

**Thank you for
your patience.**

**Your webinar
will begin soon.**



Did you know CalSTRS is a hybrid retirement system?



Scan the QR code to visit
[CalSTRS.com/understand-your-benefits](https://www.calstrs.com/understand-your-benefits).

Thank you for
your patience.

Your webinar
will begin soon.



Did you know your unused sick leave is converted into service credit at retirement?

Example:

45

unused sick leave days

÷

180

contract days

0.250

years of service credit

Thank you for
your patience.

Your webinar
will begin soon.



Did you know you have disability
and survivor benefits as part of
your CalSTRS membership?



Download the
*CalSTRS Member
Handbook* to learn
more about these
benefits and eligibility
requirements.



Scan the QR code to visit
CalSTRS.com/member-handbook.

Thank you for
your patience.

Your webinar
will begin soon.



Did you know you may be eligible to purchase service credit?

Purchase Service Credit Now
Have more money later for retirement

Do you want more money when you retire? Take action now by finding out if you're eligible to purchase service credit. The more service credit you have at retirement, the greater your CalSTRS retirement benefit will be. The longer you wait, the more expensive your purchase likely will be. Buying service credit could pay off for you in the long run.

How it works
Service credit represents the amount of time, in full and part-year, you have worked and contributed to CalSTRS. You earn one year of service credit for teaching one full-time school year. If you work less than full time, your service credit for the year may be less than one year. You cannot earn more than one year of service credit in one school year.

If you've substituted or worked part time before becoming a member, taken a sabbatical, taken an employer-approved leave, performed certain other types of service, or if you have received a refund of your CalSTRS account, you may be eligible to purchase service credit.

The cost of purchasing service credit is calculated based on your age and compensation variables, so the sooner you purchase service credit, the less expensive it will be. However, even if you're just a few years away from retirement, purchasing service credit may still be a smart financial decision.

Types of service credit
There are two main types of service credit you may be eligible to purchase: redeposit and permissive service.

Redeposit
If you take a refund of your CalSTRS contributions and interest, you forfeit your service credit. You can buy back that service credit by redepositing all or a portion of your refunded contributions if you later return to a CalSTRS-covered position, or if you're a member of certain other California public retirement systems. Because you must also pay interest, the cost will be higher than the amount of your refund and will increase over time. You cannot redeposit Defined Benefit Supplement funds.

See the Purchasing Service Credit video at [CalSTRS.com/videos](https://www.calstrs.com/videos).

Permissive service
You may be eligible to purchase certain types of service credit for employer-approved leaves or service not previously credited, including:

- Nonmember service, or service performed prior to becoming a CalSTRS member, such as substitute or part-time teaching
- Certain employer-approved leaves, including maternity and paternity leave.
- Sabbatical leave.
- Out-of-state or foreign school service.
- University of California or California State University teaching service not already credited in another California public retirement system.

For a complete listing of eligible service credit, see the CalSTRS Member Handbook at [CalSTRS.com/publications](https://www.calstrs.com/publications).

How is the cost calculated?
The cost for redepositing a refund and the cost for purchasing permissive service credit are calculated differently:

Redeposit = refunded contributions + interest from the date of refund

Permissive purchase = highest compensation payable from most recent three years of creditable service × contribution rate × years of service credit being purchased

Estimate the cost to redeposit or purchase permissive service credit at [CalSTRS.com/calculators](https://www.calstrs.com/calculators).

Did you purchase nonqualified service credit in the past?
If you purchased nonqualified service credit in the past, see the CalSTRS Member Handbook for more information at [CalSTRS.com/publications](https://www.calstrs.com/publications).

Download the
*Purchase Service
Credit Now* fact sheet
to learn more about
purchases.




Scan the QR code to visit [CalSTRS.com/purchase-service-credit-now](https://www.calstrs.com/purchase-service-credit-now).

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will begin soon.



Did you know you may benefit from a concurrent retirement if you're a member of another eligible California public retirement system?

Concurrent Retirement 
Learn how to retire from more than one California public retirement system

If you're currently or were previously a member of CALSTRS and one or more other eligible California public retirement systems, you may qualify for:

- A CALSTRS service retirement benefit at age 55 or older with less than five years of CALSTRS service credit.
- An increased CALSTRS service retirement benefit by using the compensation from your highest-earning position under any eligible retirement system to determine your final compensation.

To learn about your eligibility for these provisions or concurrent retirement under another system's rules, contact the other retirement system directly.

Eligible retirement systems
You may service retire concurrently with CALSTRS and any of the following retirement systems:

- California Public Employees' Retirement System
- University of California Retirement Plan
- San Francisco Employees' Retirement System
- Legislators' Retirement System
- County retirement systems enacted under the County Employees Retirement Law of 1937:
 - Alameda
 - Contra Costa
 - Fresno
 - Imperial
 - Kern
 - Los Angeles
 - Marin
 - Maricopa
 - Merced
 - Orange
 - Sacramento
 - San Bernardino
 - San Diego
 - San Joaquin
 - San Mateo
 - Santa Barbara
 - Sonoma
 - Stanislaus
 - Talbot
 - Ventura

Applying for concurrent retirement
When you complete your Service Retirement Application, indicate you want to service retire concurrently. We will request information from your other retirement system to calculate your benefit. You may experience a delay in receiving your full benefit amount while we exchange information with the other retirement system. If you have fewer than five years of service credit, you will not receive a CALSTRS benefit until we confirm your eligibility for concurrent retirement.

• We will only use compensation earnable from another retirement system for pay periods in which compensation earnable associated with CALSTRS service is not available.

Download the *Concurrent Retirement* fact sheet to learn more about how you may qualify.



Scan the QR code to visit
[CALSTRS.com/concurrent-retirement.](https://www.calstrs.com/concurrent-retirement)

EARLY CAREER

My First Steps

Understand what you have and determine what you'll need.





Objectives

- * Understand how teaching provides a pension for your retirement.
- * Recognize the importance of starting to save now.
- * Get the facts on Social Security.

SECTION 1

What is a pension?



A pension is:

- * Monthly income paid to you in retirement.
- * Guaranteed for your lifetime.
- * Most common in the public sector.
- * Funded by contributions made by you and your employer.

With CalSTRS:

- * Your pension is initially paid from your Defined Benefit Program account.
- * Your retirement benefit is based on a formula.
- * You can provide a lifetime monthly benefit to someone after your death.
- * Contribution rates are set by law and the Teachers' Retirement Board.



CalSTRS retirement formula



Service credit

Time worked and contributed. CalSTRS vesting requirement is a minimum of five years of service credit.



Age factor

Percentage based on age at retirement.



Final compensation

Highest average annual compensation earnable for 36 consecutive months.

service credit \times age factor \times final compensation
= **monthly retirement benefit**



Contributions

	You	Employer	State
Contribution rate	CalSTRS 2% at 62: 10.205% CalSTRS 2% at 60: 10.25%	About 19%	About 8%
Deposited in	Personal Defined Benefit Program account	Teachers' Retirement Fund	Teachers' Retirement Fund



Scan the QR code to visit
CalSTRS.com/contributions.



Did you know?

- * Only **15%** of private industry workers have a pension.
- * Around 66% of private employers offer defined contribution plans like a 401(k) or 403(b) instead of a pension.
- * The average contribution rate for private employers is only **4% to 6%**.



Pension vs. defined contribution

Pension

Defined benefit plan



Make contributions.

Benefit is determined by a formula.

Receive set monthly payment for life.

401(k) or similar

Defined contribution plan



Make contributions.

Benefit reliant on investments and market activity.

Receive payments until funds run out.

SECTION 2

Benefits of a pension



How much will you need in retirement?

Let's say your current salary is:

\$6,500

per month



12

months per year

\$78,000

annual salary

Now, let's say you'll be retired 30 years and want to maintain your lifestyle in retirement. You'll need:

\$78,000

per year



30 years

length of retirement

\$2,340,000

needed in retirement



Let's compare



Average career length

Working longer

Years of service credit	25	28
Total Defined Benefit account contributions	\$217,075	\$257,569
Monthly pension amount	\$5,044	\$7,407
Length of retirement	30 years	30 years
Total paid	\$1,815,669+	\$2,666,536+

Note: Both examples are CalSTRS 2% at 62 members.

01

02

03

04

05

06

07



How are your pension payments funded?

Estimated retirement timeline



Scan the QR code to visit
[CalSTRS.com/funding-plan](https://www.calstrs.com/funding-plan).

Things to consider:

- * Your CalSTRS retirement benefit is considered taxable income.
- * If you choose to leave a lifetime benefit to a loved one, your benefit will be reduced.
- * Your needs in retirement may be greater than what your CalSTRS benefit will provide.

SECTION 3

Is your pension enough?



Did you know?

Financial advisors typically recommend replacing **80% to 90%** of your working income in retirement to maintain the **same standard** of living.

**What percentage
does your CalSTRS
benefit replace?**

service credit

×

age factor

replacement
percentage



25 years

of service credit



2%

age factor at age 62

50%

replaced by CalSTRS benefit



28 years

of service credit



2.4%

age factor at age 65

67%

replaced by CalSTRS benefit



Retirement goal: **80%**

CalSTRS benefit
replaces: **50%**

Gap: **30%**



Retirement goal: **80%**

CalSTRS benefit
replaces: **67%**

Gap: **13%**

SECTION **4**

Additional savings

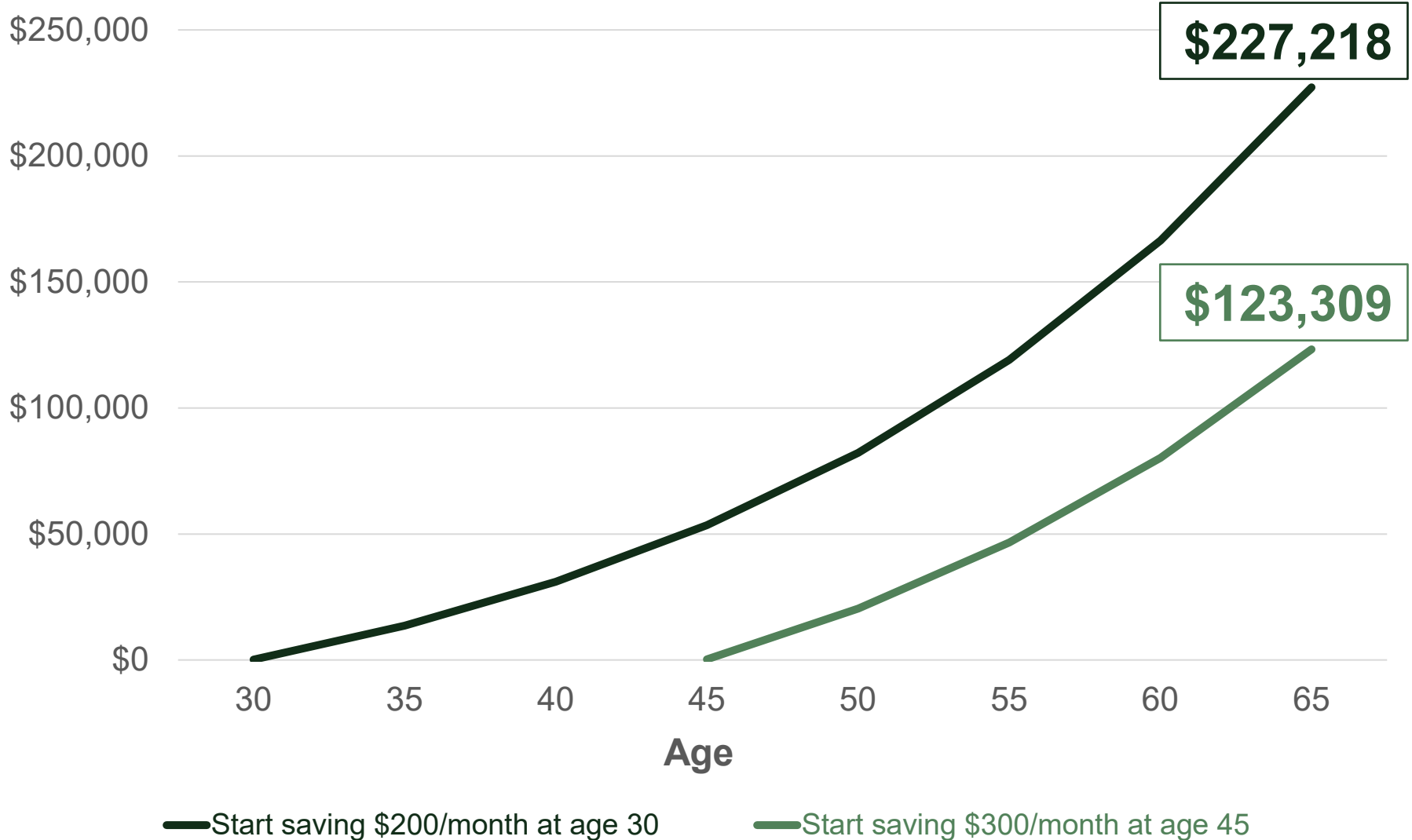


Did you know?

- * Making pretax contributions to a retirement savings account reduces your taxable income.
- * The earlier you start saving, the less you need to contribute each month to reach your savings goals.



Start saving now



01

02

03

04

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07

Members

- Early career
- Midcareer
- Near retirement
- Part-time educator
- Job and life changes
- Understand your benefits
- Benefits planning services
- Videos and webinars
- Tools and FAQs
- Calculators**
- Teacher Talk profiles

Calculators

Retirement Benefits Calculator

This calculator is provided as a retirement planning tool to help you estimate your future retirement benefit. Calculations are estimates only.

Redeposit Cost Calculator

If you return to CalSTRS-covered employment, or if you are a member of another California public retirement system, you may restore past Defined Benefit refunded service credit by redepositing your refunded contributions plus interest.

Finance Calculator

Estimate the number of installment payments or the installment amount needed to finance your purchase of permissive service credit or a redeposit.

Permissive Service Credit Calculator

Use this calculator to estimate the cost to purchase permissive service credit.

Your savings calculator: The power of time and money

Your CalSTRS retirement benefit will replace, on average, about 54% of your current salary. Need more for retirement? Check out our "What If" and "Why Wait" calculators and see what a difference a few years can make.

Retirement Benefits Calculator glossary

Accumulated period in years, including partial years, for which you earned creditable compensation and made contributions under the Defined Benefit Program. You:

Online calculator use disclaimer

Calculator estimates are non-binding between you and CalSTRS. All benefits are determined by Teachers' Retirement Law.

Annuity calculation estimates

Service retirement Defined Benefit Supplement

Benefits of saving early



Scan the QR code to visit CalSTRS.com/calculators.



403(b) * 457(b) * Roth 403(b) * Roth 457(b)

CALSTRS

pension **2**
personal wealth plan



Scan the QR code to learn more at **Pension2.com**.

- * Tax-deferred retirement savings.
- * Low and transparent costs.
- * No commissions, load fees or surrender charges.
- * Flexible investment options.

01

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Do you want
Pension2 to
contact you?

CALSTRS

pension **2**
personal wealth plan [®]

01

02

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04

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SECTION **5**

**Defined Benefit
Supplement Program**

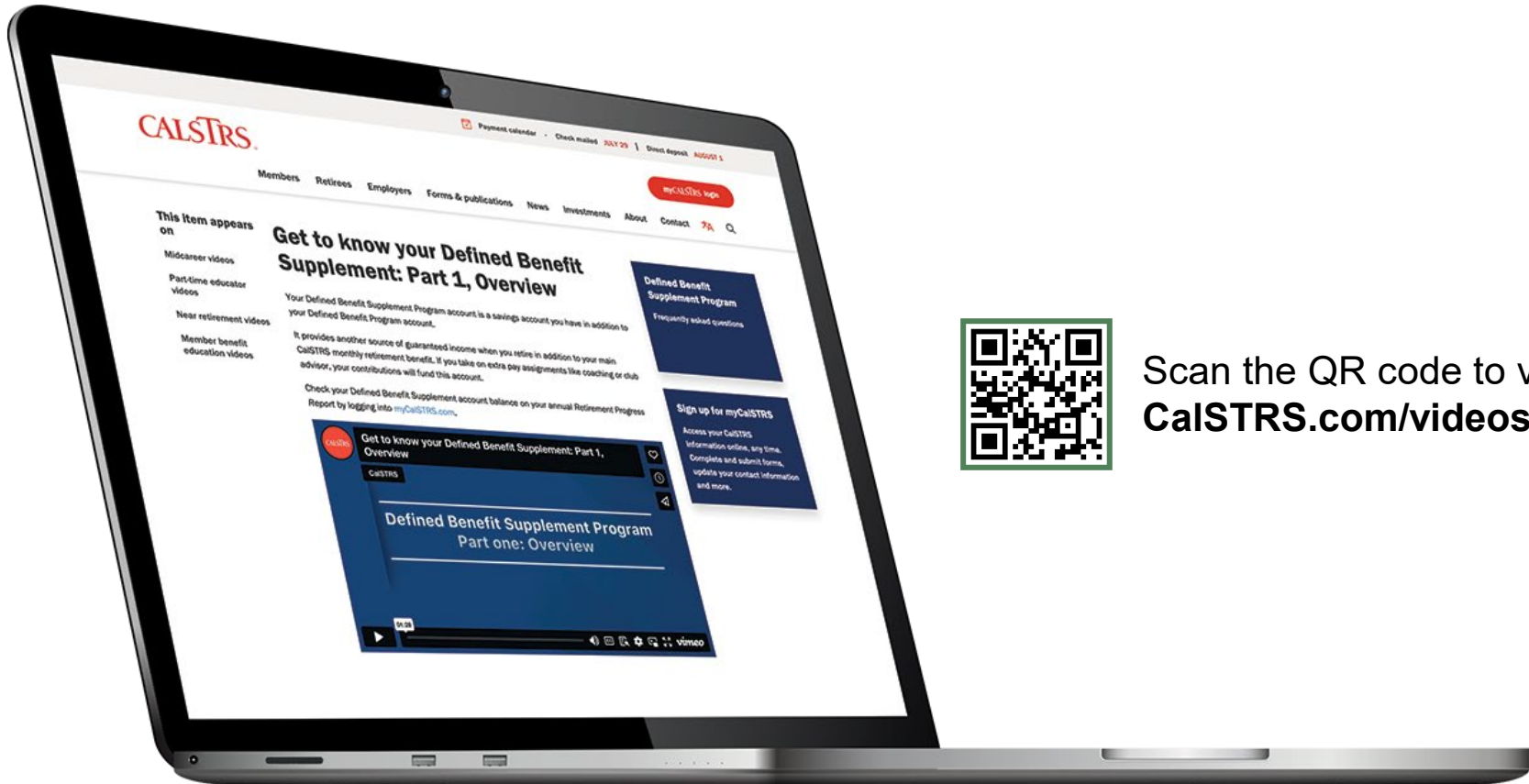


Did you know?

- * You may be eligible to receive two benefits each month from CalSTRS when you retire.
- * You can build up this account by working extra-pay assignments like summer school or coaching.
- * You decide how to receive your Defined Benefit Supplement account funds at retirement.



Defined Benefit Supplement video



Scan the QR code to visit [CALSTRS.com/videos](https://www.calstrs.com/videos).

SECTION **6**

Social Security

**Do CalSTRS members
pay into Social Security?**

yes

no

01

02

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04

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**Can a CalSTRS member
still receive a benefit
from Social Security?**

yes

no



01

02

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07

**Will your Social Security
benefit be affected by
CalSTRS?**

yes

no





Social Security resources

Social Security, CalSTRS and You

Get the facts on two federal rules that may affect you



As a California public school educator, you do not contribute to Social Security, so you will not receive a Social Security benefit for your CalSTRS-covered employment when you retire.

If you or a spouse paid into Social Security through non-CalSTRS covered employment, two federal rules, the Windfall Elimination Provision and the Government Pension Offset, may be used in the calculation of your Social Security benefit. Social Security is a federal program, and neither CalSTRS nor the State of California has control over eligibility requirements or benefit calculations.

These rules affect only your Social Security benefit. Your CalSTRS retirement benefit will not change.



Windfall Elimination Provision

This federal rule affects your Social Security benefit that is based on your earnings from other employment.

- May reduce your Social Security benefit, but it will not eliminate it.
- Reduces the income replacement ratio covered under the first component of the Social Security benefit formula, known as a bend point, to as low as 40% if you paid Social Security taxes on substantial earnings for:
 - **Up to 20 years**—This provision reduces the 90% factor of the Social Security computation formula to 40%.
 - **21 to 29 years**—The 40% factor increases incrementally from 45% to 85%.
 - **30 or more years**—There is no reduction to your Social Security benefit.

The following example was created based on a member turning 62 in 2023 with average Social Security-covered monthly earnings of \$2,000.



Social Security substantial earnings

Social Security substantial earnings are defined each year. Here is a sampling:

1990	\$5,100
1990	\$9,525
2000	\$14,175
2010	\$19,800
2022	\$27,300

What does this mean for me?

Visit the Social Security Administration's website to learn how the formula will affect you. Go to ssa.gov/gpo-wep for more information, including links to calculators that can provide personalized estimates.

Introduction to Social Security

Social Security: What you need to know

If you expect to receive both a CalSTRS retirement benefit and a Social Security benefit in retirement, two federal rules may affect your Social Security benefit.




Visit ssa.gov/retirement to learn more.

SECTION 7

CalSTRS resources





[Home](#) | [Services](#) | [Help](#) CALSTRS.com ▶

! View your messages from *myCalSTRS*:

- myCalSTRS and portions of CalSTRS.com are unavailable on May 25 from 2 p.m. through 11:59 p.m. due to scheduled system maintenance. We apologize for the inconvenience and appreciate your patience.
- Thank you for using *myCalSTRS*. You have successfully logged out of *myCalSTRS*.

Log In & Get Started

myCalSTRS is your online resource to access and manage your personal information on file with CalSTRS. Log in now to:

- Access your *Retirement Progress Report*.
- Manage your beneficiary recipient designations.
- Change your state and federal tax withholding preferences.
- View your account balances.
- Complete and submit CalSTRS forms electronically.
- Elect a preretirement election of an option.
- Apply for Service Retirement.
- View and print your 1099-R forms and benefit payment statements.
- Sign up for Direct Deposit.
- Ask questions about your accounts and receive prompt, secure answers.
- Request e-delivery of newsletters, notifications and statements.

Log In

Enter Your Username:

Set Up Your Account

Manage your account online with CalSTRS today.

[Forgot your username or password?](#)

Need help registering? Watch the [myCalSTRS registration video](#).

Need help with direct deposit, changing your password or requesting a verification of benefits letter? Watch the tutorial videos on [CalSTRS.com](#)

What myCalSTRS Means to You

Simple to Use <i>Complete & Submit Forms</i> Simply follow the instructions outlined in each guided form to complete and submit to CalSTRS. You'll find the latest electronic forms available once you Log In. If you haven't activated your <i>myCalSTRS</i> account yet, select the Register Now link to continue.	Safe & Secure <i>myCalSTRS</i> provides safe, secure member information around the clock. Access <i>myCalSTRS</i> anytime, from anywhere you have reliable Internet access.	Report Pension Abuse The Pension Abuse Reporting Hotline is a toll-free hotline that enables anyone – the public, CalSTRS members, school district and county office of education employees – to anonymously report suspicions of spiking or other pension abuse to CalSTRS.
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Scan the QR code to visit
myCalSTRS.com.



Retirement Progress Report

myCALSTRS
HOW WILL YOU SPEND YOUR FUTURE?

Home | Account | Services | Settings | Administrative | Help | Log Out CALSTRS.com

Your Online Services
As a CalSTRS Representative you may assist customers by selecting from the services below or by using the main drop down navigation menu.

- View Your Messages**
Receive secure messages in your myCalSTRS Inbox.
- Update Your Profile**
Keep your personal and myCalSTRS account information up-to-date.
- View & Update Your Tax Withholdings**
View or update current tax withholdings for your benefit payments.
- Benefits Planning**
- Complete & Submit Forms**
Find requests, applications and other forms to submit to CalSTRS.
- Download Forms & Publications**
Download current CalSTRS forms and publications or request by mail.
- View Your Retirement Progress Reports**
Check your retirement progress.
- Manage Your Beneficiary Selections**
Add, edit and/or delete your
- Access Your 1099-R**
View, print and save your 1099-R & related documents.

View Your Retirement Progress Reports
Check your retirement progress and print your report.

Subscribe Now
Get the latest CalSTRS news and email notifications. [View Your Preferences now.](#)

Check Your Email Address
View [Your Profile](#) to ensure you have your preferred email address on file.

Check your *Retirement Progress Report* every fall to:

- * Verify what your employer reported.
- * See your account balances.
- * Review benefit estimates after age 45.



Scan the QR code to visit myCALSTRS.com.



One-time death benefit

The screenshot shows the myCalSTRS website with a navigation bar at the top containing links for Home, Account, Services, Settings, Administrative, Help, and Log Out. Below the navigation bar, there is a section titled "Your Online Services" with a sub-header "As a CalSTRS Representative you may assist customers by selecting from the services below or by using the main drop down navigation menu." The main content area features several service tiles: "View Your Messages", "Update Your Profile", "View & Update Your Tax Withholdings", "Benefits Planning", "Complete & Submit Forms", "Download Forms & Publications", "View Your Retirement Progress Reports", "Manage Your Beneficiary Selections", and "Access Your 1099-R". A large, highlighted tile for "Manage Your Beneficiary Selections" is in the foreground, with the text "Add, edit and/or delete your recipient designations and submit to CalSTRS." Below the service tiles, there are two additional options: "Subscribe Now" and "Check Your Email Address".

Update your one-time death benefit recipients in your *myCalSTRS* account.



Scan the QR code to visit myCalSTRS.com.



Scan the QR code to read *Learn and Discover* at CalSTRS.com/learn-and-discover-early-career.



Continue your education

CalSTRS

Learn more about CalSTRS and your benefits by attending a *My Retirement Benefits* webinar.

Pension2

Discover more about Pension2 and supplemental savings by attending a *Start Saving Now* webinar.

Financial literacy

Improve your financial literacy by attending a *Save for Your Future* webinar.



Scan the QR code to register today at CalSTRS.com/webinars.



Homework

Due now:

- Sign up for *myCalSTRS*.

- Elect your one-time death benefit recipient.

- Open a defined contribution account.

Due annually:

- Review your *Retirement Progress Report* each fall.



Contact us



CalSTRS.com



***my*CalSTRS**

800-228-5453



Monday–Friday

8 a.m. – 5 p.m.

Thank you for attending!

