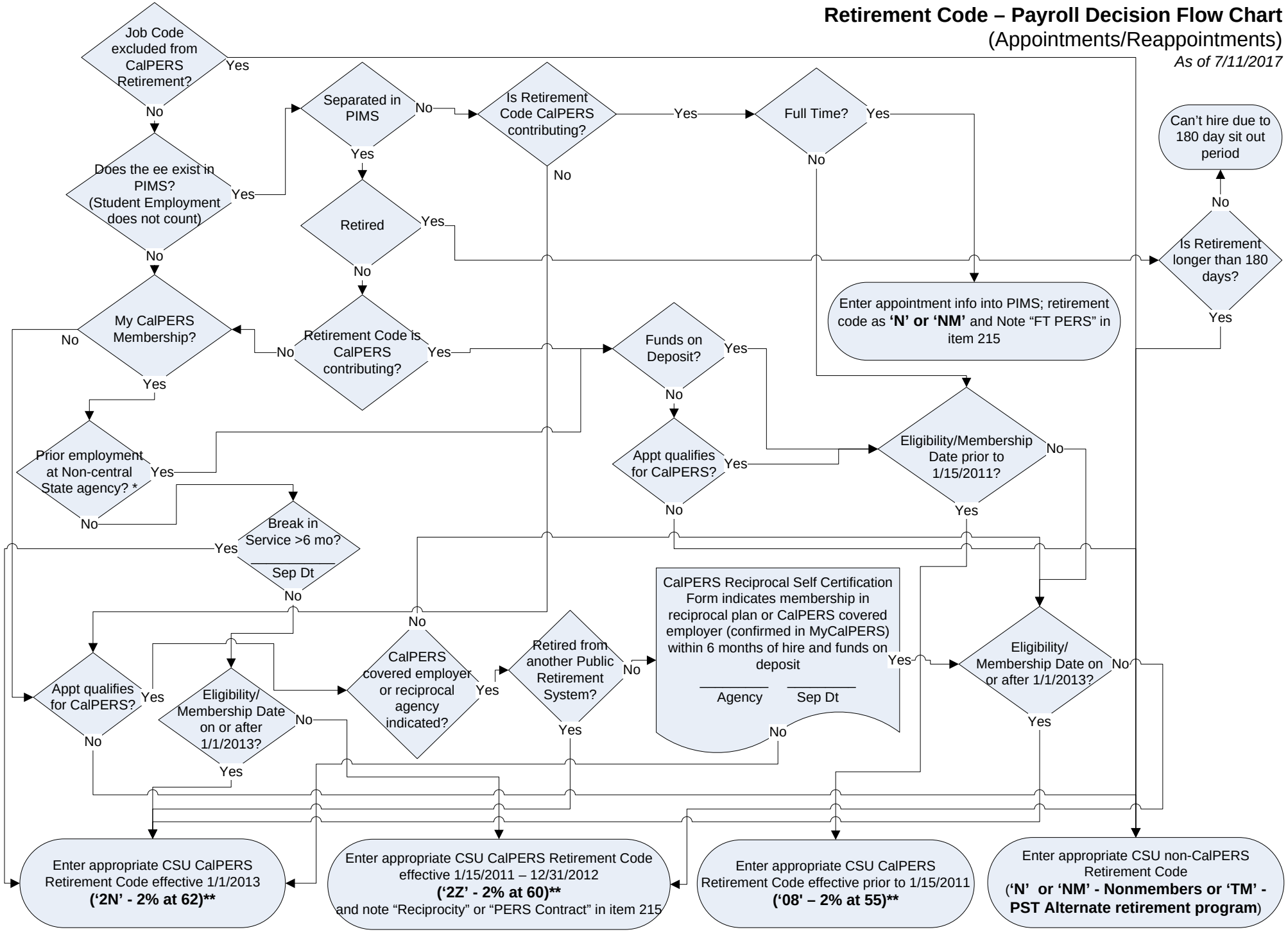
Retirement Code – Payroll Decision Flow Chart

(Appointments/Reappointments)

As of 7/11/2017



** Agricultural Associations (Dept. of Food and Agriculture), Senate Rules Committee, Assembly Rules Committee, Joint Rules/Joint Commission (no employees since 6/30/91), Joint Legislative Audit Committee, California Exposition and State Fair (aka Cal Expo), Joint Legislative Budget Committee*

** * Most commonly used retirement code. Use PIMS Item 505 to determine appropriate code based on appointment*

CSU The California State University

Revised CalPERS New Member/Classic Member/Reciprocal Member Flowchart

Employee hired on or after January 1, 2013

Is the prior CalPERS covered employment (membership) through **CSU** prior to 01/01/2013?

No → Is prior employment (membership) with any CalPERS-covered employer (includes other state employment)?

Yes → **Employee deemed a "Classic Member."**

No → Employee deemed a new member under AB 340 (PEPRA) unless subject to reciprocity.

Proceed to Next Step → Is prior employment with any CA retirement system with reciprocity?

Yes → **Confirm reciprocal employer from list of reciprocal agencies in CalPERS State Reference Guide or the Reciprocal Self-Certification Form. Scan and email completed forms to the State Controller's Office at PPSDreciprocity@sco.ca.gov.**

If break in service of less than six (6) months has occurred, and retirement contributions are on deposit, place employee in the appropriate retirement code that was in effect on 12/31/12 (e.g., State Misc. 2% at 60, or POFF 2.5% at 55 or State Safety 2% at 55).

If break in service of greater than six (6) months has occurred, place the employee in the appropriate retirement code implemented on 01/01/13, per AB 340 (PEPRA) 2% at 62, etc.

No → **Employee deemed a new member under AB 340 (PEPRA). Place employee in one of the new retirement codes in effect on 01/01/13 e.g., State Misc. 2% at 62, POFF 2.5% at 57 or State Safety 2% at 57).**

Yes → **If the CSU is the prior CalPERS-membership, employee is deemed "Classic Member," despite length of break-in-service between appointments, and is placed in the same retirement formula enrolled in prior to new CSU appointment,* unless employee is rehired into a classification that is eligible for a different retirement formula (e.g., Public Safety Officer rehired as a faculty member).**

CalPERS Covered Employer - State Agency

If CalPERS-covered employer is another State entity, employee is a "Classic Member," regardless of length of break-in-service between appointments, and is placed in the same retirement formula from previous State agency.

If hired with the State for the first time on/after 01/15/11 or 07/01/11 (Public Safety), retirement formulas State Misc. 2% at 60, or POFF 2.5% at 55 or State Safety 2% at 55 are applicable.

If hired with the State for the first time on/after 01/01/2013 retirement formula State Misc. 2% at 62.

All existing CalPERS members as of December 31, 2012, will remain in existing retirement formula for future service with the same employer (e.g., CSU/State of CA).

CalPERS-Covered Employer - Contracting Agency or Schools

If CalPERS-covered employer is a CalPERS contracting agency or school, employee is a "Classic Member," regardless of whether retirement contributions are on deposit.

If break in service of less than six (6) months has occurred, place employee in the appropriate retirement code that was in effect on 12/31/12 (e.g., State Misc. 2% at 60, or POFF 2.5% at 55 or State Safety 2% at 55). Refer to HR/Benefits 2010-18.

If break in service of greater than six (6) months has occurred, the employee is deemed a new member under AB 340 (PEPRA). Place employee in one of the new retirement codes in effect on 01/01/13 (e.g., State Misc. 2% at 62, POFF 2.5% at 57 or State Safety 2% at 57. Refer to HR/Benefits 2012-16.

A new member is defined in PEPRA as any of the following:

- A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who has no prior membership in any California public retirement system.
- A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who is not eligible for reciprocity with another California public retirement system.
- A member who first established CalPERS membership prior to January 1, 2013, and who is rehired by a different CalPERS employer after a break in service of greater than six (6) months (excludes other State to State and/or CSU).

*If employee was already employed with CSU prior to January 1, 2013, but did not become CalPERS eligible until on or after January 1, 2013, the employee is considered a new member under AB 340 (PEPRA), and is subject to enrollment in one of the new retirement formulas released in HR/Benefits 2012-16 and HR/EHDB 2012-03.

Definitions

Contracting Agency: A public agency city, special district, or county that contracts with CalPERS for retirement and/or health benefits (not all contracting agencies offer a CalPERS retirement plan). Would not include a state employer, such as the CSU or CalHR.

Schools: The County Office of Education, school districts and community colleges.

State Agency: A California agency is a state department that is subject to the policies, regulations and processes established by the California Department of Human Resources (Cal HR) , and the State Personnel Board (SPB). Cal HR operates under Government Code sections 19815 through 19999.7 and California Code of Regulations, Title 2, sections 599.600 through 599.995.

CSU: CSU is considered a state entity by statute and is subject to specific Government Code sections, California Code of Regulations, Title 5, and the California Education Code sections 89000 through 90520.

Reciprocity: Reciprocity is an agreement among public retirement systems to allow members to move from one public employer to another public employer within a specific time limit without losing some valuable retirement and related benefit rights. There is no transfer of funds or service credit between retirement systems when reciprocity is established. The employee is a member of both systems and are subject to the membership and benefit obligations and rights of each system and must retire from each system on the same date but will receive a retirement warrant from both systems. Members of the University of California Retirement System (UCRS) Defined Benefit Plan, also referred to as the University of California Retirement Plan (UCRP) which contracted with CalPERS on October 1, 1963, may be eligible for reciprocal provisions. All Reciprocal 1937 Act Counties and Reciprocal Public Agencies have reciprocity with each other as a result of contracting for reciprocity with CalPERS. UCRP has reciprocal provisions with CalPERS only. While there is no formal reciprocity agreement between CalPERS and the California State Teachers' Retirement System (CalSTRS), Legislators' Retirement System (LRS), Judges' Retirement System (JRS) or the Judges' Retirement System II (JRS II), legislation provides similar benefits with these systems.

This Chart outlines general information only. CalPERS makes the final determination of employees' retirement formula and reciprocity.

Additional Information

Please Note:

Employees who have separated from the CSU and received a refund of CalPERS contributions will be placed in the same retirement formula prior to separation if rehired; however, the employee may have to re-establish membership if the new appointment does not immediately establish CalPERS eligibility. Please refer the CalPERS State Reference Guide.

Additional References and Resources

CSU-Provided:

CSU Pension Reform and FAQ
HR/Benefits 2012-16
HR/EHDB 2012-03
HR/Benefits 2010-18
Pension Reform Definitions
PIMS Manual

CalPERS- Provided:

Pension Reform Website
Pension Reform FAQ
Circular Letter 200-055-12
Circular Letter 200-063-12
CalPERS State Reference Guide
CalPERS When You Change Retirement Systems
Reciprocal Self-Certification Form