



## **Los Angeles Community Colleges**

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Date: March 20, 2008

**From:** Rudy Lopez, Retirement Systems Coordinator

**To:** All Adjunct Faculty Currently in the CalSTRS Cash Balance Benefit Program

**Subject:** **Retirement Plan Election under Senate Bill #1466**

As a current CalSTRS Cash Balance (CB) Benefit Program participant, you are eligible to opt out of the CB Benefit Program and choose to participate in Social Security instead. However, to do so, you must comply with all the instructions in this letter.

Background:

Prior to January 1, 2007, employees in the CB Benefit Program were required to continue contributing to the CB Benefit Program unless they either elected or became mandatory members of the CALSTRS Defined Benefit (DB) Program. Now, as a result of the passage of Senate Bill 1466, the LACCD is able to offer CB participants a one-time opportunity to opt out of CB and choose to participate in Social Security.

Senate Bill 1466 states that the election (choice) to Social Security must be made on or after March 1, 2008 and on or before May 1, 2008 and will become effective beginning July 1, 2008.

Action Required:

Elect (choose) either to remain in the CB Benefit Program, or b) Elect (choose) to participate in Social Security for service performed with this employer (LACCD) only. Please complete the enclosed [form CB 1584](#) (2/08), sign and date the form and leave the Signature of Authorized Employer Representative blank. The election must be made within the window period mentioned above. The form will be certified by an LACCD representative, before the Retirement Unit submits your form to CalSTRS.

Return the form on or before May 1, 2008 to: (Recommended: Via Register Mail)  
**Los Angeles Community College District**  
**770 Wilshire Boulevard**  
**Los Angeles, CA 90017**  
**Attention: Mr. Rudy Lopez, Retirement Unit, 5<sup>th</sup> Floor**

The LACCD Retirement Unit will mail you a copy of your certified/signed form for your records.

Selecting a retirement system is an important decision. For example, because all LACCD adjunct retirement plans, including CalSTRS CB, are alternatives to Social Security that contain employer and employee contributions, pensions from these plans are subject to the “Social Security Offsets” (go to [www.ssa.gov](http://www.ssa.gov) to learn more about the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO).

While this is the only opportunity for LACCD employees who are currently members of the Cash Balance Benefit Program to elect Social Security, this does not preclude an employee from electing (choosing) into the Cash Balance Benefit Program or the Defined Benefit Program at a later date, as long as the employee is eligible to participate in these Programs.

If you do decide (choose) to elect Social Security as your retirement plan, from July 1, 2008 and forward the contributions that you have accrued in the CalSTRS CB Benefit Program will remain in that fund and will continue to earn interest. Funds currently accrued in your CB account cannot be used to increase your Social Security benefit or be moved into that program.

If you need assistance making your personal choice, we urge you to consult the following resources before you decide:

1. The 7<sup>th</sup> Annual Health Benefit and Retirement Conference, April 25<sup>th</sup> at the Manhattan Beach Marriott Hotel will include a workshop at which experts from both Social Security and CalSTRS Cash Balance Benefit Program will present a workshop. They will be available all day to answer questions. The LACCD Retirement Unit staff, will also be available to take your CB1584 (2/08) election form. Check the LA College Guild web site: [www.aft1521.org](http://www.aft1521.org) for information and registration for this event.
2. There are also materials from past presentations and links to other resources on the LA College Guild web site: [www.aft1521.org](http://www.aft1521.org).
3. Additionally, the LACCD Retirement Unit and the LA College Guild will hold three meetings at which they will answer questions about this election and take your CB1584 (2/08) form:

April 14, 2008 at West L. A. College, from 10:00 AM to 12:00 PM  
April 19, 2008 at L.A. Valley College, from 10:00 Am to 12:00 PM  
April 19, 2008 at L.A. Trade Tech College from 5:00 PM to 7:00 PM

Finally, you may check the CalSTRS and Social Security websites

Social Security Website: <http://www.ssa.gov>

CalSTRS Website: <http://www.calstrs.com/>

*We are not allowed to provide legal advice. Thus, this letter is not, intended to provide legal advice. Please consult with your attorney, Tax accountant, or other legal professional(s) if you have any questions.*

**Remember: the deadline for this election is May 1, 2008!**

cc: College Presidents  
College Vice Presidents  
SPOCS  
Director of Accounting