

Sonoma County Office of Education
Business Services

EXTERNAL FISCAL SERVICES UPDATES
HR/PAYROLL USER GROUP YEARLY REVIEW MEETING: MAY 8, 2018

UPDATE:

CalSTRS Creditable Compensation:

Per Ed Code 22119.3(a) and (b)(3) in order to be “Creditable compensation” for 2% @ 62 members, compensation must be paid each pay period in which creditable service is performed for that position. It must be paid in cash to all persons in the same class of employees in accordance with a publicly available written contractual agreement, including, but not limited to, a salary schedule or employment agreement. Creditable compensation does not mean and shall not include, compensation that is not paid each pay period in which creditable service is performed for that position.

As such, creditable service that spans over multiple pay periods must be paid in each pay period in which creditable service is performed for that position in order for the compensation to be creditable for CalSTRS 2% @ 62 members. An example would be an outgrowth stipend. The mou/contract should indicate how the stipend is to be paid. Paying in a lump sum and pointing the service dates back to the prior months does not constitute payment made in each pay period in which creditable service is performed for that position, and therefore, would not be creditable compensation for 2% @ 62 members. This is not the case for 2% @ 60 members.