


Monterey County Office of Education

Dr. Nancy Kotowski
County Superintendent of Schools

Finance and Business Services

Bulletin No. 15-009

TO: Chief Business Officials and Payroll Clerks

FROM:  Suzette Burns, Administrator – Business Services

DATE: December 15, 2014

RE: Changes to CalSTRS Creditable Compensation

Effective January 1, 2015, the California Code of Regulations Title 5, Section 27200 et seq. has been changed for any service performed on or after January 1, 2015.

Allowances for automobile use, expenses, or cash in lieu benefits will no longer be considered creditable compensation by CalSTRS. Prior to January 2015 these allowances were creditable to the Defined Benefit program. The new regulations will reduce employees' creditable compensation reported, thus lowering their monthly retirement benefits compensation calculation.

Attached is a CalSTRS creditable compensation chart for your reference. The chart provides guidance as to the reportability of compensation for classic and new members. Please use the chart to determine which addons in Escape needs to be changed to "non-creditable" for classic members' service after January 1, 2015. Provide the list of addons which should include the "addon id" and addon "description" to Suzette Burns at sburns@monterey.k12.ca.us or fax to (831) 753-1616, **no later than January 5, 2015.**

If you have any questions, please contact me at (831) 755-0305.

cc: Garry Bousum
Colleen Stanley
Karen Hennessy

CalSTRS Creditable Compensation Chart

Compensation Type	Classic*	New	DB/DBS?
Annual Salary	Yes	Yes	DB
Doctoral Pay	Yes	Depends	Depends
Longevity Pay	Yes	Depends	Depends
Pick-ups	Yes	Yes	DB
Off-Schedule Bonus	Yes	No	DBS
403B Employer Payments	No	No	
Employer Paid Member Contributions (EPMC)	No	No	
Car/Cell/Internet Allowance	No	No	
Professional Dues	No	No	
Expense Reimbursement	No	No	
Cash-in-Lieu of Any Fringe Benefits	No	No	
Health Benefit Contribution	No	No	

*Classic members under the new creditable compensation regulations, effective 1/1/2015