



CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT
Office of Human Resources
PART-TIME FACULTY
CASH BALANCE vs. DEFINED BENEFITS vs. SOCIAL SECURITY



This is provided for your information only. If you need further information and/or clarification, please consult with CalSTRS or the Social Security Administration.

As a part-time faculty member, the Chabot-Las Positas Community College District offers you three different retirement plans to choose from: CalSTRS Cash Balance, CalSTRS Defined Benefits, and Social Security. The District does not offer alternative retirement plans. You **must choose one** of the three plans **and fill out all the forms** even if you are not electing into the plan.

CalSTRS Cash Balance (CB) www.calstrs.com 1-800-228-5453	CalSTRS Defined Benefits (DB) www.calstrs.com 1-800-228-5453	Social Security www.ssa.gov 1-800-772-1213
<p>This publication explains the Cash Balance Program offered by CLPCCD</p> <p>Cash Balance Benefit Program: A Retirement Plan for Part-Time and Adjunct Educators: https://www.calstrs.com/sites/main/files/file-attachments/cashbalancebooklet.pdf</p> <ul style="list-style-type: none"> • One type of contribution: 4% employee 4% employer • Immediate vesting • Minimum retirement age is 55 • Guaranteed annual interest (set annually by the Teacher’s Retirement Board), no admin fees • Retirement benefit is account balance (all contributions and interest) payable as lump sum or lifetime monthly benefit • No guaranteed lifetime pension • Disability benefits and death benefits are limited to the employee’s account balance • Can move contributions to another reliable, qualified retirement plan • Can switch to Defined Benefit, but cannot switch back (within the same employer). Switching later to Defined Benefits may require a retroactive pay to hire date <p>For more information, please refer to the CalSTRS Cash Balance Benefit Program found at: http://www.calstrs.com/cash-balance-benefit-program</p>	<p>This publication explains the Cash Balance Program offered by CLPCCD</p> <p>Your Retirement Guide 2022: Retirement Guide and Instructors for Defined Benefit Members: https://www.calstrs.com/publication/your-retirement-guide</p> <ul style="list-style-type: none"> • NOTE: <i>If you chose Permissive Membership for another district, you MUST choose Permissive Membership with our District.</i> • The California Public Employees’ Pension Reform Act of 2013 made changes to the retirement plan, allowing for two benefit structures, depending on when first became a member of system: <ul style="list-style-type: none"> ○ CalSTRS 2% at 60 Formula, hired ON OR BEFORE 12/31/12: 10.25% employee 19.10% employer (starting 07/01/22)¹ ○ CalSTRS 2% at 62 Formula, hired ON OR AFTER 01/01/13: 10.205% employee 19.10% employer (starting 07/01/22)¹ * Retirement benefit is defined by a formula based on years of “service credit”, retirement age, and “earnable” salary last 3 years (usually) • A true “defined benefit” plan providing a guaranteed lifetime pension as well as disability pension, death benefits, and COLA • Need five (5) full years of service credit to vest (may take longer to reach if teaching part-time) • Not portable (except for refunds) • Cannot switch to Cash Balance or Social Security if chosen (within the same employer) <p>For more information, please refer to the CalSTRS Defined Benefit Program found at: http://www.calstrs.com/defined-benefit-program</p>	<ul style="list-style-type: none"> • One type of contribution: 6.2% employee 6.2% employer • Similar to a defined benefit plan • Social Security Administration Windfall Elimination Provision – reduced benefit rate • Need 40 “credits” to vest <ul style="list-style-type: none"> ○ Earn up to 4 credits per year depending on income earned • Minimum retirement age is 62 • Retirement benefit defined by a formula based on average annual earnings over 35 years (more than other defined benefit plans) • Cannot move contributions to another reliable, qualified retirement plan, but available with most jobs • Not tax deferred • Can switch to Cash Balance or Defined Benefit later

¹ Percentage rate changes yearly, starting July 1st.