CalPERS Employer News

Spring 2020

Long Beach, California

New Retired Annuitant Webinars for Employers

Maintaining compliance with the retirement law is a shared responsibility between you and the retiree who has returned to work—your retired annuitant. We've made things easier for both of you with a few changes.

We are offering new employer webinars on post-retirement employment rules. Visit the **Post-Retirement Employment Webinars** page on our website for dates and times to sign up.

We've also implemented the following changes, designed to assist you both:

- We will mail a welcome letter to newly enrolled retired annuitants notifying them of their enrollment in myCalPERS.
- Retired annuitants will be able to view their employer-reported hours worked (by fiscal year) using their myCalPERS self-service accounts.
- We'll notify you when a retired annuitant's hours are approaching the 960-hour limit. ▲

For more information see our employer **Reference and Health Guides** webpage or the Employer Checklist for Hiring CalPERS Retirees link at the end of Circular Letter 200-002-14 on our website at **www.calpers.ca.gov**.

CalPERS

Connect With Us

We offer many ways to stay informed and engaged.

Go Green

CalPERS promotes environmental responsibility by providing digital publications, thus reducing the environmental impacts of printing, processing, and delivery.

We encourage you to "Go Green" by accessing employer forms and publications at **www.calpers.ca.gov**.

You can also find CalPERS Circular Letters, actuarial reports, and legislation information in the same section.

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Expect New Automatic Notifications of Late Enrollments

When reporting new appointments in myCalPERS, California law requires you to enroll your employees into CalPERS membership and begin reporting retirement contributions within 90 days.

Per Government Code section 20283 of the Public Employees' Retirement Law, if an enrollment is entered after the 90-day window, the employer is liable for both the member and employer contributions along with a $500 administrative fee. No part of these arrears costs can be passed on to your employees.

We've implemented new functionality in myCalPERS to notify you when a late enrollment has occurred and the steps to follow.

1 **Notification of Reported Late Appointment Letter:** When an enrollment is reported past the 90 days, this letter is automatically generated and mailed to you. It provides the arrears time frame and allows you 30 days to provide additional information contrary to the late enrollment determination.

2 **Determination Review:** Your employer contact with the Retirement Enrollment access role can view the arrears determination in myCalPERS under your employee's CalPERS ID.

3 **Notification of Employer Paid Arrears Processing Letter:** After the 30-day time frame, this letter is mailed to confirm you will be billed for the $500 administrative cost.

Look for additional enhancements that will assist in arrears determinations and the membership review process in the coming months. We will notify you of these enhancements before releasing them. ▲

For more information, view the latest *myCalPERS System Access Administration Student Guide* at **www.calpers.ca.gov/studentguides**.

Protect Your Data

We are committed to protecting your data in myCalPERS. Accurate system access plays a vital role in ensuring the integrity of your data by allowing access to the right people.

Your system access administrator (SAA) maintains your contacts and their system access. In the past if a contact with a retirement appointment and myCalPERS system access separated from employment, changed state agencies, or retired, the SAA had to manually deactivate the contact's system access.

myCalPERS now automatically deactivates a contact's system access when the contact:

- Changes state agencies
- Permanently separates from all appointments within your agency
- Retires

myCalPERS **will not** automatically deactivate the system access when the contact:

- Has an active retired annuitant appointment
- Is enrolled in a non-retirement appointment (e.g., health-only appointment)
- Has more than one appointment with you and not all appointments are separated
- Was reactivated or granted system access after a permanent separation, retirement date, or change between state agencies

Your system access administrator maintains your contacts and their system access.

We've also made it easier for SAAs to view current and historical system access including activation date, assigned roles, and current or future end dates and deactivation dates for each contact in myCalPERS. The on-demand *Business Partner myCalPERS User Access Report* in Cognos provides a list of your contacts with system access, their assigned roles, and start and end dates. ▲

Keep Your Addresses Accurate

Did you know the *Participant Undeliverable Address Report* in Cognos lists employees with an undeliverable address or no address on file?

Why does it matter? Maintaining accurate employee demographic data in myCalPERS ensures your employees receive timely—and sometimes time-sensitive—communications from us.

We need your help to ensure all contacts have a current address on file. Generate this report to maintain accurate agency records, help your employees, and help us. ▲

Make 2020 the Year to Add a Roth Option

Adding the Roth 457 Plan option to your CalPERS 457 Plan is a great way to offer a new employee benefit at no cost to your agency. The option gives your CalPERS 457 Plan participants two choices for making contributions to the plan—traditional pre-tax and Roth after-tax—and offers them the flexibility to create a future source of tax-free income in retirement.

Since we offered the Roth option last year, more than 150 agencies in the CalPERS 457 Plan have adopted it for their employees, representing more than 30 percent of our plan participants.

Go to **www.calpers-sip.com** and select the **Roth Plan** Option link for the adoption form; visit **www.calpers457.com** for calendar dates and webinar registration.

Get Ready

To get started, complete and return the Roth adoption form to CalPERS. Once we approve your request, the adoption agreement will become effective within five business days and your agency will be notified in writing. Your employees may elect to make Roth after-tax contributions on the next full earned period after activation.

Request an Onsite Presentation

After you've added the Roth 457 Plan option, you can also request an onsite presentation from your local CalPERS 457 Account Manager. Call **(888) 713-8244** to schedule a Roth 457 presentation at your location.

Learn With a Webinar

Your employees are welcome to register for our Exploring the Roth Option webinar; we offer several dates each quarter. Webinars begin at 12 p.m. PT, will take approximately an hour, and review how saving with after-tax money to the new Roth option in the CalPERS 457 Plan may be the best retirement saving concept for your employees. ▲

For questions contact the CalPERS Supplemental Income Plan team:
(800) 696-3907
calpers_457_plan@calpers.ca.gov

Prefund Future Pension Costs With a CalPERS Trust Fund

Earlier this fiscal year CalPERS launched a Section 115 trust fund for employer pension contribution prefunding. The California Employers' Pension Prefunding Trust (CEPPT) is designed to give public agencies that offer defined benefit pensions the opportunity to save money and stabilize their budgets by investing now for their future pension contributions.

It can be used to prefund and reimburse both normal costs and unfunded liabilities (UAL), including UAL prepayments and additional discretionary payments.

The CEPPT combines CalPERS' investment management expertise and scale to deliver the lowest cost trust option available to employers. You can select from two broadly diversified, risk-efficient investment options that are materially different from the CalPERS pension fund by their emphasis on shorter investment time horizons. You control the funding decisions, as contributions and disbursements are voluntary.

If you are looking for greater budgetary stability and lower pension contribution volatility, the CEPPT could work for you. ▲

For more information:
(916) 795-9071
ceppt4u@calpers.ca.gov

Divorce Can Delay Your Employees' Pension Benefits

As an employer you may not always know when an employee is going through a divorce or if they have had a previous divorce, but we want you to know how divorce can affect their CalPERS benefits and what resources are available to assist them.

In California, all types of retirement benefits are considered community property. When we receive notification of a claim against a member's account, the claim must be resolved before any pension, health, or dental benefits can be issued, either to your employee or their former spouse or registered domestic partner. This means if your employee submits a retirement application with an unresolved claim, processing of the application could be delayed by weeks, months, or even years. If you contact us asking when benefits will be paid, we may not know.

We inform members directly when a community property claim is placed against their account. Notification of an existing account hold is also visible on their Annual Member Statement and in their personal myCalPERS account.

In California all types of retirement benefits are considered community property.

CalPERS is a neutral third party to the dissolution or legal separation of marriage or termination of registered domestic partnership, and cannot offer legal advice. Our role is to review court documents related to the division of CalPERS benefits to ensure compliance with California Public Employees' Retirement Law. ▲

Refer your employees to our community property fact sheet and related publication, ***A Guide to CalPERS Community Property*** (PUB 38A), both available on our website at **www.calpers.ca.gov**.

Use the Employer Promotion Kit to Get the Word Out About Our CalPERS Benefits Education Events

The kit's ready-to-use flyers and website banner ad make it easy to remind your employees about free CalPERS Benefits Education Events where they can learn about their benefits.

Visit our website for all the educational opportunities we have to offer. Access the kit at **www.calpers.ca.gov/CBEE**.

Use the Updated Service Credit Forms

We've updated our service credit forms and publications to make it easier to submit a request.

Please ensure that you and your employees use the most recent version of the ***Request for Service Credit Cost Information*** forms. They are user-friendly with clear instructions for both you and your employees.

To find the forms, go to **Forms & Publications** at **www.calpers.ca.gov** and search for "service credit."

Tips for Your Employees Visiting a Regional Office

Have you waited through a line somewhere, only to find that the time spent was in vain and you would have to return another time because you didn't have everything you needed?

Help your employees avoid these kinds of scenarios by making sure that they know how to prepare, what they need to bring, and what we can and cannot do for them when they visit one of our eight Regional Offices for help.

Make an Appointment

Your employees can make five types of appointments:

- Account services
- Health benefits
- Service credit
- Service retirement
- Disability retirement

If they schedule appointments online through their myCalPERS account, they'll receive prompts telling them how to prepare for their visit. In general, we can answer basic questions, receive and witness completed applications, and accept CalPERS forms and supporting documentation. For resolution of complex account issues or discrepancies, they may require a second visit.

Before They Go

Your employees should visit the **Regional Offices** page on our website for information on regional office locations, the counties they serve, parking suggestions, and helpful resources.

They also need to be aware that walk-ins are welcome, but appointments are seen first. They should allow 30 minutes for most appointments, although it may not take that long if they arrive well prepared. For disability retirement visits they should allow 60 minutes.

We are unable to provide financial advice, so they may want to visit with a financial planner before their visit.

Regional Offices are open Monday through Friday from 8:00 a.m. to 5:00 p.m. All CalPERS offices are closed on state holidays.

If They're Ready to Retire

If they're retiring, your employees can do several things in advance to prepare for their visits. The **Retirement Planning Checklist** page on our website will walk them through resources and the sequence of steps to take.

Estimates cannot be generated in the office. If employees are within one year of retirement, they may submit a *Retirement Allowance Estimate Request* form at least 45 days prior to their appointment and an estimate will be mailed to them. Or they can use their myCalPERS account to create an estimate. They should bring the estimate with them for discussion. ▲

As of March 17 and until further notice, all Regional Offices are conducting telephone appointments only, which are treated the same as if employees were meeting in person. Your employees will need the same advance preparation as they would for an in-office visit. You can check the current Regional Office status on the CalPERS website. Appointments can be scheduled through individual **myCalPERS accounts**.

CalPERS Regional Offices

Fresno Regional Office
10 River Park Place East, Ste. 230
Fresno, CA 93720

Glendale Regional Office
Glendale Plaza
655 North Central Ave., Ste. 1400
Glendale, CA 91203

Orange Regional Office
500 North State College Blvd., Ste. 750
Orange, CA 92868

Sacramento Regional Office
400 Q Street, Lincoln Plaza East, Ste. 1820
Sacramento, CA 95811

San Bernardino Regional Office
650 East Hospitality Lane, Ste. 330
San Bernardino, CA 92408

San Diego Regional Office
7676 Hazard Center Drive, Ste. 350
San Diego, CA 92108

San Jose Regional Office
181 Metro Drive, Ste. 520
San Jose, CA 95110

Walnut Creek Regional Office
1340 Treat Blvd., Ste. 200
Walnut Creek, CA 94597

Checklist for Regional Office Visits

What They Can Do in Advance

- ☐ Create or review their myCalPERS account
- ☐ Check out our online retirement planning resources
- ☐ Attend a member education class
- ☐ Obtain and review an estimate of retirement benefits
- ☐ Make an appointment
- ☐ Write down questions

Estimates cannot be generated in the office.

What They Should Bring

- ☐ Picture identification
- ☐ Their estimate of retirement benefits
- ☐ Their spouse or legal partner and their picture identification
- ☐ Copies of marriage or domestic partner certificates, if applicable
- ☐ A copy of their beneficiary's birth certificate, Social Security number, and current mailing address

What We Can Do During a Visit

- ☐ Answer basic retirement-related questions
- ☐ Receive and witness completed retirement applications
- ☐ Accept CalPERS forms and supporting documentation
- ☐ Initiate the resolution process for extremely complex cases
- ☐ Receive requests for retirement estimates that we will mail

What We Are Unable to Do During a Visit

- ☐ Resolve complex account issues or discrepancies on the spot
- ☐ Provide immediate retirement estimates

What You Can Do

Educate your employees. Make sure they're aware that we can't provide a formal estimate on the same day as their visit. And encourage them to follow our checklist so that they achieve the best preparation possible for speedy processing.

Board Welcomes New Member Shawnda Westly

Shawnda Westly was appointed to the State Personnel Board (SPB) by Gov. Jerry Brown in 2018 and was chosen by her peers to serve as SPB's representative on the CalPERS Board of Administration in February 2020. She replaces Mona Pasquil Rogers.

Shawnda is the president of Westly Consulting, which focuses on political, policy, and legislative consulting. This is her first one-year term on the CalPERS Board. ▲

Board President and Vice President Reelected

Members of the CalPERS Board of Administration voted in their 2020 president and vice president. Both are familiar faces.

Henry Jones, who represents retired members, was elected president for the second consecutive year. He is serving his fourth term on the board and his second one-year term as its president. He has previously served as vice president of the board.

Theresa Taylor, who represents state members, was elected vice president for the third consecutive year. She has been a board member since 2015 and is serving her second four-year term. ▲

Meet our New Leader of Customer Services & Support

We are pleased to announce Anthony Suine's appointment to our CalPERS executive team.

Anthony has more than 30 years of experience at CalPERS and oversees the administration of retirement benefits and services to the 2 million active and retired employees, their beneficiaries, and our nearly 3,000 contracted employers.

During his time at CalPERS he has held management positions throughout the organization and developed extensive knowledge of our retirement benefit program administration, service credit purchases, and employer reporting requirements. He and his team are a highly visible part of our outreach at employer leadership dialogues and educational forums.

Previously he served as the chief of the Retirement Benefit Services Division, where he was responsible for the day-to-day operations that provided benefits to CalPERS members and employers.

Anthony manages six divisions: Employer Account Management, Member Account Management, Disability & Survivor Benefits, Retirement Benefits Services, Customer Experience, and Customer Education & Outreach. He also oversees our eight Regional Offices throughout California.

He replaces Donna Lum, who retired at the end of 2019. ▲

May–July 2020
Upcoming Events of Interest

Due to COVID-19, confirm event dates as they draw near. You can also find other details on our website at **www.calpers.ca.gov** or call 888 CalPERS (or 888-225-7377).

May 2020

All May events have been canceled due to COVID-19.

June 2020

15–17	CalPERS Board of Administration Meeting	Access the live stream video of the board meeting through our website.

July 2020

13–15	CalPERS Board of Administration Meeting	Confirm meeting location through our website.	
14–15	myCalPERS System Training	Sacramento Regional Office	400 Q St., Sacramento
14–16	Retirement and Health Business Rules Education	Sacramento Regional Office	400 Q St., Sacramento
17–18	CalPERS Benefits Education Event	Sheraton Fairplex Pomona	601 W McKinley Ave., Pomona
21–22	myCalPERS System Training	San Bernardino Regional Office	650 East Hospitality Lane, Ste. 330, San Bernardino
22	Prefunding Programs Workshop (CERBT/CEPPT)	San Diego Regional Office	7676 Hazard Center Dr., Ste. 350, San Diego
22	Employer Leadership Dialogues	San Jose Regional Office	181 Metro Dr., Ste. 520, San Jose
28–29	myCalPERS System Training	San Jose Regional Office	181 Metro Dr., Ste. 520, San Jose

This is the final mailed issue of Employer News.

You can continue to read the latest issues at www.calpers.ca.gov/employernews, and if you keep your email up to date in your myCalPERS Business Partner account we'll notify you as new issues are available online.

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