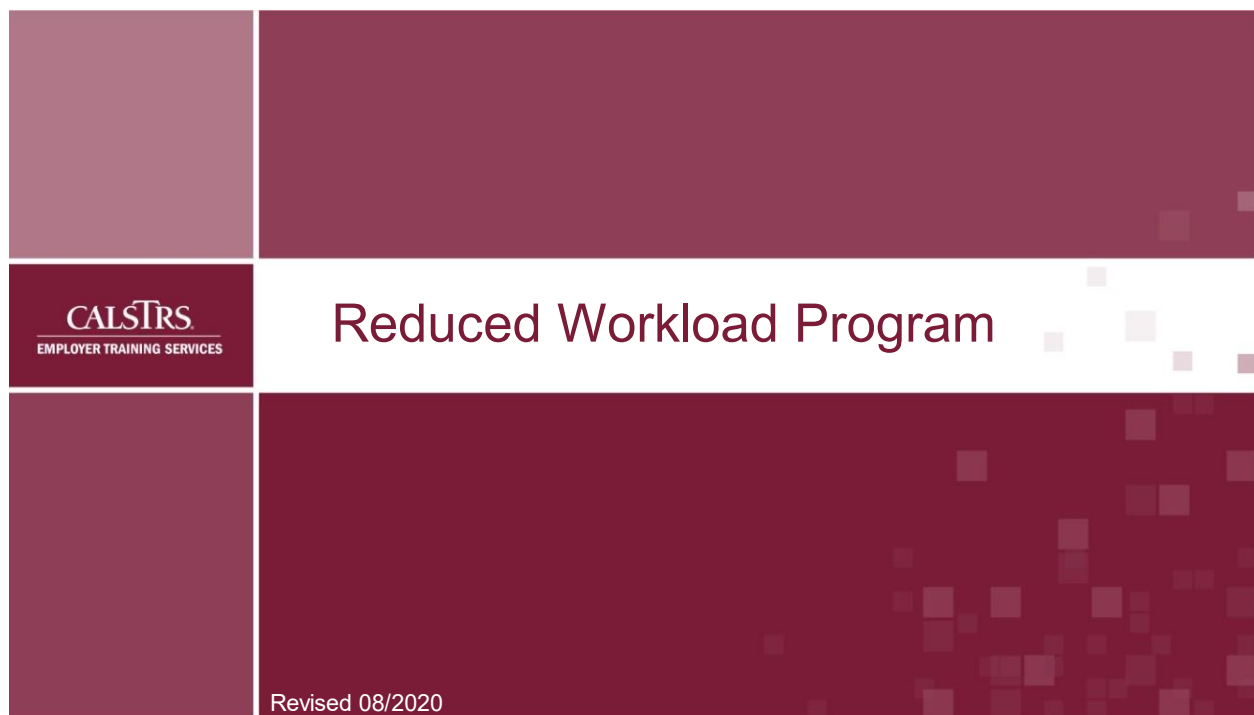


Reduced Workload Program Instructor-Led Training Guide

This document contains the slides with brief descriptions of the Reduced Workload Program module.

Questions? Contact EmployerTraining@CalSTRS.com or send a secure message in the Secure Employer Website. Please include supporting documentation for review.

Revised 04/28/2022



Slide 1: Reduced Workload Program

CalSTRS Employer Training Services module: Reduced Workload Program. Revised 08/2020.

This training focuses on benefits and features of the Reduced Workload Program (RWP), employer and member eligibility, employer responsibilities, and how participants may terminate from the 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

Slide 2: Objectives

After today you will be able to recognize the benefits and features of the Reduced Workload Program, describe employee and member eligibility requirements, explain employer responsibilities, and identify ways a participant may terminate from the program.

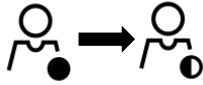


Benefits and Features

Slide 3: Benefits and Features

Reduced workload program benefits and features.

Benefits of RWP



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



Knowledge transfer and mentor newer employees prior to retirement



Retirement benefits are calculated as though member was full time

Slide 4: Benefits of RWP

Members reduce their workload in a position from full-time to part-time duties to ease in to retirement. This allows for a transfer of knowledge from veteran teachers to newer employees. Benefits are calculated as if the RWP participants worked full time as long as the contractual agreement is fulfilled.

Features of RWP



Agreement to work at least 50 percent of fulltime employment



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



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

Slide 5: Features of RWP (1/2)

The agreement to work must be at least 50 percent of full-time employment. Participation may not exceed a total of 10 years, consecutively or non-consecutively. Employers are required to pay participants the portion of full-time creditable compensation that matches the RWP agreement.

Features of RWP



Employer and member contributions are based on the fulltime annualized pay rate



RWP participants receive fulltime service credit if contract is fulfilled



Retirement benefits are calculated as though member worked full time

Slide 6: Features of RWP (2/2)

Employer and member contributions are based on the full-time annualized pay rate. The employer contribution rate is a special rate set each year by the Teachers' Retirement Board. RWP participants receive full-time service credit if the contract is fulfilled and retirement benefits are calculated as though the member worked full-time.



Eligibility Requirements

Slide 7: Eligibility Requirements

Reduced workload program 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

Slide 8: Employer Eligibility Requirements

The employer must establish a resolution approved by their governing board that specifies the RWP requirements in Education Code 22713. The 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

Slide 9: Member Eligibility Requirements (1/3)

The member must have at least 10 years of CalSTRS service credit and 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

Slide 10: School Term

A school term is a least 35 weeks and begins on the first day and ends on the last day required to earn a full year of service credit. School terms may 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

Slide 11: Member Eligibility Requirements(2/3)

The member must have been employed full time for 5 consecutive years immediately preceding the RWP year without a break in service. Employer approved leaves and unpaid absences for personal reasons do not 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

Slide 12: Member Eligibility Requirements (3/3)

A member's salary cannot exceed the maximum salary of a school principal at that employer. Community college districts do not have a salary limit.



Employer Responsibilities

Slide 13: Employer Responsibilities

Reduced Workload Program 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

Slide 14: Employer Responsibilities (1/2)

The employer must verify the applicant's eligibility for RWP. They must submit the Reduced Workload Eligibility Certification (ES 1161) form to CalSTRS before the start of the school term. This form can be found on the Secure Employer Website (SEW) in forms and publications. CalSTRS Employer Services will review the form and accept or reject the form if the 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

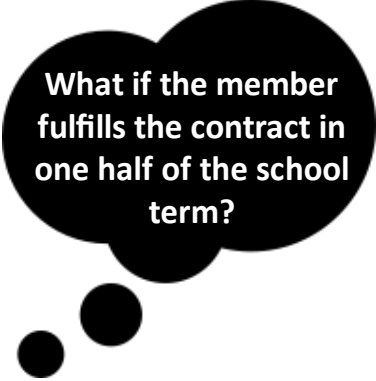


Increment is visible on member's Retirement Progress Report

Slide 15: Employer Responsibilities (2/2)

The employer must maintain records identifying all RWP participants and report using Assignment Code 36. Participants receive their RWP service credit increment at the end of the fiscal year at annual update. The increment is visible on the 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

Slide 16: Reporting RWP Participants

The RWP participant may fulfill the RWP contract in one half of the school term. The employer must continue to report monthly lines to CalSTRS each month for the other half of the school term. Report using Assignment Code 36, the same annualized pay rate used in the other half of the year, zero earnings, and 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

Slide 17: Reporting RWP Participants - Example

Ian is on an RWP contract performing 51% of a full-time position at Sky CCD and agrees to fulfill the agreement in the first semester. He fulfills the 51% contract in the first semester from August through December. Sky CCD continues to report RWP lines for the second half of the school term each month using Assignment Code 36, the same payrate, zero earnings and Contribution Code 2.

Employers need to report RWP lines each pay period regardless of if the employee already fulfilled the RWP agreement. The system needs to see lines each month to ensure that the participant receives the service credit increment. Do not frontload or backload the reporting lines.

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

Slide 18: Reporting Prorated Special Pay

If an RWP participant earns special pay, such as a Master's degree or a bilingual certificate, the special pay should be reported using the pay rate based on the special pay the member would have earned if they had not reduced their workload, Assignment code 36, and Contribution code 6.

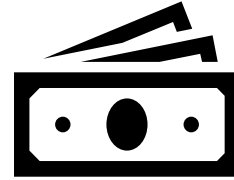
Reporting Prorated Special Pay - Example



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

Slide 19: Reporting Prorated Special Pay - Example

Carrie agrees to work 80 percent of a full-time contract at River USD. River USD prorates the member's master's degree stipend from \$100 per month to \$80 per month. River USD reports the \$800 compensation as special pay with an annual pay rate of \$100 and \$80 earnings using Assignment Code 36 and Contribution Code 6.



Program Termination

Slide 20: Program Termination

Termination from the Reduced Workload Program.

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 fulltime employment



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

Slide 21: Program Termination (1/3)

The RWP agreement will be terminated if participant any of the following occur before the end of the school term: termination of employment (including death), retirement, refund or going on disability, not performing at least 50% of full-time employment, or mutually agreeing with the employer that they will 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

Slide 22: Program Termination (2/3)

If a member terminates RWP participation they will only get the amount of service credit that was actually earned. The member is required to reapply and meet all eligibility requirements in order to qualify for future participation in RWP. The member would be eligible to reduce their workload again when they have 5 consecutive years of full-time service. Years of successfully completing a RWP contract will count as full-time employment. The fiscal year of termination does not count toward the 10 year maximum for 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

Slide 23: Program Termination (3/3)

The employer must notify CalSTRS within 30 days of the agreement being terminated. The employer will need to back out and re-report lines using the applicable 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?


Slide 24: Things to Consider

Here are some questions to consider when working with the Reduced Workload Program. Do you have an approved resolution and capability to track and report RWP participants to CalSTRS? Does the member meet the eligibility requirements to participate? Did you fill out and submit 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?

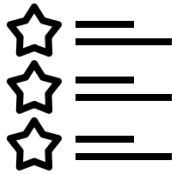
Next Step in PALMS




Complete computer-based training



Review course materials



Complete course evaluation



Complete knowledge check

Slide 25: Next Steps in PALMS

Next steps in PALMS include: take the computer-based training if you have not already, review the job aid and other resources in the course, complete the course evaluation after this training is complete, and complete the knowledge check two weeks from today. There will be a reminder email sent.

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

Slide 26: Questions?

Email EmployerTraining@CalSTRS.com for support with training resources or questions about Teachers' Retirement Law or EmployerHelp@CalSTRS.com for support with questions about files, reporting, and the Secure employer website. You can also send a secure message in the Secure Employer Website or call the Employer Help hotline at 877-227-5778.

It's difficult for CalSTRS to provide support on hypothetical situations since there are so many nuances to consider. Please provide duty statements or other supporting documentation so we can provide a more thorough and timely response.