

California State Teachers'
Retirement System

CALSTRS
HOW WILL YOU SPEND YOUR FUTURE?

Cash Balance:

AN EXCEPTIONAL PLAN FOR YOUR FUTURE

FOR COMMUNITY COLLEGE PART-TIME INSTRUCTORS

As an hourly or adjunct faculty member, your needs differ from those of your full-time fellow professionals. We understand this and designed the CalSTRS Cash Balance Benefit Program with you in mind.

Retirement may seem like a long way off, but with careful planning now, you can arrive in good shape. Our staff can provide you with further information, so you achieve financial security.



Your Future Guaranteed by a Sound, Secure System

What is the California State Teachers' Retirement System?

The largest teachers' pension fund in the U.S., the California State Teachers' Retirement System was established by law in 1913 to secure retirement benefits for the state's public school teachers. CalSTRS' active members number more than 450,000, with monthly benefits disbursed to more than 200,000 recipients. CalSTRS administers the Defined Benefit Program, Defined Benefit Supplement Program and the Cash Balance Benefit Program.

Who Administers CalSTRS?

The 12-member Teachers' Retirement Board has a sound record. Responsive to its members and employers, it is an able steward of the members' investments. The governor appoints five Board members, and three are elected by CalSTRS members. Four others serve in an ex-officio capacity: the state's Superintendent of Public Instruction, Controller, Treasurer and Director of Finance.



A First-Class Path to Retirement

As you plan your retirement savings goals, you will like what the Cash Balance Benefit Program has to offer.

The CalSTRS Cash Balance Benefit Program was designed specifically for you—the adjunct or hourly faculty member. You love your profession, but part-time work gives you specific retirement concerns. These may be met with the CB Benefit Program.

You May Be Eligible

Your district must formally decide if it will offer the CB Benefit Program as an alternative program, and it may be offered exclusively or along with other alternative plans, including Social Security. Federal law says employers must provide you, the part-time instructor, with either Social Security or a qualified alternative retirement plan. Eligibility depends on your hiring basis, not the actual hours you work.

The CB Benefit Program is available to:

- Part-time temporary community college instructors or adult education community college instructors
- Adjunct or hourly faculty members hired semester to semester to work up to or including 60 percent of the hours per week considered a full-time assignment
- Persons who perform trustee service for an employer who has elected the CB Benefit Program.

If you sign an annual contract with the district, it must be for no more than a 60 percent time commitment for each full-time position in order for you to be eligible for the CB Benefit Program.

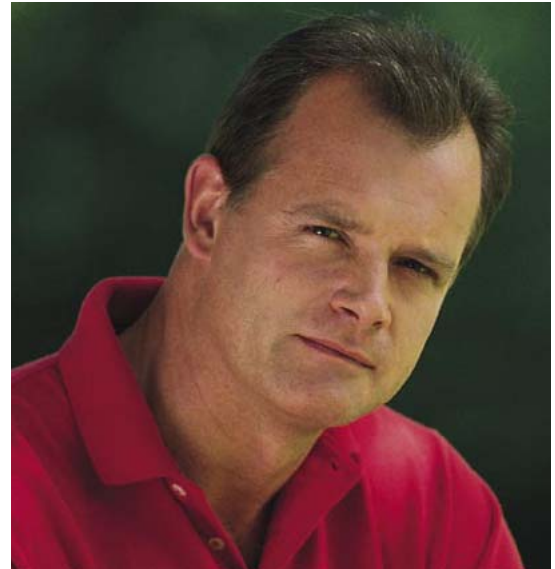
Eligibility depends on your hiring basis, not the actual hours you work.

How Do I Know If This Is The Best Program For Me?

Here are answers to questions about the Cash Balance Benefit Program to help you decide if it's the best program for you:

Q&A About the Cash Balance Benefit Program:

- Q:** *What is my annual contribution amount?*
A: Typically, you contribute about 4 percent of your salary, depending on your local bargaining agreement.
- Q:** *Does the program charge administrative fees?*
A: No, you are not charged any administrative fees.
- Q:** *Is there a tax-deferral component?*
A: Yes, you defer the tax payments on these savings.
- Q:** *Is there a guaranteed interest rate?*
A: Yes, the CB Benefit Program offers a guaranteed annual interest rate, which is determined every year by the board. It was 5.25 percent in 2007-08.
- Q:** *When can I have access to the funds in my account?*
A: When you become a participant of the CB Benefit Program, you are immediately vested. You may have access to the funds when you retire or quit teaching.
- Q:** *How much of the funds will I get back?*
A: If you leave teaching before retirement, you have the right to receive the contributions made by you and your employer, plus the earned interest six consecutive months after termination of employment.
- Q:** *Does the program have a record of sound investment plan experience?*
A: Yes, you have CalSTRS' superb investment track record and guarantee that all benefits will be paid in full.
- Q:** *Can I easily move my savings to another reliable, qualified retirement plan?*
A: Yes, if you quit teaching or retire, you can roll your funds out of the CB Benefit Program and into another qualified retirement plan. At any time you are a participant, you may roll eligible funds into your CB Benefit Program account from another qualified retirement plan.
- Q:** *Is the plan portable to another employer?*
A: Yes, you can continue participation in the CB Benefit Program even if you are hired by another district not offering the CB Benefit Program.



If you are eligible to join and your district offers the Cash Balance Benefit Program, you automatically become a participant unless you choose another retirement program, or you are in the Defined Benefit Program.

Save More With Half the Effort

Want to double your retirement savings? In the CB Benefit Program, your employer matches your contribution dollar for dollar. This combined contribution will usually total 8 percent of your creditable earnings. Typically, you contribute 4 percent and so does your district, but alternative rates may be set, depending on the local collective bargaining agreement. Your contributions are made on a pre-tax basis, reducing the amount of your taxable income.

Many Rewards for Planning Ahead

The CB Benefit Program's guaranteed interest rate is adjusted annually, based on a 12-month average of the 30-year U.S. Treasury rate. At times, the Teachers' Retirement Board may credit your account with additional interest earnings. For example, with the compounded interest your savings earn, your monthly investment of \$100 a month for 10 years, at 6 percent, grows to approximately \$16,300. Will it support you for life? No. Does it increase your security? Yes.

Planning Ahead

Since 1913, CalSTRS members have benefited from consistent, rock solid investments. You can trust the Cash Balance Benefit Program to produce the same solid returns while offering you the ability to be flexible with your retirement planning.

How Soon Can I Join?

This depends on your current situation and if your district offers the CB Benefit Program. Call CalSTRS at 800-228-5453 to discuss your situation.

Current Defined Benefit Program Members

For current Defined Benefit Program members who are eligible for the Cash Balance Benefit Program, once your district offers the CB Benefit Program, you have 60 days to decide which program you prefer. If you are part-time in the DB Program and teach part time for more than one district, you can choose the CB Benefit Program with any employer who offers it.

If you do not make a choice, you automatically continue with the DB Program.

New Hires or Teachers Not in the Defined Benefit Program

If you are not a member of the Defined Benefit Program or if you are newly hired and if your employer offers an alternative retirement plan in addition to the CB Benefit Program, you must formally elect a plan within 60 days of becoming employed under CalSTRS-covered employment.

If you do not make a choice, you automatically become a CB Benefit Program participant. If you choose an alternative retirement plan or Social Security coverage, you may elect at any time to switch to the CB Benefit Program.

When Can I Receive My Retirement Benefits?

You may retire as early as age 55 with no penalty. You can take out your funds at retirement or let them collect further interest, but you must start taking distribution of your funds by age 70½ unless you continue working.

How Much Will My Retirement Benefit Be?

This depends on the amount of your contributions, your employers' contributions, any compounded interest on the accumulated funds and any additional earnings credit approved by the Teachers' Retirement Board.

How Is My Retirement Benefit Paid?

You may receive your Cash Balance retirement funds in a lump-sum payment, which you can roll over into an Individual Retirement Account, a defined contribution plan or any other qualified plan that agrees to a rollover. With \$3,500 or more in your account, you can elect to receive a distribution under one of several annuity options, some of which provide you a lifetime benefit. See the different annuity options on page 11.

Suppose I Become Disabled Before I Retire?

Before you receive a disability benefit, you must terminate all CalSTRS-covered employment. Once the Teachers' Retirement Board determines through medical documentation that you have a total, permanent disability, you may receive a lump-sum payment of the funds in your account. You may roll the payment over into an IRA, a defined contribution plan or any other such eligible plan. Or, if your account balance is \$3,500 or more, you may elect a distribution under one of the annuity options.

You can trust the Cash Balance Benefit Program to produce rock solid returns and flexibility.

Do I Keep Medicare If I Elect CalSTRS' CB Benefit Program?

Yes, you and your employer still make the separate 1.45 percent tax contribution for Medicare coverage. Your retirement program contributions are not included in determining how much you contribute to Medicare.

Can I Get My CB Benefit Program Contributions Back If I Leave My Job?

If you terminate all CalSTRS-covered employment before retirement, you may apply for a lump-sum distribution. You must wait six consecutive months before receiving the funds in your account, including your contributions and those of your employer, plus any compounded interest. The termination benefit is payable after six consecutive months have elapsed following the date of termination of employment. The application for the termination benefit will be automatically canceled if the participant performs creditable service within six months following the date of termination of employment.

What If I Begin Teaching Full-Time?

You automatically become a member of the Defined Benefit Program, and you have a choice on how your CB Benefit Program funds are used. The contributions can remain secure in your CB Benefit Program account, accumulating interest without fees, until you retire or terminate all creditable service. You may instead request to convert eligible service covered under the CB Benefit Program to DB

Program service credit as long as you are a currently contributing DB Program member and have ceased performing service under the CB Benefit Program.

Can I Roll Over These Funds When I Leave the CB Benefit Program?

You can transfer or roll over your funds into a qualified retirement plan or an IRA to avoid federal and state tax penalties that apply to some pre-retirement withdrawals once you have terminated all CalSTRS covered service. Any funds you leave in your CB Benefit Program account continue to grow, tax-deferred, until you reach age 70½ when federal law requires you to take a distribution if you are not working.

Can I Roll Over Funds from Another Plan to the CB Benefit Program?

You can roll over funds from another eligible plan to the CB Benefit Program provided it is allowable under applicable federal law.

Does the CB Benefit Program Affect Any Social Security Benefits I've Earned?

If you perform work not covered by Social Security but covered by an alternative retirement plan, such as the CB Benefit Program, the Social Security benefits you receive for your work or as a spouse may be reduced. For information, call the Social Security Administration at 800-772-1213.

What Happens to My CB Benefit Program Account If I Die Before I Retire?

Any benefit payable upon your death will be paid to your named beneficiaries. Generally, your beneficiaries will receive a lump-sum payment, usually the total of the contributions and the interest in your account. However, if the account totals at least \$3,500 for each of your beneficiaries, they may choose a period-certain annuity.

Can I Convert My Contribution to An Annuity?

If you have an account balance of \$3,500 or more, you can, when you retire or become permanently disabled, choose one of five annuities:

- Participant-Only Annuity
- 100% Beneficiary Annuity
- 75% Beneficiary Annuity
- 50% Beneficiary Annuity
- Period-Certain Annuity 3-10 Years

The Single Life Annuity without Cash Refund is no longer available as of January 1, 2007.



Tailor Retirement Planning to Your Needs

Why Add the CB Benefit Program To Your Retirement Planning?

You may have a retirement goal—but reaching it requires many resources. As an adjunct faculty, you may feel you don't have time to investigate investment alternatives and retirement plans. The Cash Balance Benefit Program should be viewed as one facet in a multi-faceted retirement plan. The plan is simple—freeing up your time and giving you peace of mind, knowing you will have a portion of your retirement taken care of.

The CB Benefit Program is composed of:

- A small portion of your earnings
- Your employer's contributions
- Compounded interest on the full amount
- Additional earnings credit occasionally approved by the Teachers' Retirement Board
- A guaranteed rate of return.

This translates into more income now because your contributions are tax deferred.

You Appreciate a Safe Retirement Program

As you plan the best way to reach your retirement goal, ask yourself:

- How will today's decision affect my future choices?
- How many more work years do I have?
- Will I continue as a part-time instructor?
- Will I change to full-time status?
- Will I continue working in California?
- Do I work for more than one community college district?
- Do I want to be part of the Social Security system?
- How many quarters (quarter-year periods) do I have in the Social Security system?
- Would I rather be in the CalSTRS Defined Benefit Program?
- Do I want an investment management team with a proven record?

Evaluate the Experience of Others

The following two instructors made their choices based on different factors. They both expect to have positive results when they are ready to retire. Note: Savings based on assumptions of historic salary increases and projected investment returns averaging 6.75 percent.

Becky Makes a Decision Early in Her Career

Becky, age 28, teaches English as a Second Language at two community colleges, both of which are in the CB Benefit Program. Hired as adjunct faculty at both colleges she earns \$4,000 a year for teaching two courses at College A and \$1,400 per year for teaching a course at College B. In Becky's first year, she contributes 4 percent of her earnings, \$216, to the CB Benefit Program: \$160 from College A and \$56 from College B.

Her employers match Becky's \$216, making a \$432 first-year contribution to her CB Benefit Program account. After 10 years at this contribution level, her retirement investment, with interest, grows to \$7,605. In 20 years, this will be \$27,599.

Suppose Becky quits her job. She can move to another state and still keep her account, consisting of her own and her employers' contributions and the compounded interest, in the CB Benefit Program. Or she can move this to another eligible retirement plan or to an Individual Retirement Account. If she has \$3,400 or more in her account at retirement, Becky can choose an annuity that later pays her a monthly retirement benefit for life. If she chooses a 50%, 75% or 100% Beneficiary Annuity, it will her a lifelong monthly benefit and, on her death, a lifelong monthly benefit to her beneficiary.



Kevin Considers a Change to Cash Balance

At age 53, Kevin is also an adjunct community college instructor but has belonged to and contributed to the CalSTRS Defined Benefit Program for five years. He earns just 0.4 years of service credit annually and can't be vested in the DB Benefit Program and qualify for a monthly benefit until he has five years of service credit. As part-time faculty, putting 8 percent of his earnings in the DB Program, it will take another 7½ years of accrued service credit before he is vested. He'd like to retire before this, but, without being vested in the DB Program, he would receive only a lump sum equal to his contributions and interest, but not the employer contribution.

If, however, Kevin selects the Cash Balance Benefit Program during his 60-day election period, his contribution is reduced to 4 percent or less of his earnings and is matched by his employer. Immediately vested, Kevin can maintain this contribution for five years, keep teaching at the same level, and see his investment and interest grow. With at least \$3,500 in his CB Benefit Program account, he can choose one of five annuities, three of which are beneficiary annuities.

At retirement, Kevin receives a lump-sum benefit from his earlier DB Benefit Program contributions, plus his monthly CB Benefit Program payment. If he dies having chosen the survivor annuity, his beneficiary receives a monthly payment for life.

The Extras You Get When You Go With CalSTRS

As a participant in the CalSTRS CB Benefit Program, you are eligible to receive a wide range of services available to all CalSTRS members

Retirement Progress Report

You will have a CalSTRS account and receive an annual statement of account in your *Retirement Progress Report* each year showing the balances of your contributions, your employers' contributions and interest credited to your account.

CalSTRS Voluntary Investment Program

Set aside even more retirement funds through this tax-deferred 403(b) savings program. The Teachers' Retirement Board oversees this program's competitively priced services and self-directed investment options. For more information, call 800-699-4032.

CalSTRS Home Loan Program

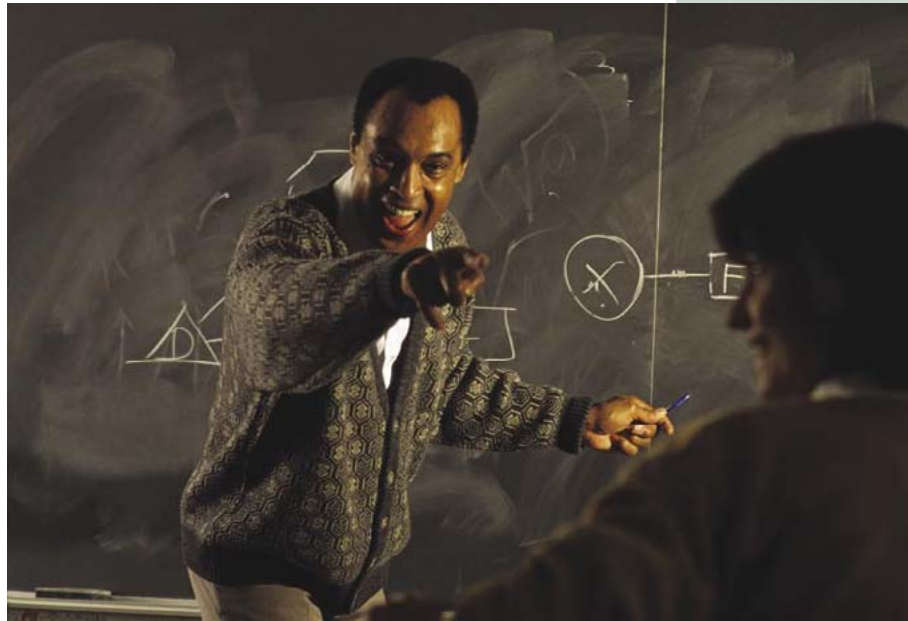
If applying for a fixed-rate, first-mortgage home loan, you can probably take part in this program that offers "no points, no fees" financing for a conventional purchase or refinance loan. For more information, call 866-384-4457.

CalSTRS Connections Newsletter

This twice-a-year newsletter tells you of important retirement law changes, proposed legislation and related issues. Mailed or e-mailed directly to you, the *CalSTRS Connections* newsletter often contains information pertaining to part-time educators. Register on myCalSTRS.com for e-mail delivery.

Client Outreach and Guidance

You may attend regional workshops that provide basic, unbiased financial planning information for your remaining work years and retirement. Call CalSTRS for information at 800-228-5453.



CalSTRS Customer Service

CalSTRS' trained staff will answer your e-mail, telephone and written inquiries. You can e-mail from CalSTRS.com/ContactUs, call 800-228-5453 or, for TTY 916-229-3541. You can write to CalSTRS, P.O. Box 15275, Sacramento, CA 95851-0275. Please include your name, current address, daytime telephone number and Client Identification Number.

CalSTRS Web Site

Find out more information about the Cash Balance Benefit Program and other CalSTRS programs at www.CalSTRS.com.

Program Summary

Description of Program

The Cash Balance Benefit Program is a defined benefit plan that meets the requirements of the Internal Revenue Code. It is optional to school districts, community college districts or county offices of education as an alternative retirement plan.

The CB Benefit Program is a primary retirement program for employees of California public schools who are hired to perform creditable service by a:

- 1) school district or county office education, on an hourly or daily basis, and/or employed or contracted for less than 50 percent for each full-time position; or
- 2) community college district, on a part-time or temporary basis (semester to semester), or for not more than 60 percent of the hours per week considered a regular full-time assignment; or
- 3) governing body of an employer, as a trustee member.

Plan Eligibility Requirements

Employers may offer the CB Benefit Program to eligible employees. Employers must elect through formal school board action, exclusively, or in addition to other alternative plans, and/or Social Security.

When an employer first elects to offer the CB Benefit Program, all part-time employees employed to perform creditable service for less than 50 percent of the full-time equivalent

for a position (unless also employed in full-time position performing creditable service for any employer) become a participant on the latter of:

- The first day in which creditable service is performed or
- The effective dates of the employer's governing board's action to provide the CB Benefit Program, unless the employee elects coverage under the CalSTRS Defined Benefit Program, or any other alternative plan offered by the employer.

Elections

Employees have the right to elect coverage under either Social Security or an alternate plan in lieu of the CB Benefit Program if the employer's governing board's action provides these options.

An election to participate in either Social Security or an alternative plan does not prevent an employee from electing to participate in the CB Benefit Program at a later date, as long as the CB Benefit Program is provided by the employer and the employee is eligible to participate in the plan.

Discontinued Eligibility

An employee's Cash Balance Benefit Program eligibility ceases with a specific employer when:

- 1) The employee accepts a position (written contract or employment agreement) on the basis of 50 percent or more of a full-time equivalent with that employer,
- 2) The employee elects into the Defined Benefit Program with that employer, which may occur at any time, or
- 3) The employee is working in a full-time position performing creditable service for any employer.



Contributions

Each employer contributes a minimum of 4 percent of salary on behalf of each participating employee. Through the collective bargaining process, employers are permitted to pay different levels of employee and employer contributions, as long as the following conditions are met:

- 1) The sum of the employee and employer contributions equals or exceeds 8 percent of employee salary, but in no event shall the employer contribution rate be less than 4 percent.
- 2) The employee and employer contribution rates are the same for each participant employed by the employer.
- 3) The contribution rates as determined under the collective bargaining agreement become effective on the first day of the plan year and remain in effect for at least one plan year.
- 4) The employee and employer contribution shall be in one-quarter percent increments.

Vesting

A participant has an immediate vested right to a retirement benefit, equal to the sum of the balance of contributions, including any compounded interest earned on their employee and employer accounts.

Guaranteed Interest Rate

The CB Benefit Program has a guaranteed interest rate which is determined annually by the California Teachers' Retirement Board. The rate is based on the average of 30-year U.S. Treasury Notes for the 12 months (March-February) immediately preceding the plan year.

Plan Investments

The CB Benefit Program is a distinct benefit structure within CalSTRS. CB Benefit Program contributions are invested in portfolios at the direction of the Teachers' Retirement Board. The CB Benefit Program has ownership of units of these pooled portfolios, which reflect market fluctuations of underlying securities on a daily basis. Units are purchased using the current market value per unit. Unitized funds are accounted for on a multiple class level, which entails the sharing of one portfolio by two or more owners. Income and portfolio level expenses are distributed to each class level on a pro rata basis determined by the amount of units owned as a percentage of the total units of the portfolio.

Gain and Loss Reserve

Funds accumulate in a Gain and Loss Reserve to credit interest to participants' employee and employer accounts during years when the rate of return on investments is less than the guaranteed interest rate. Annual additions to the reserve are determined by the board on earnings in excess of those needed to credit the guaranteed interest rate and pay administrative costs. The Gain and Loss reserve will also be used to ensure adequate funds are available in the Annuitant Reserve for monthly annuity payments.

Additional Earnings Credit

After the end of the plan year, when the total investment earnings for the immediately preceding plan year are known, the Board may declare an additional earnings credit. Any additional earnings credit will be applied to participants' employee and employer accounts.

Retirement Eligibility

Normal retirement age is 60, but no earlier than age 55. A participant must terminate all CalSTRS creditable service to apply for a retirement benefit. Distribution of a retirement benefit must begin by age 70½, unless the employee is still working.

Early Withdrawals

Both federal and California state tax codes provide for tax penalties for certain early withdrawals. A 10 percent federal and 2.5 percent state tax penalty may be assessed for early withdrawals.

Rollover

Participants may be permitted to transfer funds from eligible retirement plans into the CB Benefit Program, as long as the transfers are allowable under applicable federal and state laws.

Retirement Benefit

Normal retirement benefit is a lump-sum benefit equal to the balance of credits in participants' employee and employer accounts. The entire lump-sum payment may be eligible to roll over into an IRA, defined contribution plan or other eligible retirement plan that accepts such a rollover.

If you have an account balance of \$3,500 or more, you can, when you retire, choose one of five annuities:

- Participant-Only Annuity
- 100% Beneficiary Annuity
- 75% Beneficiary Annuity
- 50% Beneficiary Annuity
- Period-Certain Annuity 3-10 Years

The Single Life Annuity without Cash Refund is no longer available as of January 1, 2007.

Reinstatement from Retirement

If participants reinstate subsequent to commencing a monthly annuity:

- Within one year and prior to age 60: All annuities must be terminated and a credit balance will be applied to the participant's account. The participant must reapply for subsequent retirement.
- After one year and age 60 or older: Continue any annuity and credit new contributions to a new participant's account. The participant would apply for subsequent retirement on the basis of the new account.

Disability Eligibility

A participant may apply for disability at any time. All creditable service subject to coverage by the CB Benefit Program and Defined Benefit Program must be terminated prior to the disability date. A disability benefit will become payable only upon determination by the Board that the participant has a total and permanent disability.

Disability Benefit

Normal distribution is a lump-sum benefit. The benefit amount is equal to the balance of contributions, interest and additional credits in a participant's employee and employer accounts. There is also an annuity available in the same five retirement benefit annuities, as long as a participant's account balance is \$3,500 or more.

Death Benefit

Death of Participant Prior to Retirement

Normal distribution is a lump-sum benefit. The sum of the balance of credits of the participant's employee and employer accounts is payable to the named beneficiary. If no valid beneficiary is designated, the lump-sum payment will be paid to the participant's estate.

A Participant's Designated Beneficiary

A participant's beneficiary may elect to receive a benefit in the form of an annuity provided the sum of both the employee and employer accounts equals or exceeds \$3,500. The beneficiary may elect a Period Certain Annuity 3-10 years.

Death of a Participant Receiving an Annuity

The benefit is payable in accordance with the annuity elected by the participant.

Termination Benefit (Refunds)

Upon termination of all CalSTRS creditable service subject to coverage by the CB Benefit Program and the DB Program, for any reason other than death, disability or retirement, a participant may apply for a lump-sum termination benefit. The benefit amount is equal to the sum of the employee and employer accounts, plus compounded interest as of the date the benefit is paid.

Five-Year Rule

A participant may not apply for a termination benefit if less than five years have elapsed following the date that the most recent termination benefit was distributed to the participant.

Waiting Period

The termination benefit is payable after six consecutive months have elapsed following the date of termination of employment. The application for the termination benefit will be automatically canceled if the participant performs creditable service within six months following the date of termination of employment.

The Law

Federal law requires that part-time employees be covered by a qualified retirement plan. To meet this obligation, employers can offer Social Security or an alternative retirement plan, such as CalSTRS' Cash Balance Benefit Program, to eligible employees. Employees also keep the option to choose membership in the CalSTRS Defined Benefit Program at any time. This guide has the most current information on the CalSTRS Cash Balance Benefit Program at the time of printing. If there is a conflict between this information and the law, the law takes precedence.

Normal retirement age is 60, but no earlier than age 55.

Cash Balance Forms

The following pages contain the forms you need to begin your participation with the Cash Balance Benefit Program.

- Beneficiary Designation Packet
- How to Report a Death
- Trust as Named Beneficiary
- Justification for Non-Signature
- Employee Notification and Election
- Rollover Request



Cash Balance Benefit Program Beneficiary Designation Form Packet Information

(CB 534n, Rev. 7/07)

CALSTRS

California State Teachers' Retirement System
P.O. Box 15275, M.S. 51
Sacramento, CA 95851-0275
800-228-5453; TTY 916-229-3541
www.CalSTRS.com

BENEFICIARY DESIGNATION

This packet provides the forms necessary for the designation of beneficiaries to receive a benefit in the event of the death of a Cash Balance Benefit Program participant. In the event the participants are receiving an annuity at the time of their death, the benefit payable is determined based on the annuity chosen by the participant.

IMPORTANT

- If an eligible beneficiary's (other than an entity) share of the deceased participant's account balance is at least \$3,500, he or she may elect to receive an annuity in lieu of a lump-sum payment.
- You must sign your Beneficiary Designation form (CB 534) before it can be processed. If you are married or registered as a domestic partner, the form must also be signed by your spouse or registered domestic partner or a Justification for Non-Signature of Spouse or Registered Domestic Partner form (CB 535) must be completed and returned with this packet.
- The designation of the beneficiary remains in effect until either a new Beneficiary Designation form is filed or your participation in the CalSTRS CB Benefit Program is terminated by a refund of your account.
- If a valid Beneficiary Designation form is not on file with CalSTRS before your death or if all designated beneficiaries predecease you, any benefit due will be paid to your estate.
- The Beneficiary Designation form must be received by CalSTRS headquarters in Sacramento before your death to be valid and is effective the date the completed form is received by CalSTRS.
- If you are also a member of the CalSTRS Defined Benefit Program, you may be eligible for additional benefits. If you think you may be eligible for additional benefits, contact CalSTRS at 800-228-5453 or 916-229-3541 for TTY.

Cash Balance Beneficiary Designation Instructions

(CB 534n, Rev. 7/07)

- I. Press firmly and print clearly with dark ink or type all information requested. Do not use light colors of ink, pencil, felt pen or erasable ink.
- II. If you make a mistake on the Beneficiary Designation form, line through the error and initial.
- III. Enter your Social Security number or Client ID Number, full name, date of birth, telephone number, complete mailing address and e-mail address.
- IV. You may name as your beneficiary any person, your estate or trust.
 - Enter on the form the full names of your beneficiaries, their relationships to you, Social Security numbers, birthdays, and the complete mailing address for each. Designate each as primary or contingent beneficiary by checking the appropriate box. *Please Note Definition of Contingent: In the event the primary beneficiary(ies) predecease(s) you and a death certificate is provided, the contingent beneficiary(ies) will receive any benefits payable.*
 - If you wish to designate your estate as beneficiary, enter the phrase “My Estate.” If your estate is designated as beneficiary and your estate is not being probated, CalSTRS will pay benefits pursuant to Probate Code Section 13101.
 - If you would like to designate a trust as beneficiary, mark the box on the Beneficiary Designation form, complete the Trust as Named Beneficiary form (CB 536) attached in this packet and return it with the Beneficiary Designation form.
 - If this form does not provide enough space, you may attach additional sheets of paper. Please provide the information for each beneficiary as required on the form and indicate whether the beneficiaries you are designating are “primary” or “contingent” beneficiaries and sign the form. Check the box on the Beneficiary Designation form indicating additional beneficiaries are identified on an attachment.
- V. Sign the Beneficiary Designation form with your usual signature. By signing the Beneficiary Designation form you are confirming your designation of the named beneficiaries, as well as giving CalSTRS authorization to release information as necessary to pay the benefits due.
- VI. Your spouse or registered domestic partner must sign the form to acknowledge the names of the beneficiaries you are designating. If you are not married or registered as a domestic partner, check the box “I am not married or registered as a domestic partner.” If you are married or registered as a domestic partner and your spouse/partner has not signed the form, check the second box and complete the Justification for Non-Signature of Spouse or Registered Domestic Partner form (CB 535) attached in this packet.
- VII. Mail the completed forms, Beneficiary Designation (CB 534), Trust as Named Beneficiary (CB 536) and Justification for Non-Signature of Spouse or Registered Domestic Partner (CB 535), to CalSTRS, P.O. Box 15275, M.S. 51, Sacramento, CA 95851-0275. Please keep a photocopy for your records.
- VIII. If you have any questions on how to complete the Beneficiary Designation (CB 534) or any other CB Benefit Program forms, contact CalSTRS at: 800-228-5453 or 916-229-3541 for TTY.

INDIVIDUAL PRIVACY AND ACCESS TO RECORDS

The California State Teachers' Retirement System is authorized to maintain beneficiary designations submitted by a participant. Designation of a beneficiary is voluntary. Failure to designate a beneficiary will result in a participant's account balance being paid to a participant's estate.

You have the right to review the file CalSTRS maintains for you upon request and submission of proper identification.

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Cash Balance Benefit Program

How to Report a Death to CalSTRS

(CB 472a, Rev. 7/07)

CALSTRS

California State Teachers' Retirement System
P.O. Box 15275, M.S. 51
Sacramento, CA 95851-0275
800-228-5453; TTY 916-229-3541
www.CalSTRS.com

CalSTRS should be notified as soon as possible when a Cash Balance Benefit Program participant dies. This can be done by either writing to CalSTRS, P.O. Box 15275, M.S. 51, Sacramento, CA 95851-0275 or by calling 800-228-5453 or 916-229-3541 for TTY.

When notifying CalSTRS of a death, please provide the following information:

- Deceased person's name and Social Security number or Client ID Number
- Date of death
- Status of the participant on the date of death, i.e., retired and receiving a CB Benefit Program annuity, disabled, a participant in active teaching status, or a participant who is no longer teaching
- Name and address of contact person to whom the CalSTRS CB Benefit Program beneficiary application is to be sent.

A beneficiary application will be sent to the contact person within five days of the date CalSTRS receives the notification of death. The application may be completed by anyone with current information on the designated beneficiaries or the participant's estate.

REQUIREMENTS FOR PAYMENT

A lump-sum payment will be paid to the beneficiaries as listed on the most current Cash Balance Beneficiary Designation form (CB 534) on file on the date of death. If there is no valid Beneficiary Designation form on file, the benefits will be paid to the participant's estate (California Education Code Section 27101).

The following is required to pay the benefit:

- A certified death certificate of the deceased participant and any deceased beneficiaries.
- A Cash Balance Benefit Program Beneficiary Application Death Benefit (CB 472), which identifies the name, Social Security number, and complete mailing address of the designated beneficiaries.
- If a trust was designated, the trust's name, the successor trustee's name and address and trust's identification number.

Benefits will be paid to the estate of the deceased participant for these reasons: if all beneficiaries predeceased the participant, if there is no valid Cash Balance Beneficiary Designation form on file, or if the deceased's estate was designated as the beneficiary. If the estate will be probated, certified Letters Testamentary or Administration, as well as the executor's name and address and the estate's identification number are needed. If the estate will not be probated, CalSTRS will pay benefits pursuant to California Probate Code Section 13101. Beneficiaries eligible under the Probate Code will need to submit a declaration under Probate Code Section 13101 to apply for any benefits due.



CB472

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Cash Balance Benefit Program

Trust as Named Beneficiary

(CB 536, Rev. 7/07)

CALSTRS

California State Teachers' Retirement System
P.O. Box 15275, M.S. 51
Sacramento, CA 95851-0275
800-228-5453; TTY 916-229-3541
www.CalSTRS.com

If you wish to name a trust as beneficiary, you must clearly mark the appropriate box on the Beneficiary Designation form (CB 534) and also complete this form. A trust can be named as a primary beneficiary or a contingent beneficiary. A trust can also be designated to be a sole beneficiary or to share and share alike with co-beneficiaries. Please indicate in the appropriate boxes how you want your trust to be designated.

PARTICIPANT NAME		SOCIAL SECURITY NUMBER OR CLIENT ID	
TRUST NAME	SUCCESSOR TRUSTEE NAME	DATE OF TRUST	
ADDRESS	CITY	STATE	ZIP
I designate this trust to be:			
		<input type="checkbox"/> Primary Beneficiary (share and share alike with beneficiaries listed on form CB 534)	
or		<input type="checkbox"/> Contingent beneficiary	
or		<input type="checkbox"/> Sole beneficiary (There should be no primary beneficiaries listed on CB 534.)	
IMPORTANT			
IF NO SPOUSAL OR DOMESTIC PARTNER SIGNATURE, ONE OF THE FOLLOWING BOXES MUST BE CHECKED:			
<input type="checkbox"/> I am not married or registered as a domestic partner (widowed, divorced, single, or have a certification of registered domestic partner termination)			
<input type="checkbox"/> I am married or registered as a domestic partner and have completed the attached Justification for Non-Signature of Spouse Or Registered Domestic Partner (CB 535)			
SIGNATURE OF SPOUSE OR REGISTERED DOMESTIC PARTNER		DATE	
SIGNATURE OF PARTICIPANT		DATE	

Send the completed Trust As Named Beneficiary to: CalSTRS, P.O. Box 15275, M.S. 51, Sacramento, CA 95851-0275.
Retain a copy for your records.



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Cash Balance Justification for Non-Signature of Spouse or Registered Domestic Partner Instructions

(CB 535i, Rev. 7/07)

Use a typewriter or print legibly in black ink. A delay may occur or your check may be misdirected if the information provided is incorrect or not legible.

Do not erase or use white-out; erasures will not be accepted and will void the application. If you make a mistake, obtain a new form or line through the error, make the appropriate correction and initial the correction.

Any errors or omissions on the Justification for Non-Signature of Spouse or Registered Domestic Partner (CB 535) will delay the processing of your distribution. Photocopied signatures will not be accepted.

Only one Justification for Non-Signature of Spouse or Registered Domestic Partner form is needed for a Cash Balance Benefit Program distribution.

Please retain copies for your records and return the completed form and associated application to:

CalSTRS
P.O. Box 15275, M.S. 60
Sacramento, CA 95851-0275
800-228-5453
TTY 916-229-3541

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Cash Balance Benefit Program Justification for Non-Signature of Spouse or Registered Domestic Partner

(CB 535, Rev. 7/07)

CALSTRS

California State Teachers' Retirement System
P.O. Box 15275, M.S. 60
Sacramento, CA 95851-0275
800-228-5453; TTY 916-229-3541
www.CalSTRS.com

PLEASE READ INSTRUCTIONS ON THE PREVIOUS PAGE BEFORE COMPLETING THIS FORM

Pursuant to Education Code Section 26703, any request related to the selection of benefits by a participant in which a spouse or registered domestic partner interest may be present, such as a distribution of benefits, shall contain the signature of the participant's spouse or registered domestic partner unless a specified condition exists.

If the CalSTRS Cash Balance Benefit Program participant is married or registered as a domestic partner and a spouse or registered domestic partner signature does not appear on the application for distribution of benefits, the following section must be completed, signed by the participant, and submitted with the application.

LAST NAME	FIRST	INITIAL	SOCIAL SECURITY NUMBER
Supporting Document			
<input type="checkbox"/> Beneficiary Designation (CB 534)		<input type="checkbox"/> Retirement Benefit Application (CB 586)	
<input type="checkbox"/> Application for Termination Benefit (CB 585)		<input type="checkbox"/> Disability Benefit Application (CB 587)	
<input type="checkbox"/> Distribution Election Form (CB 475)		<input type="checkbox"/> Income Tax Withholding Preference (CB 584)	
Declaration			
<input type="checkbox"/> I am married or registered as a domestic partner, but my spouse or registered domestic partner did not sign the application because either: <ul style="list-style-type: none"> <input type="checkbox"/> I do not know, and have taken all reasonable steps to determine the whereabouts of my spouse/partner; OR, <input type="checkbox"/> My spouse/partner has been advised of the application and has refused to sign the acknowledgment. I have initiated a court action to either enforce the spousal or registered domestic partner signature requirement or to waive the spousal or registered domestic partner signature requirement. CalSTRS must have a copy of the court order on file before any benefits can be paid. Please submit a certified copy of the court order as soon as you receive it. (See Education Code Section 26704); OR, <input type="checkbox"/> My spouse/partner is incapable of executing the acknowledgment because of an incapacitating mental or physical condition (a doctor's statement certifying the condition is attached); OR, <input type="checkbox"/> My spouse/partner has no identifiable community property interest in my benefits (documents supporting this statement are attached); OR, <input type="checkbox"/> My spouse/partner and I have executed a marriage or registered domestic partner settlement agreement, which makes the community property law inapplicable to the marriage or registered domestic partner. (Certified copy of the agreement must be received by CalSTRS before any benefits can be paid.) 			
<p>I certify under penalty of perjury under the laws of the State of California that the information submitted herein is complete and true according to the best of my knowledge and no material facts have been concealed or omitted. I understand that perjury is punishable by imprisonment in the state prison for up to four years; Penal Code Section 126.</p>			
PARTICIPANT'S SIGNATURE			DATE (MO/DAY/YR)



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Cash Balance Benefit Program Employee Notification and Election

(CB 533, Rev. 7/07)

NOTIFICATION & ELECTION

CASH BALANCE BENEFIT PROGRAM

This document must be properly completed and returned to your employer within the election period defined by your employer. Your employer must keep a copy of this document on file and mail the original to CalSTRS.

EMPLOYEE INFORMATION

(Please Print)

NAME

SOCIAL SECURITY NUMBER OR CLIENT ID

HOME TELEPHONE NUMBER

ADDRESS

CITY

STATE ZIP

SCHOOL DISTRICT NAME

INSTRUCTIONS

The following instructions are to assist you in completing this document.

- Please type or print legibly in blue or black ink. Do not use pencil, felt pen or erasable ink.
- If you make a mistake, line through the error and initial.
- Sign the notification form with your usual signature.
- In order for your election to be processed, this form must be submitted to your district office on or before the date specified by your employer.
- If your employer offers Social Security or an alternative retirement plan and you do not elect to continue coverage in one of these plans, you will automatically become a participant of the Cash Balance Benefit Program.

GENERAL INFORMATION

Contact CalSTRS Cash Balance Benefit Program:

TELEPHONE

800-228-5453
TTY 916-229-3541
Monday through Friday
7:00 a.m. to 6:00 p.m.

WEB SITE

www.CalSTRS.com



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Cash Balance Benefit Program Employee Notification and Election

(CB 533, Rev. 7/07)

CALSTRS

California State Teachers' Retirement System
P.O. Box 15275, M.S. 17
Sacramento, CA 95851-0275
800-228-5453; TTY 916-229-3541
www.CalSTRS.com

ELIGIBILITY OVERVIEW

The Cash Balance Benefit Program is optional to school districts, community college districts or county offices of education as an alternative retirement plan for part-time employees. Employers must first elect to provide the CB Benefit Program by formal board action.

If an employer elects to provide the CB Benefit Program, it must be available to all employees who are hired to perform creditable service by a: 1) school district or county office of education, on an hourly or daily basis, and/or employed or contracted for less than 50 percent for each full-time position; or 2) community college district, on a part time or temporary basis (semester to semester), or for not more than 60 percent of the hours per week considered a regular full-time assignment; or 3) governing body of an employer, as a trustee member.

It is the basis of employment that determines employee eligibility to participate in the CB Benefit Program, not the actual number of hours or days worked, or the aggregation of contracted positions.

Your employer will provide you with materials along with this form describing both the CalSTRS CB Benefit Program and the CalSTRS Defined Benefit Program.

If you are a current member of the CalSTRS Defined Benefit Program, you will have a 60-day election period, determined by your employer, in which to notify your district office of your election choice. Refer to Section 1 of this document for your election rights.

If you are an employee new to CalSTRS, or an employee contributing to Social Security or another retirement plan offered by your employer, except for the CalSTRS Defined Benefit Program. Refer to Section 2 of this document for your election rights.

Once you have read the material provided, if you have any questions concerning your eligibility for this election, please contact your employer.

SECTION 1

FOR EMPLOYEES CURRENTLY MEMBERS OF THE CalSTRS DEFINED BENEFIT PROGRAM

As a current CalSTRS DB Program member, you are eligible to participate in the CB Benefit Program if you are employed to perform creditable service by a:

- 1) school district or county office of education on an hourly or daily basis, or contracted for less than 50 percent for each full-time position, or;
- 2) community college district on a part-time or temporary basis (semester to semester), or for not more than 60 percent of the hours per week considered a regular full-time assignment, or;
- 3) governing body of an employer as a trustee member.

Note: You will retain your DB Program membership with this employer unless you elect the CalSTRS CB Benefit Program using this document, within the election period identified by your employer.

ELECTION CHOICE

- I am currently a member of the CalSTRS Defined Benefit Program and hereby elect to participate in the CalSTRS Cash Balance Benefit Program for service performed with this employer only.
- I am currently a member of the CalSTRS Defined Benefit Program and hereby waive my right to participate in the CalSTRS Cash Balance Benefit program with this employer only.



CB533

Cash Balance Employee Notification and Election Continued

(CB 533, Rev. 3/07)

SECTION 2

FOR EMPLOYEES NEW TO CalSTRS OR CURRENTLY CONTRIBUTING TO SOCIAL SECURITY AND/OR ANOTHER ALTERNATIVE RETIREMENT PLAN (NOT CURRENT DB PROGRAM MEMBERS)

You automatically become a participant of the CalSTRS Cash Balance Benefit Program with this employer, unless your employer chooses to offer Social Security and/or another retirement plan in addition to the CB Benefit Program. You may elect alternative retirement plan coverage in place of the CalSTRS CB Benefit Program.

Note: If you do not return this form to your employer with an election choice selected, you will default into the CB Benefit Program regardless of your current coverage. The election period is your only opportunity to choose an alternative other than the CB Benefit Program. Once the election period expires, if you become a CB Benefit Program participant you will not be allowed to change to other alternative coverage. However, if you choose an alternative coverage, you may elect Cash Balance Benefit Program at any time. If your employer subsequently offers Social Security, you may opt out of the CB Benefit Program into Social Security at that time.

ELECTION CHOICE

- I elect Cash Balance Benefit Program coverage, and understand contributions will be deducted from the first payroll period following the election period determined by my employer.
- My employer offers and I elect Social Security coverage.
- My employer offers and I elect the alternative retirement plan coverage indicated below.

NAME OF PLAN OFFERED BY EMPLOYER

If your employer offers an alternative retirement plan, your employer is required to notify you of your right to elect such alternative plans pursuant to Education Code Section 26300.

CERTIFICATION

This document must be properly completed and returned to your district office within the election period defined by your employer.

I, _____
have read and understand the information describing the Cash Balance Benefit Program and made the election indicated on previous pages, if applicable. If I have elected the Cash Balance Benefit Program, then I hereby certify I understand that while working for this employer in an eligible position, I will remain in the CB Benefit Program unless my employer elects to discontinue the CB Benefit Program, or I terminate all employment covered by the CB Program. I further understand that I may elect at any time to become a member of the CalSTRS Defined Benefit Program. I have received information on both of these CalSTRS Programs.

EMPLOYEE SIGNATURE

DATE

The employer's signature on this document certifies that the employee has been provided with a CalSTRS Cash Balance Benefit Program election package, as well as the CalSTRS Member Handbook.

SIGNATURE OF AUTHORIZED
EMPLOYER REPRESENTATIVE

DATE



Cash Balance Rollover Request Instructions

(CB 261i, Rev. 3/07)

PART A

The CB Benefit Program participant must complete Part A of the CB Rollover Request (CB 261).

If funds will be rolled over from more than one qualified retirement plan, a Rollover Request must be completed for the distribution from each plan. Under federal law, CalSTRS can accept rollovers from 401(a) and 401(k) plans and “Conduit” Individual Retirement Arrangements (Conduit IRAs).

Note: A Conduit IRA is an IRA that holds only assets that are attributable to a distribution that was rolled-over from a qualified retirement plan.

A rollover must comply with applicable state and federal laws, and related regulations. CalSTRS suggests you contact the Internal Revenue Service and an accountant (or another qualified tax consultant) for advice before submitting a CB Rollover Request.

PART B

The administrator, or other trustee, of the qualified retirement plan that will issue the distribution to be rolled over must complete Part B of the CB Rollover Request. Information identifying the plan administrator or other trustee should be indicated on your statement of account from the plan.

GENERAL INFORMATION

A properly executed CB Rollover Request must be received by CalSTRS before the rollover distribution can be accepted.

To ensure compliance with federal regulations, CalSTRS must receive the rollover distribution from the other qualified retirement plan within 90 days of the date you request a rollover.

In order to provide adequate time to meet the legal requirements for crediting a rollover distribution to your account after it is received by CalSTRS, rollover distributions will not be accepted annually during the period between December 15 of one year and January 2 of the following year.

Return the completed CB Rollover Request with original signatures (photocopied and facsimile signatures cannot be accepted for rollovers) to:

CalSTRS
P.O. Box 15275, M.S. 11
Sacramento, CA 95851-0275

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Cash Balance Benefit Program Rollover Request

(CB 261, Rev. 7/07)

CALSTRS

California State Teachers' Retirement System
P.O. Box 15275, M.S. 11
Sacramento, CA 95851-0275
800-228-5453; TTY 916-229-3541
www.CalSTRS.com

IMPORTANT – PLEASE READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

PART A TO BE COMPLETED BY CASH BALANCE PARTICIPANT:

I hereby request the California State Teachers' Retirement System to accept a distribution of funds from another qualified retirement plan for rollover to my Cash Balance Benefit Program employee account. I certify the information provided below is correct.

I understand CalSTRS will rely on the information provided on this rollover request to determine whether or not the distribution will be accepted. I also understand that failure to provide accurate information to CalSTRS may result in significant tax penalties under provisions of the Internal Revenue Code if a distribution accepted by CalSTRS is later determined not to be eligible for rollover.

Note: CalSTRS must receive your rollover distribution within 90 days of the date you sign this rollover request.

_____	_____
CB PARTICIPANT NAME (PLEASE PRINT)	SOCIAL SECURITY NUMBER OR CLIENT ID
_____	_____
STREET ADDRESS OR P.O. BOX	TELEPHONE NUMBER (WITH AREA CODE)
_____	_____
CITY, STATE, & ZIP CODE	EMPLOYER (COUNTY & DISTRICT)
_____	_____
CB PARTICIPANT SIGNATURE	DATE

PART B TO BE COMPLETED BY PLAN ADMINISTRATOR OR OTHER TRUSTEE WITH FIDUCIARY RESPONSIBILITY FOR THE PLAN IDENTIFIED BELOW:

I certify that this plan is a qualified retirement plan within the meaning of the Internal Revenue Code and the distribution to be issued from this plan for rollover to the CalSTRS CB Benefit Program, a 401(a) plan, is eligible for such rollover.

_____	<input type="checkbox"/> CONDUIT IRA <input type="checkbox"/> 401(A) <input type="checkbox"/> 401(K) <input type="checkbox"/> 403(B) <input type="checkbox"/> 457
NAME OF CURRENT PLAN	TYPE OF PLAN (CHECK ONE)
_____	_____
PLAN REPRESENTATIVE (PRINT NAME)	TELEPHONE NUMBER (WITH AREA CODE)
_____	_____
REPRESENTATIVE TITLE	PLAN ADDRESS
_____	_____
REPRESENTATIVE SIGNATURE	DATE



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CALSTRS

HOW WILL YOU SPEND YOUR FUTURE?

CalSTRS Resources



Web sites

www.CalSTRS.com

Click *Contact Us* to e-mail

www.403bCompare.com



Call

800-228-5453

7 a.m. to 6 p.m.

Monday through Friday

TTY 916-229-3541

866-384-4457

Home Loan Program

800-699-4032

Voluntary Investment Program



Write

CalSTRS

P.O. Box 15275

Sacramento, CA 95851-0275



Fax

916-229-3879



Visit

Member Services

7919 Folsom Boulevard

Sacramento, CA 95826

CALSTRS[®]

HOW WILL YOU SPEND YOUR FUTURE?

P.O. Box 15275
Sacramento, CA 95851-0275
800-228-5453
www.CalSTRS.com

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