

CALSTRS[®]

EMPLOYER TRAINING SERVICES

Reduced Workload Program

Objectives



Recognize the benefits and features of the Reduced Workload Program



Describe the employer and member eligibility requirements



Explain the employer responsibilities

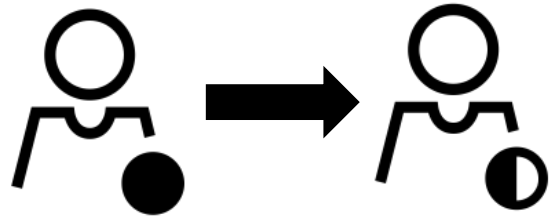


Identify the ways a participant may terminate from the program

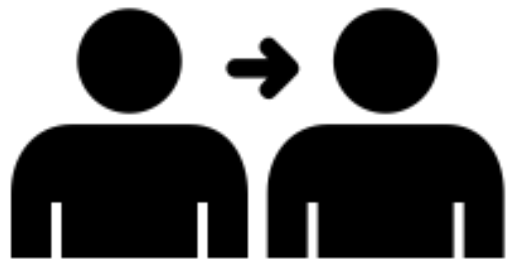


Benefits and Features

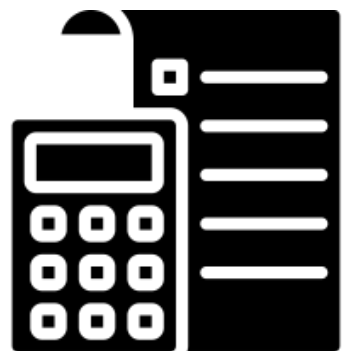
Benefits of RWP



Full-time workload is reduced to part-time to ease member into retirement



Knowledge transfer and mentor newer employees prior to retirement

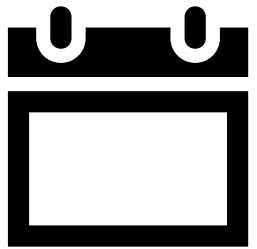


Retirement benefits are calculated as though member was full time

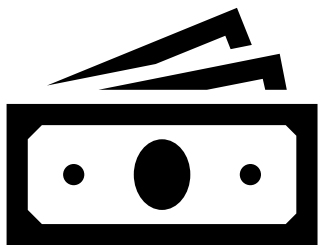
Features of RWP



Agreement to work at least 50 percent of full-time employment



Participation may not exceed 10 years total (consecutively or non-consecutively)



Employers are required to pay participants the portion of full-time creditable compensation that matches the RWP agreement percentage

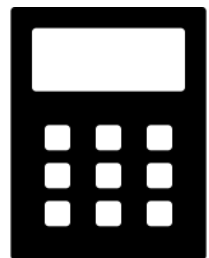
Features of RWP



Employer and member contributions are based on the full-time annualized pay rate



RWP participants receive full-time service credit if contract is fulfilled



Retirement benefits are calculated as though member worked full time



Eligibility Requirements

Employer Eligibility Requirements



Employer must establish resolution approved by their governing body that specifies the reduced workload requirements found in the Education Code 22713



Employer must have the ability to track and report RWP participants to CalSTRS

Member Eligibility Requirements



Member must have at least 10 years of CalSTRS service credit prior to the start of the school term



Member must be at least age 55 prior to the start of the school term

School Term



What is a school term?

- A minimum of 35 weeks
- Beginning on the first day and ending on the last day required to earn a full year of service
- Can vary by employer and class of employees

Member Eligibility Requirements



Member must have been *employed* on a full-time basis for the last five years without a break in service



Employer approved leaves and unpaid absences for personal reasons don't constitute a break in service



Separate part-time positions cannot be combined to make one full-time position

Member Eligibility Requirements



Member's salary must not be greater than the maximum salary of a school principal at that employer



Community Colleges do not have a salary limit



Employer Responsibilities

Employer Responsibilities



Verify that RWP applicant is eligible and meets all requirements

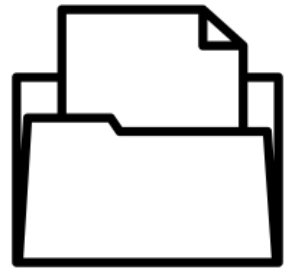


Submit the *Reduced Workload Program Eligibility Certification* (ES 1161) form to CalSTRS before the start of the school term



CalSTRS will review and accept or reject if member does not meet eligibility requirements

Employer Responsibilities



Maintain records identifying all RWP participants and report using Assignment Code 36



RWP service credit increment is awarded at the end of the fiscal year



Increment is visible on member's Retirement Progress Report

Reporting RWP participants

What if the member fulfills the contract in one half of the school term?

Still report the other half to CalSTRS using:

- Assignment Code 36
- Same annualized pay rate
- Zero earnings
- Contribution Code 2

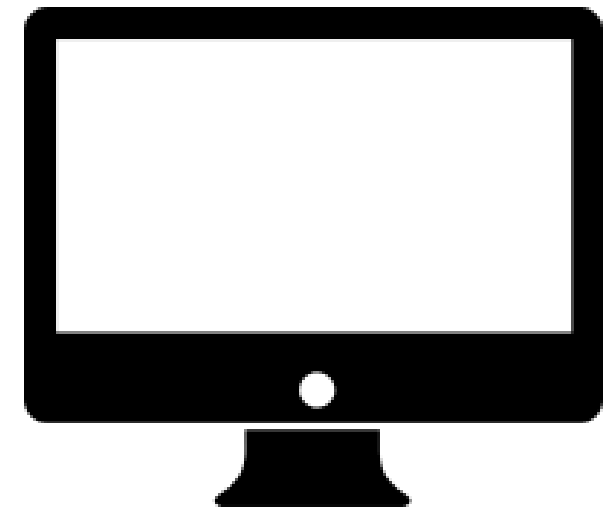
Reporting RWP Participants - Example



Ian agrees to work 51 percent of full-time at Sky CCD



He fulfills his contract to work 51% in the first semester from August through December



Sky CCD continues to report lines to CalSTRS each pay period for the second half of the school term from January through May

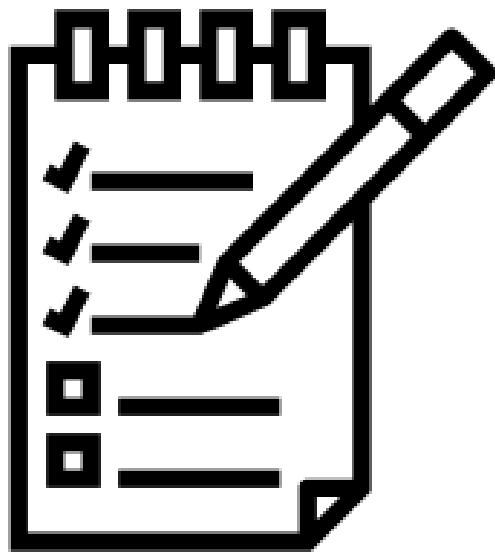
Reporting Prorated Special Pay

**How do I report
prorated special pay
for a member on
RWP?**

Report using:

- Assignment Code 36
- Pay rate based on the special pay the member would have earned if they had not reduced their workload
- Contribution Code 6

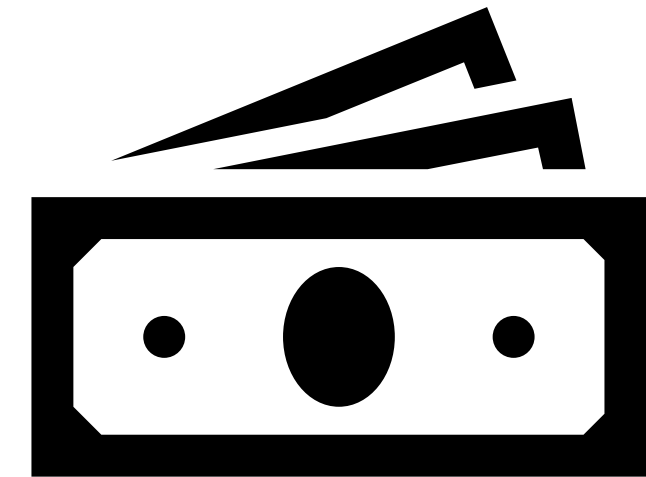
Reporting Prorated Special Pay - Example



Carrie agrees to work 80 percent of full-time at River USD



Her Master's Degree stipend is pro-rated from \$100 per month to \$80 per month



River USD reports special pay with an annualized pay rate of \$100 and \$80 earnings



Program Termination

Program Termination

An RWP agreement will be terminated if the member does any of the following before the end of the school term:



Terminates employment (including death)



Retires, refunds or goes on disability



Does not perform at least 50 percent of full-time employment



Mutually agrees with employer to perform creditable service that is not covered under RWP

Program Termination

When a member's RWP contract is terminated:

- The member will only receive service credit that was earned
- The member must reapply and meet all eligibility requirements in order to qualify for future participation in RWP
- The fiscal year of termination does not count toward the 10-year maximum RWP participation

Program Termination

The employer must:

- Notify CalSTRS within 30 days of termination of agreement
- Back out and re-report lines using non-RWP Assignment Code

Things to consider...



- Do you have an approved resolution and capability to track and report participants to CalSTRS?
- Does the member meet the eligibility requirements to participate?
- Did you fill out and turn in the ES 1161 *prior* to the start of the applicable school term?
- Is the RWP participant performing at least 50% of a full-time contract?

Questions?



EmployerTraining@CalSTRS.com

- For support with training resources or questions about Teachers' Retirement Law



EmployerHelp@CalSTRS.com

- For support with questions about files, reporting and Secure Employer Website



SEW Secure Messaging Center



877-277-5778