (CalSTRS) Excess Contributions

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District Business and Advisor Services (DBAS) has now received the CalSTRS refunds for excess contributions made during FY2025-26. 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 that are lower than those of the Defined Benefit Plan. Therefore, earnings transferred from DB to DBS accounts result in an overpayment of employer and employee contributions. The table below illustrates the difference between the DB and DBS contribution rates for FY 2025-26.

FY 2025-26	DB Contribution Rate	DBS Contribution Rate	Difference (Excess)
Employer	19.1000%	8.2500%	10.8500%
2% at 60 Members	10.2500%	8.0000%	2.2500%
2% at 62 Members	10.2050%	9.0000%	1.2050%

A member's excess contribution will be reported on the member's annual Retirement Progress Report in the Special Messages section.

In accordance with the attached report, DBAS has processed the return of excess employer and employee contributions that are due to each school district. For each district, funds were transferred to the following fund-object:

- Dependent school districts: 010-9920
- County Office of Education: 800-9920
- Fiscally Accountable/Independent school districts: 010-9920
- Charter schools: payments were made through Automated Clearing House (ACH)

County Board of Education: Maimona Afzal Berta, Victoria Chon, Raeena Lari, Jorge Pacheco Jr, Don Rocha, Jessica Speiser, Tara Sreekrishnan

Note: The refund of the FY 2025-26 employer contribution expenditures should be accounted for as revenue in the current fiscal year (California State Accounting Manual (CSAM) Procedure 560).

Actions Required by Districts:

- Districts are responsible for re-classifying the refund of the employer contributions to an appropriate revenue object code.
- For active employees, the refund should be processed as a negative amount in the deduction (PD) screen using Vol-Ded code 8113 STRS PRIOR PERIOD ADJUSTMENT.
- For terminated employees, the refunds should be processed by setting up a "penny pay line" for each former employee as follows:
    - Create a penny (.01) pay line using Stat-Ded NNNN and AC-P-C code 00-0-0.
    - Select 'Y – Yes, one time' for the option 'OK to pay?' in the Termination (TE) screen.
    - Use Vol-Ded code 8113 ADD STRS PRIOR PERIOD ADJUSTMENT with a negative refund amount in the Employee column in the deduction (PD) screen.
    - Use Vol-Ded code 7308 MISC. COLLECTIONS/REFUNDS with a positive amount (+.01) under the Employee column to collect the one cent from the penny (.01) pay line. This penny (.01) is posted to fund 010 object 9946 in the district's ledger. (Optional)

Important: Districts must refund ONLY the excess member contributions for both active and terminated employees by December 11, 2026.

Districts can choose to process employee refunds on their own or authorize their DBAS accounting specialist to perform a mass upload of refunds to the employees' QCC PD screen. Please contact your DBAS accounting specialist for any further instructions or support on how to perform a mass upload of refunds.

Whether processing refunds on your own or by authorization to your DBAS accounting specialist for support in making a mass upload of refunds to the employees' PD screen, districts must perform:

- The establishment of the "penny pay line" for terminated employees.
- The reconciliation between the voluntary deduction report for Vol-Ded code 8113 and the detailed spreadsheet of the CalSTRS refund received from DBAS to avoid any over/under refunded amounts to the employees.

Refunds will be listed as a negative amount and displayed as "STRS PRIOR PERIOD ADJUSTM" on the employee's paystub.

DEDUCTIONS	TAX DEFERRED	EMPLOYER	EMPLOYEE
FEDERAL TAX			335.27
STATE TAX			164.20
MEDICARE		126.11	126.11
STRS	Y	1,380.30	980.47
UNEMPLOYMENT INSURANCE		4.35	
WORKER'S COMP. INSURANCE		144.90	
STATUTORY DEDUCTION TOTAL		1,655.66	1,606.05
ADD STRS PRIOR PERIOD ADJUSTM	Y		-54.89
MED1 CAL PERS	Y		868.13
DUE MT HAMILTON CTA/NEA			117.80
EYE VISION SERVICE PLAN		15.31	
DEN DELTA DENTAL/CE #6178		155.05	
MED CAL PERS		1,706.00	
DFR DEFERRED PAY WITHHOLD			1,155.56
VOLUNTARY DEDUCTION TOTAL		1,876.36	2,086.60

Please share this memo with your district as needed.
For questions, please contact Nghia Do at NDo@sccoe.org

FY2025-26 SUMMARY OF STRS EXCESS CONTRIBUTIONS - DEPENDENT SCHOOL DISTRICTS

REPORT UNIT NUMBER	REPORT UNIT NAME	EXCESS MEMBER CONTRIBUTIONS	EXCESS EMPLOYER CONTRIBUTIONS	TOTAL CONTRIBUTIONS
43104	ALUM ROCK UNION ELEMENTARY SD	31,957.83	185,722.21	$217,680.04
43107	BERRYESSA UNION ELEMENTARY SD	12,499.08	68,889.60	$81,388.68
43108	CAMBRIAN SD	4,983.58	26,462.80	$31,446.38
43109	CAMPBELL UNION ELEMENTARY SD	10,848.92	66,660.56	$77,509.48
43112	EVERGREEN ELEMENTARY SD	45,264.00	253,234.53	$298,498.53
43113	FRANKLIN-MCKINLEY ELEMENTARY SD	15,317.18	89,343.85	$104,661.03
43117	LAKESIDE JOINT SD	541.98	3,340.84	$3,882.82
43119	LOMA PRIETA JOINT UNION ELEMENTARY SD	1,404.14	7,055.62	$8,459.76
43120	LOS ALTOS ELEMENTARY SD	9,647.83	55,639.47	$65,287.30
43121	LOS GATOS UNION ELEMENTARY SD	8,856.37	46,314.05	$55,170.42
43122	LUTHER BURBANK SD	1,301.76	8,224.49	$9,526.25
43126	MORELAND ELEMENTARY SD	11,586.81	70,606.41	$82,193.22
43128	MT. PLEASANT ELEMENTARY SD	7,097.68	44,953.86	$52,051.54
43129	MOUNTAIN VIEW WHISMAN SD	8,636.31	57,169.07	$65,805.38
43130	OAK GROVE ELEMENTARY SD	20,958.77	119,831.12	$140,789.89
43131	ORCHARD ELEMENTARY SD	13,639.97	87,919.24	$101,559.21
43136	SARATOGA UNION ELEMENTARY SD	7,024.35	35,839.42	$42,863.77
43137	SUNNYVALE SD	15,845.34	92,430.57	$108,275.91
43139	UNION ELEMENTARY SD	9,167.68	58,761.66	$67,929.34
43151	CAMPBELL UNION HSD	52,703.91	308,813.01	$361,516.92
43153	FREMONT UNION HSD	52,670.33	286,203.31	$338,873.64
43156	LOS GATOS-SARATOGA JOINT UNION HSD	19,954.26	100,685.82	$120,640.08
43157	MOUNTAIN VIEW- LOS ALTOS UNION HSD	36,659.27	202,128.41	$238,787.68
43162	METROPOLITAN EDUCATION DISTRICT ROP	4,818.15	32,941.58	$37,759.73
43181	PALO ALTO USD	66,110.53	365,690.30	$431,800.83
43183	GILROY USD	67,249.65	390,793.95	$458,043.60
43184	MORGAN HILL USD	23,547.78	138,530.17	$162,077.95
43185	MILPITAS USD	60,667.40	345,244.49	$405,911.89
43188	SANTA CLARA USD	27,430.16	192,593.95	$220,024.11
43190	SANTA CLARA COUNTY OFFICE OF EDUCATION	81,924.99	442,591.29	$524,516.28
TOTAL		**730,316.01**	**4,184,615.65**	**$4,914,931.66**

*HSD - HIGH SCHOOL DISTRICT; USD - UNIFIED SCHOOL DISTRICT; SD = SCHOOL DISTRICT

FY2025-26 SUMMARY OF STRS EXCESS CONTRIBUTIONS - INDEPENDENT/FISCALLY ACCOUNTABLE SCHOOL DISTRICTS

REPORT UNIT NUMBER	REPORT UNIT NAME	EXCESS MEMBER CONTRIBUTIONS	EXCESS EMPLOYER CONTRIBUTIONS	TOTAL CONTRIBUTIONS
43152	EAST SIDE UNION HSD	184,280.12	1,040,403.05	1,224,683.17
43171	FOOTHILL DE ANZA CCD	297,607.27	1,605,535.09	1,903,142.36
43172	GAVILAN JOINT CCD	63,618.10	370,628.65	434,246.75
43176	SAN JOSE/EVERGREEN CCD	190,378.52	1,038,813.97	1,229,192.49
43182	SAN JOSE UNIFIED SD	94,834.99	504,077.79	598,912.78
TOTAL		**830,719.00**	**4,559,458.55**	**5,390,177.55**

* CCD = COMMUNITY COLLEGE DISTRICT; HSD - HIGH SCHOOL DISTRICT; SD = SCHOOL DISTRICT

FY2025-26 SUMMARY OF STRS EXCESS CONTRIBUTIONS - CHARTER SCHOOLS

REPORT UNIT NUMBER	REPORT UNIT NAME	EXCESS MEMBER CONTRIBUTIONS	EXCESS EMPLOYER CONTRIBUTIONS	TOTAL CONTRIBUTIONS
43105	VOICES COLLEGE-BOUND LANGUAGE ACADEMY MORGAN HILL	1,591.24	14,327.47	15,918.71
43106	VOICES COLLEGE-BOUND LANGUAGE ACADEMY MT. PLEASANT	369.07	3,323.29	3,692.36
43141	BULLIS CHARTER	935.22	6,942.67	7,877.89
43143	CHARTER OF MORGAN HILL	196.04	1,106.66	1,302.70
43146	DISCOVERY CHARTER	844.41	4,294.21	5,138.62
43147	ROCKETSHIP MATEO SHEEDY ELEMENTARY	4,847.99	41,299.57	46,147.56
43148	UNIVERSITY PREPARATORY ACADEMY CHARTER	4,745.63	34,126.63	38,872.26
43149	VOICES COLLEGE-BOUND ACADEMY	3,238.37	27,844.08	31,082.45
43158	GILROY PREP SCHOOL	893.50	7,947.93	8,841.43
43159	CORNERSTONE ACADEMY PREPARATORY	101.71	915.82	1,017.53
43160	SUMMIT PUBLIC SCHOOL: TAHOMA	349.06	2,233.91	2,582.97
43167	ROCKETSHIP MOSAIC ELEMENTARY	1,300.89	11,709.26	13,010.15
43186	DOWNTOWN COLLEGE PREP- SAN JOSE USD	1.21	6.41	7.62
43240	ACE CHARTER	4,150.65	36,014.84	40,165.49
43252	THE FOUNDATION FOR HISPANIC EDUCATION	3,189.20	22,322.02	25,511.22
43282	SUNRISE MIDDLE SCHOOL	4,256.68	31,116.85	35,373.53
43352	SAN JOSE CONSERVATION CORPS CHARTER	88.48	753.10	841.58
43452	ESCUELA POPULAR ACCELERATED FAMILY LEARNING SCHOOL	4,971.76	38,967.98	43,939.74
TOTAL		**36,071.11**	**285,252.70**	**321,323.81**