Join CalSTRS? Join CalPERS?
Decide which retirement system is best for you
2013–14
This guide is based on the California Teachers’ Retirement Law and the California Public Employees’ Retirement Law as of January 1, 2013. If there is a conflict between this information and the law, the law prevails.
As you begin your new position, use this booklet to help you decide which retirement system is the best choice for you to achieve your retirement goals.

**Contact CalSTRS**
*Ask* your employer for a copy of the *CalSTRS Member Handbook* or find the current *CalSTRS Member Handbook* at CalSTRS.com/publications.

*Go online* to CalSTRS.com for more information. Check to see if pending or new legislation may affect your decision at CalSTRS.com/legislation, CalSTRS.com/funding or contact your union or legislative representative.

*Call* CalSTRS at 800-228-5453.

**Contact CalPERS**
*Ask* your employer for the School Member Benefit publication, *What You Need to Know About Your School Benefits*.

*Go online* to CalPERS.ca.gov for more information and any legislative changes under consideration.

*Call* CalPERS at 888-CalPERS (888-225-7377).
Choosing Your Retirement System

This brochure outlines the differences between CalSTRS and CalPERS if you are changing from a job covered by one retirement system to a job covered by the other retirement system. For example, if you are in a classified position covered by CalPERS and accept a certificated position covered by CalSTRS, you may be eligible to choose to join CalSTRS or remain with CalPERS. Ask your employer or call your current retirement system for eligibility requirements. This important choice is yours.

Staying With Your Current Retirement System

To remain with your current system, submit the Retirement System Election form to your new employer within 60 days of your effective date in your new position. Ask your new employer for the form or go to CalSTRS.com to download or order a copy.

Changing Your Retirement System

Do nothing for 60 days and you automatically become a member of the retirement system covering your new position.

If you decide to become a member of the retirement system covering your new position, here are some additional choices to consider:

• If eligible, you may retire from your former system and become an active member of the new system. If you’re not eligible to retire, you may keep your account with the old retirement system and have dual membership in both systems. You can later retire from both systems at the same time. For more information, see page 12.

• You may take a refund of your contributions in the old system. CalSTRS and CalPERS have different rules about taking a refund. If you take a refund, you lose all rights to benefits from that system unless you later redeposit your contributions plus interest.

Note: If you retire with CalSTRS, there is a restriction that you cannot work in a classified position after retirement except as a teacher’s aide under certain circumstances. Please contact your employer to determine if your position would be considered a classified position.

You have 60 days from the effective date of your new position to complete and submit the paperwork to stay with your previous retirement system. If you do nothing, you will become a member of the new system.
1. How is my retirement benefit calculated?

**CalSTRS & CalPERS**
Both systems calculate your retirement benefit based on your years of service (service credit) in the retirement system, your retirement age (age factor) and your final compensation:

\[ \text{Service credit} \times \text{Age factor} \times \text{Final compensation} = \text{Basic retirement benefit} \]

**The Difference**
Age factors are different for each system.

3. When can I retire?

**CalSTRS**
CalSTRS 2% at 60: You can retire at age 55 with five years of service credit or as early as age 50 with 30 years of service credit, or under the special circumstances of concurrent retirement with another pension system.

CalSTRS 2% at 62: You can retire at age 55 with five years of service credit.

**CalPERS**
You can retire at age 50 with five years of service credit. If you became a new member on or after January 1, 2013, you must be at least age 52 to retire. New members include members who have a break in service greater than six months between the separation date from a previous employer and the appointment date with a new employer.

**The Difference**
Minimum retirement ages and years of service are different for each retirement system.

4. What annual adjustments are made to my benefit?

**CalSTRS**
Your retirement benefit is increased each year by 2 percent of your initial retirement benefit beginning September 1 after the first anniversary of your retirement. The Legislature can reduce or eliminate this adjustment if economic conditions dictate. CalSTRS also pays quarterly supplemental payments when your benefit falls below 85 percent of purchasing power. In addition, the Legislature has periodically authorized ad-hoc annual benefit adjustments.

**CalPERS**
Beginning May 1 of your second calendar year of retirement, your initial benefit is increased up to 2 percent per year, compounded annually, unless the rate of inflation is lower. CalPERS pays monthly supplemental payments when the benefit falls below 75 percent of purchasing power. In addition, the Legislature has periodically authorized ad-hoc adjustments.

**The Difference**
The CalSTRS annual benefit adjustment is not compounded; the CalPERS annual benefit adjustment is compounded annually to reflect inflation and does not have a fixed rate. CalSTRS purchasing power protection is 85 percent and paid quarterly; CalPERS purchasing power protection is 75 percent and paid monthly.

2. How is my final compensation determined?

**CalSTRS**
CalSTRS 2% at 60: Final compensation is based on your highest three consecutive school years of annual salary if you have fewer than 25 years of service credit, or your highest 12 consecutive months of annual salary if you have 25 or more years of service credit. The cap on compensation that can be counted toward your retirement benefit is $255,000 for 2013.

CalSTRS 2% at 62: Final compensation is based on your highest annual salary for three consecutive school years, regardless of years of service credit. The cap on compensation that can be counted toward your retirement benefit is $136,440 for 2013.

**CalPERS**
Final compensation is based on your highest average full-time monthly pay rate for 12 or 36 consecutive months of employment, depending on your collective bargaining agreement or employer contract, and may include special compensation. CalPERS uses your full-time pay rate, not your earnings.

If you were first hired on or after January 1, 2013, there is a cap on compensation used to calculate your benefit equal to $113,700 in 2013.

**The Difference**
Final compensation is calculated differently for each retirement system, and each system has a different compensation cap.
5. Can I work in education after I retire?

**CalSTRS**
If you return to work after retirement in a position with the California public school system, there are restrictions under state and federal law:

- You cannot work in a classified position except, under certain circumstances, as a teacher’s aide.
- If you exceed the annual postretirement earnings limit, CalSTRS will withhold your gross monthly retirement benefit until we collect all earnings in excess of the limit. The postretirement earnings limit for the 2013–14 fiscal year is $39,903. There is a very narrow exemption from this limit. (See “After You Retire” in the CalSTRS Member Handbook.)
- If you return to CalSTRS-covered employment within 180 days of your retirement date, CalSTRS will reduce your retirement benefit dollar for dollar by the amount you earn, up to your retirement benefit earned in that period. There is a very narrow exemption from this requirement if you have reached normal retirement age. (See “After You Retire” in the CalSTRS Member Handbook.)
- If you received a retirement incentive and return to work for the employer that offered the incentive within five years of your retirement, you will lose the additional service credit you received under the retirement incentive.

You can continue to receive your full CalSTRS retirement benefit with no earnings limit if you take a job in private school, private industry, public school outside of California, or the University of California or California State University systems (See “After You Retire” in the CalSTRS Member Handbook.)

**CalPERS**
If you're a certificated employee, stay in CalPERS, then retire and accept a temporary assignment in a classified or certificated position in a school, you can work up to 960 hours in a fiscal year as a retired annuitant. Accepting a permanent part-time position (even if fewer than 960 hours in a fiscal year) or working more than 960 hours requires reinstatement to active employment.

A 180-day waiting period is required for all retired annuitants employed on or after January 1, 2013, except under a certain specified exemption approved by a county office of education. The 180-day waiting period starts from the date of retirement. If under normal retirement age (age 55 if the highest retirement formula is 2 percent at 55), you must have a bona fide separation before accepting a temporary assignment.

See the Employment After Retirement publication in the Forms & Publication Center at CalPERS.ca.gov.

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6. Do I have disability benefits?

**CalSTRS**
You have disability benefits under one of the CalSTRS disability benefit programs: Coverage A or Coverage B. Coverage A: hired on or before October 15, 1992, unless you elected Coverage B before April 1993; Coverage B: hired after October 15, 1992.

If you have five years of service credit (or one year if injured by a violent act on the job), your disability benefit generally is 50 percent of your final compensation, plus 10 percent for each eligible child, up to 90 percent of your final compensation.

- Coverage A: At normal retirement age your disability benefit ends and you may apply for service retirement. You'll receive an ongoing benefit equal to the lesser of your disability benefit or your retirement benefit.
- If you are over age 45 with fewer than 10 years of service credit, your disability benefit is 5 percent of your final compensation multiplied by your years of service credit. For example, with seven years of service credit, your benefit would be 35 percent of your final compensation.
- Coverage B: You’ll receive a disability benefit for as long as your disability continues.

**CalPERS**
If you have between five and 10 years of service credit—or 18.5 years or more of service credit—your disability formula is 1.8 percent X years of service credit X final compensation. If you have between 10 and 18.5 years of service credit, your disability retirement benefit may be improved up to 33 1/3 percent of final compensation. When you qualify for service retirement, you’ll receive your service retirement benefit if the amount is greater than the disability retirement. You also may be eligible for disability benefits under Social Security.

**The Difference**
Disability benefits paid by CalSTRS are generally higher than those paid by CalPERS, but CalPERS members also may be eligible for disability benefits under Social Security. In addition, CalSTRS benefits increase if there are dependent children; CalPERS provides no coverage for dependent children.
7. What is my total retirement contribution?

**CalSTRS**
CalSTRS 2% at 60: You pay 8 percent of your earnings toward retirement, plus 1.45 percent for Medicare.

CalSTRS 2% at 62: Your contribution rate for 2013 is 8 percent, plus 1.45 percent for Medicare. The contribution rate is subject to change based on the normal cost of the plan.

**CalPERS**
The percentage of your contribution is fixed by law and is generally intended to be an amount that will cover half of the normal cost of the benefit earned per year. Normal cost will vary by benefit type. You also pay 1.45 percent for Medicare, and most members pay 6.2 percent for Social Security on earnings up to $113,700 for 2013.

**The Difference**
CalSTRS members contribute up to 9.45 percent of their salary toward their retirement benefit and earn no credits for Social Security benefits. Most CalPERS members pay and earn credits for Social Security benefits; therefore, you may contribute a higher percentage of your salary.

8. What is my employer’s contribution?

**CalSTRS**
Your employer contributes 8.25 percent of your salary plus 1.45 percent for Medicare. Employer contributions are not credited to your Defined Benefit account, but are deposited in the Teachers’ Retirement Fund to help fund the benefits to all members and their beneficiaries. They are not refundable to you.

**CalPERS**
The rate of your employer’s contribution varies year to year. These contributions are paid into your employer’s account. They are not shown on your account balance and are not refundable to you.

**The Difference**
CalSTRS employer contributions are a fixed percentage set by law. CalPERS employer contributions are adjusted periodically.

9. Do I participate in Social Security?

**CalSTRS**
No, and any Social Security benefits you earned in other employment or received as a spouse may be reduced when you start receiving your CalSTRS retirement benefit.

**CalPERS**
Yes, if you were hired after 1959. However, there are spousal Social Security exceptions.

**The Difference**
CalSTRS members neither contribute to nor earn Social Security benefits. Also, CalSTRS-covered service may reduce previously earned Social Security benefits. Contact the Social Security Administration at 800-772-1213 or visit socialsecurity.gov to learn more. Most school employee members of CalPERS contribute to Social Security.

10. Will I have health coverage in retirement?

**CalSTRS and CalPERS**
If you are covered by the Public Employees’ Medical and Hospital Care Act, you’re eligible for health benefits if you are enrolled upon separation and retire within 120 days of your separation date. If you get health care from other sources, coverage depends on your bargaining agreement.

**The Difference**
There is no difference.
11. Do I earn an extra monthly benefit for a long career?

**CalSTRS**

CalSTRS 2% at 60: With 25 years of service credit, your benefit is based on your highest year of salary (with fewer than 25 years of service credit, it is based on the average of your highest three consecutive years).

With 30 or more years of service credit, your age factor is increased by 0.2 percent. This is called a career factor. The maximum combined age factor and career factor is 2.4 percent.

With at least 30 years of service credit earned on or before December 31, 2010, your benefit is increased by a longevity bonus:

<table>
<thead>
<tr>
<th>Service Credit at Retirement</th>
<th>Longevity Bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 years</td>
<td>$200/month</td>
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<tr>
<td>31 years</td>
<td>$300/month</td>
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<tr>
<td>32 years</td>
<td>$400/month</td>
</tr>
</tbody>
</table>

CalSTRS 2% at 62: These benefit enhancements are not available.

**CalPERS**

CalPERS retirement benefit is based on the highest average pay rate during any consecutive 12 or 36 month period. CalPERS uses your full-time pay rate, not your earnings.

The Difference

CalSTRS offers a career factor and longevity bonus for members under the CalSTRS 2% at 60 benefit structure.

12. What are the age factors?

CalSTRS and CalPERS have different age factors. The age factor is the percent of final compensation you’re entitled to receive for each year of service credit.

**Age Factor Comparison for Members First Hired Before January 1, 2013**

<table>
<thead>
<tr>
<th>Age</th>
<th>CalSTRS*</th>
<th>CalPERS</th>
<th>Age</th>
<th>CalSTRS*</th>
<th>CalPERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>50</td>
<td>1.10 †</td>
<td>1.10</td>
<td>57</td>
<td>1.64</td>
<td>2.126</td>
</tr>
<tr>
<td>51</td>
<td>1.16 †</td>
<td>1.28</td>
<td>58</td>
<td>1.76</td>
<td>2.188</td>
</tr>
<tr>
<td>52</td>
<td>1.22 †</td>
<td>1.46</td>
<td>59</td>
<td>1.88</td>
<td>2.250</td>
</tr>
<tr>
<td>53</td>
<td>1.28 †</td>
<td>1.64</td>
<td>60</td>
<td>2.00</td>
<td>2.314</td>
</tr>
<tr>
<td>54</td>
<td>1.34 †</td>
<td>1.82</td>
<td>61</td>
<td>2.133</td>
<td>2.376</td>
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<tr>
<td>55</td>
<td>1.40</td>
<td>2.00</td>
<td>62</td>
<td>2.267</td>
<td>2.438</td>
</tr>
<tr>
<td>56</td>
<td>1.52</td>
<td>2.064</td>
<td>63+</td>
<td>2.40</td>
<td>2.50</td>
</tr>
</tbody>
</table>

*Career factor: Add 0.2 percent to the age factor for 30 years of service credit, up to 2.4 percent.
†Must have 30 or more years of service credit to retire.

**Age Factor Comparison for Members First Hired On or After January 1, 2013**

<table>
<thead>
<tr>
<th>Age</th>
<th>CalSTRS</th>
<th>CalPERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>52</td>
<td>**</td>
<td>1.00</td>
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<tr>
<td>53</td>
<td>**</td>
<td>1.10</td>
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<td>58</td>
<td>1.52</td>
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<td>59</td>
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<tr>
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<td>1.90</td>
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<td>62</td>
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<tr>
<td>63</td>
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<td>64</td>
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<td>2.20</td>
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<tr>
<td>65</td>
<td>2.40</td>
<td>2.30</td>
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<tr>
<td>66</td>
<td>2.40</td>
<td>2.40</td>
</tr>
<tr>
<td>67</td>
<td>2.40</td>
<td>2.50</td>
</tr>
</tbody>
</table>

**CalSTRS members under the 2% at 62 benefit structure cannot retire earlier than age 55.**
13. Can I buy additional service credit?

CalSTRS
You must complete your purchase prior to your retirement date. Service credit you can purchase:

- Redeposit of withdrawn funds.
- Certain active U.S. military service.
- Job Corps or Peace Corps service (certain restrictions apply).
- Teaching in a publicly supported and administered California university not already credited.
- Maternity or paternity leave.
- Sabbatical leave.
- Family medical leave under the federal Family and Medical Leave Act and the California Family Rights Act.
- Service prior to membership in part-time or substitute work.
- Fulbright Teacher Exchange Program.
- Out-of-state or foreign school service.
- Certificated teaching in a child care center, school for the blind or deaf, or in a Native American school in California.
- Prior service covered under the CalSTRS Cash Balance Benefit Program.

CalPERS
You must request to purchase service credit prior to retirement; you can make payments into retirement. Service credit you can purchase:

- Redeposit of withdrawn funds.
- Military service.
- Peace Corps, AmeriCorps or AmeriCorps VISTA service.
- Educational or sabbatical leave.
- Temporary job-related disability or illness.
- Maternity or paternity leave.
- Service prior to membership while serving a qualification period or while employed on a temporary, seasonal or less than half-time basis.
- Employment as an elected or appointed official.
- Leave to work in a local, state or foreign governmental agency or nonprofit organization.
- Lay-off periods from public agency employment.
- Service for time spent working for an employer before it began contracting with CalPERS.
- Alternate Retirement Program, if applicable.
- Serious illness.

The Difference
Both retirement systems allow you to buy service credit for certain activities. In some cases an activity may be covered by one system and not the other. You must complete your purchase of CalSTRS service credit before retirement. You can continue making payments for CalPERS service credit after retirement.

14. Does my system accumulate funds for me in a supplemental account?

CalSTRS
If you made retirement contributions to CalSTRS on or after January 1, 2001, as a Defined Benefit member, you may have a Defined Benefit Supplement account. Your Defined Benefit Supplement account provides additional income for retirement.

Your Defined Benefit Supplement account receives funds from two sources:

- Earnings in excess of one year of service credit. Your contributions and most of your employer’s contributions from your earnings in excess of one year are credited to your Defined Benefit Supplement account.
- Special limited-term payments or one-time retirement incentive payments. Your contributions and most of your employer’s contributions on these payments are credited to your Defined Benefit Supplement account.

CalSTRS 2% at 60: There is a compensation cap of $255,000 for 2013 on contributions to your Defined Benefit Supplement account.

CalSTRS 2% at 62: Your Defined Benefit Supplement account receives funds from the first source if your earnings are under the compensation cap. Your account does not receive funds from the second source.

From January 1, 2001, to December 31, 2010, one-fourth of your 8 percent contribution to CalSTRS was redirected to your Defined Benefit Supplement account; this redirection did not affect your CalSTRS retirement benefit. Now, your entire 8 percent contribution is credited to your Defined Benefit account.

CalPERS
CalPERS does not have a supplemental account.

The Difference
CalSTRS members have a supplemental account for retirement; CalPERS members do not.
15. Can I purchase a previous refund?
You can only purchase a refund from the system that issued it. You cannot redeposit a CalPERS refund into CalSTRS or vice versa.

CalSTRS
If you terminate CalSTRS membership, receive a refund of contributions and interest, and later return to CalSTRS or a retirement system that offers concurrent retirement with CalSTRS—such as CalPERS—you can purchase all or some of the service credit. The cost will include interest your refund would have earned. If you received more than one refund, multiple refund costs are combined for a total cost.

CalPERS
If you terminate CalPERS membership, receive a refund of contributions and interest, and later return to CalPERS or become a member of a reciprocal retirement system—such as CalSTRS—you can purchase all or some of the service credit represented by the refund. The cost will include interest your refund would have earned. If you received more than one refund, you may repurchase the service credit represented by the refund in reverse chronological order.

The Difference
CalSTRS combines multiple refunds; CalPERS allows you to repurchase multiple refunds in reverse chronological order.

16. What benefits do my survivors receive if I die before I’m eligible to retire?

CalSTRS
If you have Coverage A (you were a member on or before October 15, 1992, and you did not elect Coverage B) and have at least one year of service credit, your designated one-time death benefit recipient may receive a lump-sum payment, currently $6,163. In addition, for a surviving spouse or registered domestic partner with dependent children, the monthly survivor benefit equals 40 percent of your final compensation plus 10 percent of final compensation for each eligible dependent child under age 22, for a benefit up to 90 percent of your final compensation.

Your surviving spouse or partner with no eligible dependent children receives either a lump-sum payment of your accumulated Defined Benefit contributions and interest or a monthly lifetime benefit. The calculation is based on the projected service credit and final compensation you would have accrued had you retired at normal retirement age. If the monthly benefit is paid before normal retirement age, the amount is actuarially reduced.

CalPERS
If you have Coverage B (you became a member on or after October 16, 1992) and at least one year of service credit, your designated recipient may receive a lump-sum death benefit, currently $24,652. If a monthly survivor benefit is not payable, a lump-sum refund of your contributions and interest is paid to your designated one-time death benefit recipient. Your surviving spouse or partner can choose between the lump-sum refund of your contributions and interest, or a monthly survivor benefit based on your age and your partner’s or spouse’s age as of the date you would have reached normal retirement age. This monthly benefit would be one-half of the modified survivor benefit.

If your spouse or partner elects the lump-sum refund, no benefits are payable to dependent children. If you have dependent children and your surviving spouse or partner receives a monthly benefit, an additional benefit, equal to 10 percent of your final compensation, is paid for each child under age 21, up to 50 percent for five or more children.

CalPERS
Your survivors receive the basic death benefit equal to a return of your contributions and interest, plus a month of average monthly earnings for each year of service up to six months’ salary.

If you’re not covered by Social Security, you may be eligible for the 1959 survivor benefit which is an additional benefit of up to $1,800 per month payable to an eligible surviving spouse or registered domestic partner who has care of unmarried children under age 22, to unmarried children under age 22, to an eligible surviving spouse or partner over age 60, or to dependent parents. To be eligible, you must have been paying a fee, generally $2 per month. If you’re covered by Social Security, you may be eligible for survivor benefits through the Social Security Administration rather than through the 1959 Survivor Benefit program.

The Difference
Under CalSTRS, your surviving spouse or registered domestic partner may choose a lump-sum payment or a monthly benefit, with additional provisions for dependent children. CalPERS pays a monthly benefit to your surviving spouse, partner or unmarried children only if certain requirements are met. Social Security may also provide survivor benefits to survivors of CalPERS members covered by Social Security.
17. What benefits do my survivors receive if I’m eligible to retire, but die before I retire?

**CalSTRS**
If you didn’t elect a preretirement option beneficiary, your survivors receive the same coverage as question 16. If you elected a preretirement option, your option beneficiary receives benefits based on the option you elected plus the one-time death benefit. You can choose from four options for your Defined Benefit account, and your option beneficiary can choose from one of several annuities or a lump-sum payment for your Defined Benefit Supplement account. You must be eligible for retirement to elect a preretirement option beneficiary.

**CalPERS**
Your survivors receive the Basic Death Benefit equal to a return of your contributions and interest, plus up to six months’ pay. Alternatively, your spouse or registered domestic partner (to whom you have been married or in partnership for at least one year before your death or before the occurrence of the injury or the onset of the illness that resulted in your death), or your children under 18, can receive a monthly benefit equal to 50 percent of what your highest service retirement benefit would have been had you retired on the date of death. Your survivors can receive only one, not both, of these benefits.

Members not covered by Social Security may be eligible for the 1959 Survivor Benefit, which is an additional benefit of up to $1,800 per month payable to an eligible surviving spouse or registered domestic partner who has care of unmarried children under age 22, to unmarried children under age 22, to an eligible surviving spouse or registered domestic partner over age 60, or to dependent parents. To be eligible, you must have been paying a fee, generally $2 per month.

If you’re an employee for a state agency or California State University rather than a school employee, check with CalPERS because these benefits may vary.

**The Difference**
CalSTRS allows you to make a preretirement election of an option and name someone to receive a lifetime monthly benefit upon your death. Under CalPERS, you cannot make a preretirement election. In the absence of a preretirement election, both systems provide survivor benefits to specific family members. The amounts paid to survivors may vary.

18. What benefits do my survivors receive if I die after I retire?

**CalSTRS**
Your designated one-time death benefit recipient’s lump-sum death benefit is currently $6,163. If you elect one of the four CalSTRS retirement options, your option beneficiary’s benefit will be based on the option you elected. You can also choose from one of several annuities or a lump-sum payment if you have a Defined Benefit Supplement account. If you didn’t elect a retirement option, CalSTRS will refund your member contributions and interest that remain in your account to your one-time death benefit recipient, or your estate if you didn’t name a recipient.

**CalPERS**
Your beneficiary’s lump-sum death benefit is generally $2,000. (School employers can contract for a $2,000, $3,000, $4,000 or $5,000 lump-sum benefit.) If you elected the option specifically providing a return of unused contributions, your beneficiary will be refunded any remaining contributions and interest. In addition, an eligible family member receives a survivor’s continuance benefit, equal to 25 percent of your unmodified retirement benefit (if service is coordinated with Social Security), or 50 percent of the unmodified benefit (if service is not coordinated with Social Security). If you elected a modified benefit, your beneficiary’s benefit is based on the option you elected.

**The Difference**
CalSTRS has a higher lump-sum death benefit than CalPERS. CalPERS pays an additional survivor continuance benefit, regardless of whether you elect a reduced or basic benefit. Both systems generally have the same options for beneficiary benefits.
## Dual Membership

You may decide to have your new employment covered by your new retirement system. You then have the additional decision of whether to keep your account in your previous retirement system or take a refund. You cannot combine service into one system. If you retain service credit in both systems, you could retire concurrently.

If you take a refund, you’ll lose all benefits under that retirement system. Before taking a refund, carefully consider the consequences. Here is an overview of the rights and benefits of CalSTRS and CalPERS members to help you with your decision.

<table>
<thead>
<tr>
<th>Concurrent Employment</th>
<th>CalSTRS</th>
<th>CalPERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>When you’re concurrently employed in a CalSTRS-covered position and a position covered by another retirement system during your final compensation period, earnable compensation under either system is used to determine final compensation.</td>
<td>When concurrent employment occurs during the final compensation period, the highest compensation earned under either system is used in determining final compensation if you retire from both systems on the same date.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Concurrent Retirement</th>
<th>CalSTRS</th>
<th>CalPERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>You may retire from a position covered by another retirement system in which you have concurrent membership on the same day you retire from your CalSTRS-covered position—or on different dates as long as there is no credited service performed with either system between the two retirement dates.</td>
<td>Your final compensation will be calculated using the highest final compensation under either system as long as you retire from both systems on the same date.</td>
<td></td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Changing Retirement Systems</th>
<th>CalSTRS</th>
<th>CalPERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>You may leave service credit and contributions with CalSTRS and become a member of CalPERS, UCRS, LRS, SFCCRS or 1937 Act County retirement systems.</td>
<td>You may leave service and contributions with CalPERS and become a member of CalSTRS, UCRS, LRS, JRSI, JRSII or 1937 Act County or local reciprocal public retirement systems.</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Redeposit Rights</th>
<th>CalSTRS</th>
<th>CalPERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you were a CalSTRS member and took a refund, you’re eligible to redeposit all or a portion of withdrawn contributions and interest if you are a member of CalSTRS, CalPERS, UCRS, LRS, SFCCRS or 1937 Act County retirement systems. If you’re a former CalSTRS member, you don’t have to be employed by a CalSTRS employer while paying for the redeposit.</td>
<td>If you left CalPERS, took a refund of your contributions, and subsequently return to CalPERS-covered employment or employment with a reciprocal California public retirement system, you may redeposit the refund and accumulated interest to CalPERS to reestablish service credit and membership. If you’re a former CalPERS member, you don’t have to be employed by a CalPERS employer while paying for the redeposit.</td>
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<table>
<thead>
<tr>
<th>Refund Restriction</th>
<th>CalSTRS</th>
<th>CalPERS</th>
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</thead>
<tbody>
<tr>
<td>You’re eligible to withdraw your CalSTRS contributions and interest upon termination of CalSTRS-covered employment. You must contact the other retirement system to determine the effect of a refund on your status with that system.</td>
<td>Your contributions and interest may be withdrawn prior to entering employment with CalSTRS. If your CalPERS contributions are not withdrawn prior to joining CalSTRS, you cannot receive a refund until such time as you are permanently separated and have received a refund from CalSTRS. You may not withdraw CalPERS contributions and interest while a CalSTRS member.</td>
<td></td>
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<table>
<thead>
<tr>
<th>Minimum Age for Retirement</th>
<th>CalSTRS</th>
<th>CalPERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>CalSTRS 2% at 60: Age 55 with five years of service credit or as early as age 50 with 30 years of service credit. CalSTRS 2% at 62: Age 55 with five years of service credit.</td>
<td>Age 50 with five years of service credit. If you became a new member on or after January 1, 2013, you must be at least age 52 to retire.</td>
<td></td>
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<tr>
<td>Minimum Service Credit Requirement for Retirement</td>
<td>CalSTRS</td>
<td>CalPERS</td>
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<tr>
<td>If you're eligible to receive a benefit from another retirement system, you may retire for service after reaching age 55 regardless of your years of service credit, provided retirement is concurrent with retirement from at least one of the other systems.</td>
<td>You may retire without meeting the minimum service requirements when membership is established with CalSTRS regardless of whether retirement is on the same date.</td>
<td>Only CalPERS service credit is used to calculate your CalPERS benefit.</td>
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<tr>
<td>Only CalSTRS service credit is used in calculating your CalSTRS benefit.</td>
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<tr>
<td>You must meet the retirement eligibility requirements for at least one system to retire concurrently.</td>
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<thead>
<tr>
<th>Final Compensation</th>
<th>CalSTRS</th>
<th>CalPERS</th>
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</thead>
<tbody>
<tr>
<td>CalSTRS 2% at 60: Final compensation is based on your highest three consecutive school years of annual salary if you have fewer than 25 years of service credit, or your highest 12 consecutive months of annual salary if you have 25 or more years of service credit.</td>
<td>CalPERS uses the highest consecutive 12 or 36 months’ earnable compensation under either system to calculate final compensation if you retire concurrently. If you do not retire concurrently, only your CalPERS final compensation will be used to calculate your CalPERS retirement benefit.</td>
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<tr>
<td>CalSTRS 2% at 62: Final compensation is based on your highest annual salary for three consecutive years, regardless of years of service credit.</td>
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<thead>
<tr>
<th>Disability Benefit</th>
<th>CalSTRS</th>
<th>CalPERS</th>
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</thead>
<tbody>
<tr>
<td>You may be eligible for a disability benefit if you meet:</td>
<td>If you're not actively employed with CalPERS, there is no provision for a CalPERS disability retirement.</td>
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<tr>
<td>• The eligibility requirements, including age, service credit and timelines for application and medical documentation.</td>
<td>If you're entitled to a CalSTRS disability benefit, you must retire from service with CalPERS on the same date for the provisions of final compensation to apply. If you're receiving a CalSTRS Coverage A disability benefit, you can retire from service with CalPERS either at the time you start receiving the disability benefit (if at normal retirement age) or at normal retirement age when your CalSTRS Coverage A disability benefit ends.</td>
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<tr>
<td>• The definition of disabled as established for CalSTRS under the California Education Code and have a medically determined physical or mental impairment that is permanent or expected to last at least 12 continuous months. The impairment must prevent you from performing:</td>
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<td>» Your usual duties with or without reasonable modification from your employer.</td>
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<tr>
<td>» Duties of a comparable level to your usual duties, which you are qualified for or can become qualified for in a reasonable period of time with education, training or experience.</td>
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<tr>
<td>» Employment at a comparable level at which you can earn at least 66(\frac{2}{3}) percent of your final compensation.</td>
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<tr>
<td>If you were disabled while on active military duty and are unable to return to CalSTRS-covered employment, you may apply for a CalSTRS disability benefit if you meet the other eligibility requirements.</td>
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<tr>
<td>You can apply for service retirement and disability at the same time if you're otherwise eligible to service retire. This will enable you to receive a monthly retirement income while your disability application is being evaluated.</td>
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<td>See the Your Disability Guide at CalSTRS.com/publications.</td>
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</tr>
<tr>
<td><strong>CalSTRS</strong></td>
<td><strong>CalPERS</strong></td>
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</tr>
<tr>
<td><strong>Employment While Receiving a Disability Benefit</strong></td>
<td><strong>Disability or industrial disability retirees can be approved to work in a permanent full-time CalPERS-covered position if the duties are significantly different than the duties from the position in which they were found disabled. Retirees must report earnings and an earnings limit applies.</strong></td>
<td></td>
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</tbody>
</table>
| Your disability benefit will end if:  
• You return to your usual and customary job duties.  
• You return to any work earning comparable salary.  
• Your medical status no longer qualifies you for a CalSTRS disability benefit.  
• You do not provide evidence of your continued qualification upon request.  
Additionally, your benefit will be reduced and you may become ineligible if you exceed your earnings limit. | See the *Employment After Retirement* publication in the Forms & Publication Center at CalPERS.ca.gov. |
<p>| <strong>Under Coverage A</strong> |  |
| You are eligible to receive your monthly disability benefit until you reach normal retirement age as long as you remain disabled. At normal retirement age, your disability benefit will end, and you can apply for service retirement. |  |
| <strong>Under Coverage B</strong> |  |
| You will receive a disability benefit for your lifetime as long as you continue to qualify. If you return to active service as a CalSTRS Defined Benefit member and later service retire, your eventual service retirement benefit will be calculated differently than if you had not received a disability benefit. This may provide for a lower service retirement benefit than if you had not received a disability benefit. |  |</p>
<table>
<thead>
<tr>
<th>Employment After Retirement</th>
<th>CalSTRS</th>
<th>CalPERS</th>
</tr>
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<tbody>
<tr>
<td>If you return to work after retirement in a position with the California public school system, there are restrictions under state and federal law:</td>
<td>You cannot work in a classified position except, under certain circumstances, as a teacher’s aide.</td>
<td>You may retire from CalPERS and accept employment with another public retirement system without affecting your retirement benefit.</td>
</tr>
<tr>
<td>• If you exceed the annual postretirement earnings limit, CalSTRS will withhold your gross monthly retirement benefit until we collect all earnings in excess of the limit. The postretirement earnings limit for the 2013–14 fiscal year is $39,903.</td>
<td>If you exceed the annual postretirement earnings limit, CalSTRS will withhold your gross monthly retirement benefit until we collect all earnings in excess of the limit. The postretirement earnings limit for the 2013–14 fiscal year is $39,903.</td>
<td>You may retire from CalPERS and accept temporary employment to work 960 hours or less in a fiscal year with a CalPERS-covered employer as a retired annuitant.</td>
</tr>
<tr>
<td>• If you retire and return to CalSTRS-covered employment within 180 days of your retirement date, CalSTRS will reduce your retirement benefit dollar for dollar by the amount you earn, up to your retirement benefit earned during that period.</td>
<td>If you retire and return to CalSTRS-covered employment within 180 days of your retirement date, CalSTRS will reduce your retirement benefit dollar for dollar by the amount you earn, up to your retirement benefit earned during that period.</td>
<td>A 180-day waiting period is required for all retired annuitants employed on or after January 1, 2013, except under a certain specified exemption approved by a county office of education. The 180-day waiting period starts from the date of retirement.</td>
</tr>
<tr>
<td>• If you received a retirement incentive and return to work for the employer that offered the incentive within five years of your retirement, you will lose the additional service credit you received under the retirement incentive.</td>
<td>You can continue to receive your full CalSTRS retirement benefit with no earnings limitation, if you take a job outside of CalSTRS-covered employment, including work in private school, private industry, public school outside of California, or the University of California or California State University systems.</td>
<td>If under normal retirement age (age 55 if the highest retirement formula is 2 percent at 55), you must have a bona fide separation before accepting a temporary assignment, even if an exemption to the 180-day waiting period is approved by a county office of education.</td>
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Reinstatement From Retirement

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<thead>
<tr>
<th>CalSTRS</th>
<th>CalPERS</th>
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<tbody>
<tr>
<td>You may terminate your service retirement and reinstate to active member status. If you reinstate, you may not be eligible for concurrent retirement for a subsequent retirement unless you retire again from another retirement system.</td>
<td>Service retirees accepting a permanent position under CalPERS must submit an application to reinstate from retirement.</td>
</tr>
<tr>
<td>Disability or industrial retirement retirees must be approved to work in a permanent position under CalPERS and must submit medical documentation with the application to reinstate from retirement.</td>
<td>Discontinuation or industrial retirement retirees must be approved to work in a permanent position under CalPERS and must submit medical documentation with the application to reinstate from retirement.</td>
</tr>
</tbody>
</table>

You may retire from CalPERS and accept employment with another public retirement system without affecting your retirement benefit. You may retire from CalPERS and accept temporary employment to work 960 hours or less in a fiscal year with a CalPERS-covered employer as a retired annuitant. A 180-day waiting period is required for all retired annuitants employed on or after January 1, 2013, except under a certain specified exemption approved by a county office of education. The 180-day waiting period starts from the date of retirement. If under normal retirement age (age 55 if the highest retirement formula is 2 percent at 55), you must have a bona fide separation before accepting a temporary assignment, even if an exemption to the 180-day waiting period is approved by a county office of education. You cannot accept a permanent part-time appointment in a CalPERS-covered position, even if the hours worked will be less than 960 hours in a fiscal year, unless you reinstate. Service retirees accepting a permanent position under CalPERS must submit an application to reinstate from retirement. Disability or industrial retirement retirees must be approved to work in a permanent position under CalPERS and must submit medical documentation with the application to reinstate from retirement. See the Employment After Retirement publication in the Forms & Publication Center at CalPERS.ca.gov.