

CalSTRS board policy empowers the Chief Executive Officer to discharge debts as governed under Article 16 of the California Constitution and Education Code Section 22308, which establishes CalSTRS write-off authority. CalSTRS reports write-off activity to the board semi-annually via web-posted reports. The tables below summarize write-offs processed for the period from January 1, 2021 to June 30, 2021. During this time period, CalSTRS discharged \$1,980,584 for 72 pension receivables, \$0 for administrative receivables and \$0 for investment receivables.

The value of pension receivables discharged during this period represents 6.6% of the total outstanding balance of \$30.1 million for pension receivables as of June 30, 2021. CalSTRS maintains a provision for uncollectible amounts related to the collectability of receivables. The provision as of June 30, 2021 is \$8.7 million.

The largest pension receivable write-off during this six-month period was \$1.66 million due to legacy data of approximately 8,000 member accounts reviewed back in 2017 by CalSTRS Data Preparation Focus Group. The findings of the review required retroactive adjustments to benefits. A cost/benefit and impact analysis of making the adjustments was conducted and it was determined to not adjust the benefits and to recognize the overpaid benefits portion as a write off over the remaining actuarial life expectancy of the impacted members (22 years remaining).

<b>PENSION RECEIVABLE WRITE-OFFS BY VALUE</b>		
<b>DOLLAR VALUE RANGE</b>	<b>COUNT</b>	<b>VALUE</b>
Greater Than \$500,000	1 <sup>a</sup>	\$1,663,110
\$5,001 to \$500,000	19	\$252,789
\$501 to \$5,000	38	\$62,660
\$0.01 to \$500	14	\$2,025
<b>TOTAL WRITTEN-OFF:</b>	<b>72</b>	<b>\$1,980,584</b>

<b>PENSION RECEIVABLE WRITE-OFFS BY REASON</b>		
<b>REASON</b>	<b>COUNT</b>	<b>VALUE</b>
Overpaid benefits - Data Preparation Focus Group	1 <sup>a</sup>	\$1,663,110
Application of the three-year statute of limitations, Ed. Code sections 22008(b) and (c)	24	\$183,542
Discharge of debt based on cost/benefit of collections	47	\$133,932
<b>TOTAL WRITTEN-OFF:</b>	<b>72</b>	<b>\$1,980,584</b>

<sup>a</sup> This amount represents the current year overpayment that is not collectable for the approx. 8,000 member accounts reviewed back in 2017 by the Data Preparation Focus Group.



**Pension, Administrative and Investment Receivable Write-Offs**

January 1, 2021 to June 30, 2021

<b>ADMINISTRATIVE RECEIVABLE WRITE-OFFS</b>		
	<b>COUNT</b>	<b>VALUE</b>
<b>TOTAL WRITTEN-OFF:</b>	<b>0</b>	<b>\$0</b>

<b>INVESTMENT RECEIVABLE WRITE-OFFS</b>		
	<b>COUNT</b>	<b>VALUE</b>
<b>TOTAL WRITTEN-OFF:</b>	<b>0</b>	<b>\$0</b>

<b>GRAND TOTAL</b>	
Total Pension, Administrative and Investment Receivable Write-Offs: January 1, 2021 to June 30, 2021	<b>\$1,980,584</b>