

Teaching as a Career

How to achieve (long term) work-life balance

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Disclaimer: None of us is a STRS representative or a financial planner.

Menu of Topics - Increasing your nest egg

- How much do you need to retire? (Kate)
- Calculating your STRS retirement benefit (Kate)
 - STRS Calculator
 - How sick time is used at retirement
- What is a pre-retirement election of an option (Kate)
- Checking what the District reports to STRS and setting up your *mycalstrs* account

Menu of Topics - Increasing your nest egg

- Your Retirement options (Ellen and Jory)
 - STRS Defined Benefit (Traditional Pension – Defined Benefit)
 - STRS Defined Benefit Supplement (Defined Contribution)
 - What is STRS Pension2 program?
 - APPLE (Defined Contribution)
 - WEP and GPO and Social Security

Menu of Topics - Increasing your nest egg

- Programs that help faculty manage work “burn-out (Kate)
 - *Willie Brown* Reduced Workload Program
 - Taking a banked leave
 - Phasing in your retirement
 - Taking a break if you’re an associate

Menu of Topics - Increasing your nest egg

- Make more money (Mel and Karen)
 - Column Advancement
 - Professional Growth and Development (PG&Ds)
 - How to use lower division units for both.
- Effective ways to save – if time permits (Kate and Ellen and Jory)
 - The power of time! Tax deferred retirement plans (403b, 457)
 - Post-tax savings plans (Roth IRA and Roth 403b)

Ask questions at any time during this presentation!

This is what we want teaching to be...



Student achievement, engagement, community building, inspiring & empowering the next gen, wonderful spaces and facilities, teaching and modeling self-actualization ...



This is what we want teaching to be...



But sometimes we lose sight of how the instructor is doing!

This is what we want teaching to be...



But sometimes we lose sight of how the instructor is doing!

How is the instructor doing ?...



Usually long commutes



Spending a ton of time working and preparing to go to work!



Sacrificing to save money or eliminate debt

And now..... short commutes but huge production efforts.



How is the instructor doing ?...

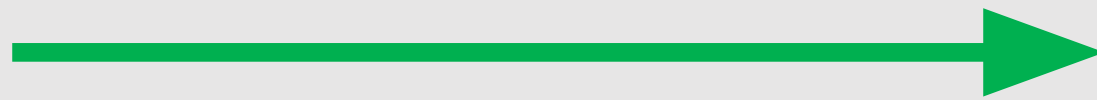


What we should have
in our reserves

How is the instructor doing ?...



What we should have
in our reserves



Reality

To stay in the teaching profession and sane requires some money management.

What determines your financial reserves?

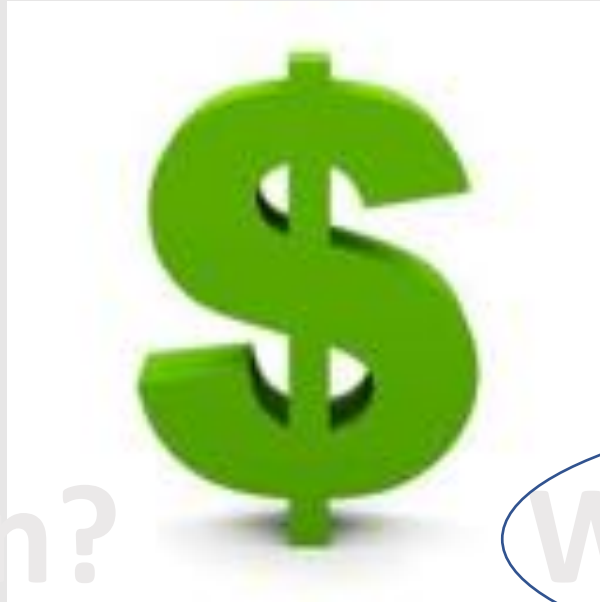


What you earn?

What you save?

To stay in the teaching profession requires some money management.

What determines your financial reserves?



What you earn?

What you save?

The District contributes 16-18% to CalSTRS
The employee contributes about 10.25% to CalSTRS



Monthly income in retirement *



* These values are pre-tax and shown in today's dollars. For more information, [click here](#) 📄

<https://retirementplans.vanguard.com/VGApp/pe/pubeducation/calculators/RetirementIncomeCalc.jsf>

STRS Defined Benefit Pension (DB)

- Disability insurance and death benefits (to a designated survivor)
- The plan's funds are invested by paid professionals.
- The minimum retirement age is 55.
- Not portable to outside CA.
- Benefit provides a COLA each year equal to 2% of initial benefit (e.g. 50k, 51k, 52k, 53k, 54k,)
- Unused sick leave can be applied to service credit.
- Sick leave can be transferred from a previous employer to the district you are retiring from.

Example: $2100 \text{ hours of sick time} / (175 \text{ days/yr} \times 6 \text{ hours/day}) = 2 \text{ yrs}$

The CalSTRS calculator:

<https://resources.calstrs.com/CalSTRSComResourcesWebUI/Calculators/Pages/RetirementBenefit.aspx>

Retirement Benefits Calculator



The information you provided:

You plan to retire: **8/1/2041**
Your age at retirement will be: **62 years, 0 months**
Your years of service credit will be (includes service credit, unused sick leave): **25.000**
Your years of other service credit will be: **0.000**
Your age factor based on your date of birth will be: **0.02**

Your average monthly salary (final compensation):

\$11,888.89

Retirement Calculation

The Member–Only Benefit shown below is calculated by multiplying your final compensation by your years of service credit and the age factor at the time of your retirement.

Service Credit	X	Age Factor	X	Final Compensation*	=	Member–Only Benefit	\$5,944.45
25.000		0.02		\$11,888.89			

*Note that an annually adjusted limit on creditable compensation may affect the calculation of your CalSTRS retirement benefit. Visit [Final Compensation](#) to learn more about this compensation cap.

Your Estimated Member–Only Benefit:

\$5,944.45

Retirement age	CalSTRS 2% at 60	Retirement age	CalSTRS 2% at 62
55	1.40%	55	1.16%
56	1.52%	56	1.28%
57	1.64%	57	1.40%
58	1.76%	58	1.52%
59	1.88%	59	1.64%
60	2.00%	60	1.76%
61	2.13%	61	1.88%
62	2.27%	62	2.00%
63	2.40%	63	2.13%
64	2.40%	64	2.27%
65	2.40%	65	2.40%
66	2.40%	66	2.40%
67	2.40%	67	2.40%

If you were hired after Dec 31, 2012, you are a “2% at 62” member.

Other Benefits for “2% at 60 Members”:

0.2% will be added to the percentage (age factor) up to a max of 2.4% if you have 30+ years of service credit.

If you have 25+ years of service credit, your highest 12 months will be used instead of your highest 36 months to compute your highest average monthly compensation.

Sick time Conversion

You Input hours/6
In STRS Calculator

Enter the amount of Sick Leave Credit:

Unused Sick Leave Days:

Contract Base Service Days: 175



Financial Aid Faculty Services **Employee** Finance

List of Leave Types

TYPE of Leave	Hours or Days	Available Beginning Balance	Earned as of Aug 23, 2021	Taken as of Aug 23, 2021	Available Balance as of Aug 23, 2021
Supplemental Pd Sick Lv-COVID19	Hours	.00	.00	.00	.00
Faculty Overload Sick Leave	Hours	60.88	.00	.00	60.88
Bereavement	Hours	-4.24	.00	.00	-4.24
Jury Duty	Hours	.00	.00	.00	.00
Pre-Ret Bnk Load (Upload TBD)	Hours	.00	.00	.00	.00
Reg Sick Load (Upload TBD)	Hours	.18	.00	.00	.18
Conference Attendance	Hours	.00	.00	.00	.00
Emergency Paid Sick Lv-COVID19	Hours	.00	.00	.00	.00
Industrial Illness	Hours	.00	.00	.00	.00
Flex Tracking	Hours	.00	12.00	.00	12.00
Sick	Hours	1,094.15	60.00	.00	1,154.15

More thoughts on sick time

- If you use sick time you earn income AND CalSTRS service credit.
- If you convert sick time to service credit you only receive service credit.
- There is no financial reason to hoard your sick time.
- Consider donating some sick time to a member in need?
- If you are sick – use your sick time!

Transferring Sick Time

You are able to transfer sick time from another community college to another district.

If you do not have active employment in a district where you left sick time behind, get those hours transferred into a district where you have active employment.

AB 706

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200AB706

Keep all records of sick-time.

WVMCCD Sick Leave Transfer Form:

<https://www.wvm.edu/services/hr/employees/faculty/Forms/Sick%20Leave%20Transfer%20to%20WVMCCD%20Form%20112420.pdf>

What is an option beneficiary?

- Survivor(s) who you elect to receive a lifetime benefit after your death.
- Your retirement benefit will be reduced if you elect an option

Option Beneficiary:

None Single Beneficiary

Beneficiary's Date of Birth:

Relationship Other

Spouse
Registered Domestic Partner

Calculate Reset

Ex: How could one's retirement benefit be affected by having an option beneficiary?

Retirement Calculation

The Member-Only Benefit shown below is calculated by multiplying your final compensation by your years of service credit and the age factor at the time of your retirement.

$$\begin{array}{rclcl} \text{Service} & & \text{Age} & & \text{Final} & & \text{Member-} \\ \text{Credit} & \times & \text{Factor} & \times & \text{Compensation} & = & \text{Only Benefit} \\ \mathbf{25.000} & & \mathbf{0.02} & & \mathbf{\$12,500.00} & & \mathbf{\$6,250.00} \end{array}$$

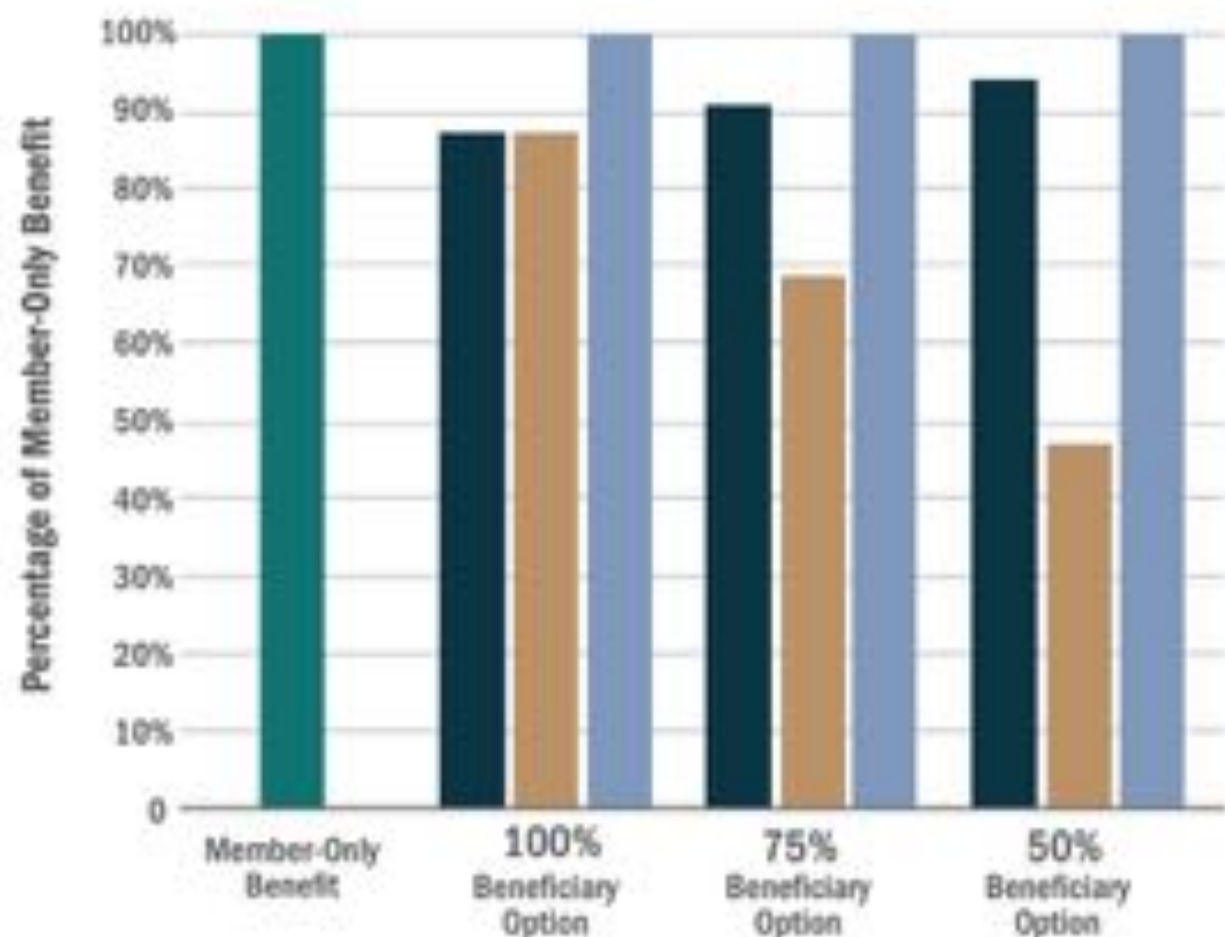
Your Estimated Member-Only Benefit: **\$6,250.00**

Your Estimated Member-Only Benefit: **\$6,250.00**

Option Beneficiary Estimate

ESTIMATED MODIFIED BENEFITS FOR A SINGLE BENEFICIARY (For options elected at retirement)

Option	Member	Beneficiary Survivor	Member Survivor
50%	\$5,949.38	\$2,974.69	\$6,250.00
75%	\$5,787.50	\$4,340.63	\$6,250.00
100%	\$5,595.63	\$5,595.63	\$6,250.00



This chart compares the Defined Benefit Program beneficiary options. The examples show reduced retirement benefits for a member, age 60, who designates an option beneficiary, age 57. To find out how each option would affect your retirement benefit, use the *Retirement Benefits Calculator* at CalSTRS.com/calculators.

Member-Only Benefit

Member's benefit if no option beneficiary is elected

Modified Benefit

Member's benefit when member and option beneficiary are living during retirement

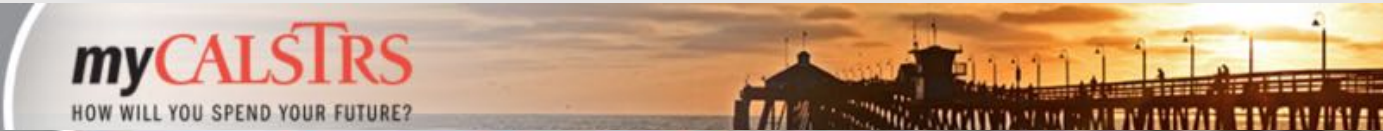
Option beneficiary's benefit when member dies

Member's benefit if option beneficiary dies after member retires

When to specify your option beneficiary(ies)?

- At retirement, however if you die before retirement your survivors may receive a monthly survivor benefit or may not. If your survivors are not eligible for monthly survivor benefits, all your *Defined Benefit Contributions* will be paid to your estate or one-time death benefit recipient. (This is probably much less than a lifetime benefit.)
- Prior to retirement by completing a “Pre-retirement election of an Option” form. If done, your survivor(s) will receive the same lifetime benefit as if you had retired on the date of your death.
- If you cancel your “Pre-retirement election of an Option” form there is a penalty (a small actuarial assessment) on your lifetime benefit. *Think before you act and compare to life insurance.*
- Exception: There is no penalty for choosing the 50% option for your spouse/domestic partner and later changing your mind.

Finding out what you have contributed to CalSTRS:















Home | Account | Services | Settings | Help | Log Out

CALSTRS.com ▶

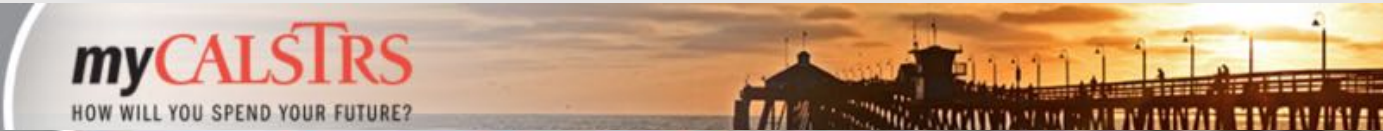
Your Online Services
Select from the services below or use the main drop down navigation menu to continue.

Customer Name:

Retirement Formula: 2% at 60 ⓘ

 <p>View Your Messages Receive secure messages in your myCALSTRS Inbox.</p>	 <p>Update Your Profile Keep your personal and myCALSTRS account information up-to-date.</p>	 <p>Benefits Planning Services Learn about your CalSTRS benefits.</p>
 <p>Complete & Submit Forms Find requests, applications and other forms to submit to CalSTRS.</p>	 <p>Manage Your Beneficiary Selections Add, edit and/or delete your recipient designations and submit to CalSTRS.</p>	 <p>Submit a Notification of Death ⓘ Report the death of a CalSTRS member, benefit recipient, option beneficiary or designated recipient.</p>
 <p>View Your Account Balance Access and review your account balances.</p>	 <p>View Your Retirement Progress Reports Check your retirement progress and print your report.</p>	 <p>Download Forms & Publications Download current CalSTRS forms and publications or request by mail.</p>
 <p>Use Our Calculators Take advantage of our specialized benefit calculators to help you make informed decisions.</p>	 <p>Access Your CalSTRS Pension2 Account ⓘ Change investments, check balances, request a disbursement. No account? Enroll Now.</p>	 <p>403bCompare ⓘ Your guide to choosing the 403(b) retirement savings product that best matches your needs.</p>

How many years of service have you earned?















Home | Account | Services | Settings | Help | Log Out

CALSTRS.com ▶

Your Online Services
Select from the services below or use the main drop down navigation menu to continue.

Customer Name:

Retirement Formula: 2% at 60 ⓘ

 <p>View Your Messages Receive secure messages in your myCALSTRS Inbox.</p>	 <p>Update Your Profile Keep your personal and myCALSTRS account information up-to-date.</p>	 <p>Benefits Planning Services Learn about your CalSTRS benefits.</p>
 <p>Complete & Submit Forms Find requests, applications and other forms to submit to CalSTRS.</p>	 <p>Manage Your Beneficiary Selections Add, edit and/or delete your recipient designations and submit to CalSTRS.</p>	 <p>Submit a Notification of Death ⓘ Report the death of a CalSTRS member, benefit recipient, option beneficiary or designated recipient.</p>
 <p>View Your Account Balance Access and review your account balances.</p>	 <p>View Your Retirement Progress Reports Check your retirement progress and print your report.</p>	 <p>Download Forms & Publications Download current CalSTRS forms and publications or request by mail.</p>
 <p>Use Our Calculators Take advantage of our specialized benefit calculators to help you make informed decisions.</p>	 <p>Access Your CalSTRS Pension2 Account ⓘ Change investments, check balances, request a disbursement. No account? Enroll Now.</p>	 <p>403bCompare ⓘ Your guide to choosing the 403(b) retirement savings product that best matches your needs.</p>

What is the District reporting to CalSTRS?

The screenshot shows the myCALSTRS website interface. At the top, there is a navigation bar with links for Home, Account, Services, Settings, Help, and Log Out. Below this is a section titled "Your Online Services" with a "Customer Name:" input field. The main content area features a "Retirement Progress Report" table with columns for Year and Account Type. Below the table are several service tiles, including "View Your Retirement Progress Reports" which is circled in red. A red arrow points from the right side of the image towards the "Employer Details" link in the 2020 row of the table.

myCALSTRS
HOW WILL YOU SPEND YOUR FUTURE?

Home | Account | Services | Settings | Help | Log Out

CALSTRS.com ▶

Your Online Services Customer Name:

Retirement Progress Report	
Year	Account Type
2020	Active Member Account
2019	Active Member Account
2018	Active Member Account
2017	Active Member Account

[Glossary](#) [Employer Details](#)

[Glossary](#) [Employer Details](#)

[Glossary](#) [Employer Details](#)

[Glossary](#) [Employer Details](#)

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

View Your Account Balance
Access and review your account balances.

Download Forms & Publications
Download current CalSTRS forms and publications or request by mail.

Use Our Calculators
Take advantage of our specialized benefit calculators to help you make informed decisions.

Access Your CalSTRS Pension2 Account
Change investments, check balances, request a disbursement. No account? [Enroll Now](#)

403bCompare
Your guide to choosing the 403(b) retirement savings product that best matches your needs.

STRS Pre-retirement election of an option form

<https://forms.calstrs.com/CalSTRSOnlineFormRequestWebUI/Root/Pages/OpenAttachment.aspx?FormId=2cbd432f-bdb3-4996-b89d-3d3594dade87>

Employer/ Assignment ⓘ	Earnings ⓘ	Base Hours ⓘ	Contributions ⓘ	Earnables ⓘ	Service Credit ⓘ	Comments ⓘ
CABRILLO COMMUNITY COLLEGE DISTRICT						
Member Contribution Rate: 10.25%						
Part-Time Service	\$7,367.80	525.00	\$755.20	\$64,140.00	0.1147	DBS Contribution
WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT						
Member Contribution Rate: 10.25%						
Full-Time Service	\$100,447.00	N/A	\$10,295.80	\$100,447.00	1.0000	
Full-Time Service	\$9,498.60	N/A	\$973.61	\$109,946.00		Pay Rate Adjustment
Part-Time Service	\$598.69	N/A	\$61.37	\$66,145.79	0.0090	DBS Contribution
Prior Years' Adjustments ⓘ	\$970.50	N/A	\$89.29			

CalSTRS only knows what the employer reports to them.

The “earnable” is used to calculate your highest compensation when determining your lifetime benefit!!!

Comparisons of retirement options

- Cal STRS Programs
 - Defined Benefit (DB)
 - Defined Benefit Supplement (DBS)
 - Faculty are vested after the equiv. of five years of FT service
 - Available for non-retired faculty (Associates and Full-time)
- APPLE Plan
 - Defined Contribution Cash Balance Plan
 - District contributes 4%
 - Employee contributes 3.5%
 - Employee is immediately vested
 - Available to Associates and Emeritus
- Social Security

Definitions-

- **Defined Benefit** (STRS DB, Social Security, PERS)
 - Guaranteed for Life – traditional pension
 - Benefit is based on a formula (years of employment, age at retirement, final salary, etc.)
 - Vesting requirement (CalSTRS and PERS it's 5 years FT equiv., 40 quarters for Social Security)
- **Defined Contribution** (401k, 403b, 457, etc.)
 - Not guaranteed for Life – you can outlive the benefit
 - Vests immediately
- **Cash Balance** (APPLE, STRS DBS)
 - Same as Defined Contribution, plus
 - Employer and Employee are required to contribute
 - Employee is guaranteed an interest rate
 - Vests immediately

Retirement Planning should begin before mid-career

Types of Workplace Retirement Plans:

- **Defined Benefit**
- **Defined Contribution (403B or 457)**
- **Cash Balance (similar to Defined Contribution but you cannot lose money)**
- **Most retirement plans (except ROTH IRA's & ROTH 403B's) are "tax deferred". Contributions to the plans are NOT taxed. Withdrawals are taxed. Early withdrawals may incur a tax penalty.**

Traditional Pensions are Defined Benefit Plans

- **CalSTRS offers a defined benefit plan that is mandatory for full-time faculty in California, unless you are already vested in PERS when you are hired.
(STAY IN PERS – DO NOT SWITCH TO STRS)**
- **CalSTRS is optional for part-time faculty.**

STRS Defined Benefit Supplement

- The DEFINED BENEFIT SUPPLEMENT PROGRAM (DBS) from CalSTRS is used if you work more than 1.0 (a full year of service credit) in any year.
- DBS does **not** have COLA
- The member contributes 8% of the additional earnings and so does the employer to a DBS account. The account earns guaranteed compounded interest and can be paid as a lump-sum or annuitized upon retirement.
- You cannot have DBS without DB
- It can be paid out at retirement or annuitized for a set time period or a lifetime.

Defined Contribution Plans are similar to 401K's (403B or 457)

- **NOT A PENSION**

- Immediate vesting
- Employers are not required to contribute. WVMFT will request that the District begin contributions in the negotiation proposal for 2021.
- Contributions are tax deferred.
- The Retirement Benefit is the account balance at retirement. (includes contributions and hopefully earnings, but losses are possible)
- Some plans may offer an option to annuitize the funds upon retirement.
- They are not pensions, they are uninsured private savings (investment) accounts.
- **You can outlive this money!**

Cash Balance – The Apple Plan at WVMCCD

- **NOT A PENSION**
- Immediate vesting for Associate Faculty AND new emeritus rehired faculty. WVMFT was recently able to obtain that benefit for emeritus faculty.
- The employer and employee contributions are defined. They are usually 4% each for a total of 8%.
- Guaranteed annual minimum interest (employee cannot lose money)
- The Retirement Benefit is the account balance at retirement.
- Contributions are tax deferred.
- Not portable to outside CA.
- Available to retirees who are employed by District

Social Security

- **SOCIAL SECURITY**-Sort of a defined benefit plan, need 40 credits to vest. Minimum retirement age is 62.
 - Retirement benefit defined by a formula based on average annual earnings over 35 years. 6.2% contribution for both employee & employer. Contributions not tax deferred and the benefits are sometimes taxable.
 - Portable to most other states and jobs

The Dreaded WEP & GPO

- The WEP and GPO may apply if you concurrently receive retirement benefits from Social Security and also from CalSTRS defined benefit or cash balance plans.
- WEP is the *windfall elimination provision* that MAY reduce your Social Security benefit by up to approximately **\$480 monthly in 2020-21**. (The reduction cannot be more than 50% of your benefit from non-social security covered employment.) SSA Publication No. 05-10045. You are subject to this provision if you have less than 30 years of “substantial earnings” in employment covered by Social Security.
- GPO is the *Government Pension Offset*. It may reduce or wipe out your Social Security spousal, widow, or widower benefits. SSA publication No. 05-10007
- <https://forms.calstrs.com/CalSTRSOnlineFormRequestWebUI/Root/Pages/OpenAttachment.aspx?FormId=b15b5491-e358-48c2-9cfe-2aedb410bd28>

Teaching AFTER Retirement

- Your retirement benefit is reduced dollar for dollar by any compensation earned from CalSTRS-covered employment during the first **180 calendar days** following your most recent retirement effective date.
- Post retirement earnings limit for 2021-22 is **\$48,428**.
- CHECK WITH YOUR EMPLOYER BEFORE YOU RETIRE TO MAKE SURE THAT THEIR REPORTING TO CALSTRS IS CORRECT.
- Social Security: www.ssa.gov 800-772-1213
- CalSTRS: www.calstrs.com 800-228-5453
- Apple: www.midamerica.biz 800-634-1178

Cal STRS Pre-retirement Programs

Willie Brown Act / Reduced Workload Program (RWP)

- You can work a reduced load **but** still earn STRS service credit and fringe benefits as if you were working full-time.
- The reduced load must be no less than 50%
- The reduced workload program can be done for up to 10 years.
- It does NOT have to precede retirement but you must be at least 55 and have at least 10 years of STRS service credit and have been employed FT the last five years prior to reducing your load.
- Both you and the District contribute to STRS as if you were working full time.

Reduced Workload Example

Sue loves her students and teaching, and makes \$100,000/year.

But Sue is so tired of grading lab reports and midterms every Sunday.....

Sue decides to reduce her workload to 67% using the STRS Reduced Workload Program.

Currently her STRS contribution is 10.25% or \$10,250/year

The employer's STRS contribution is 16.15% or \$16,150/year

How will Sue's salary change?

Original Salary less STRS contributions = \$100,000 - \$10,250 = \$89,750

New salary less STRS contributions = \$67,000 - \$10,250 = \$56,750

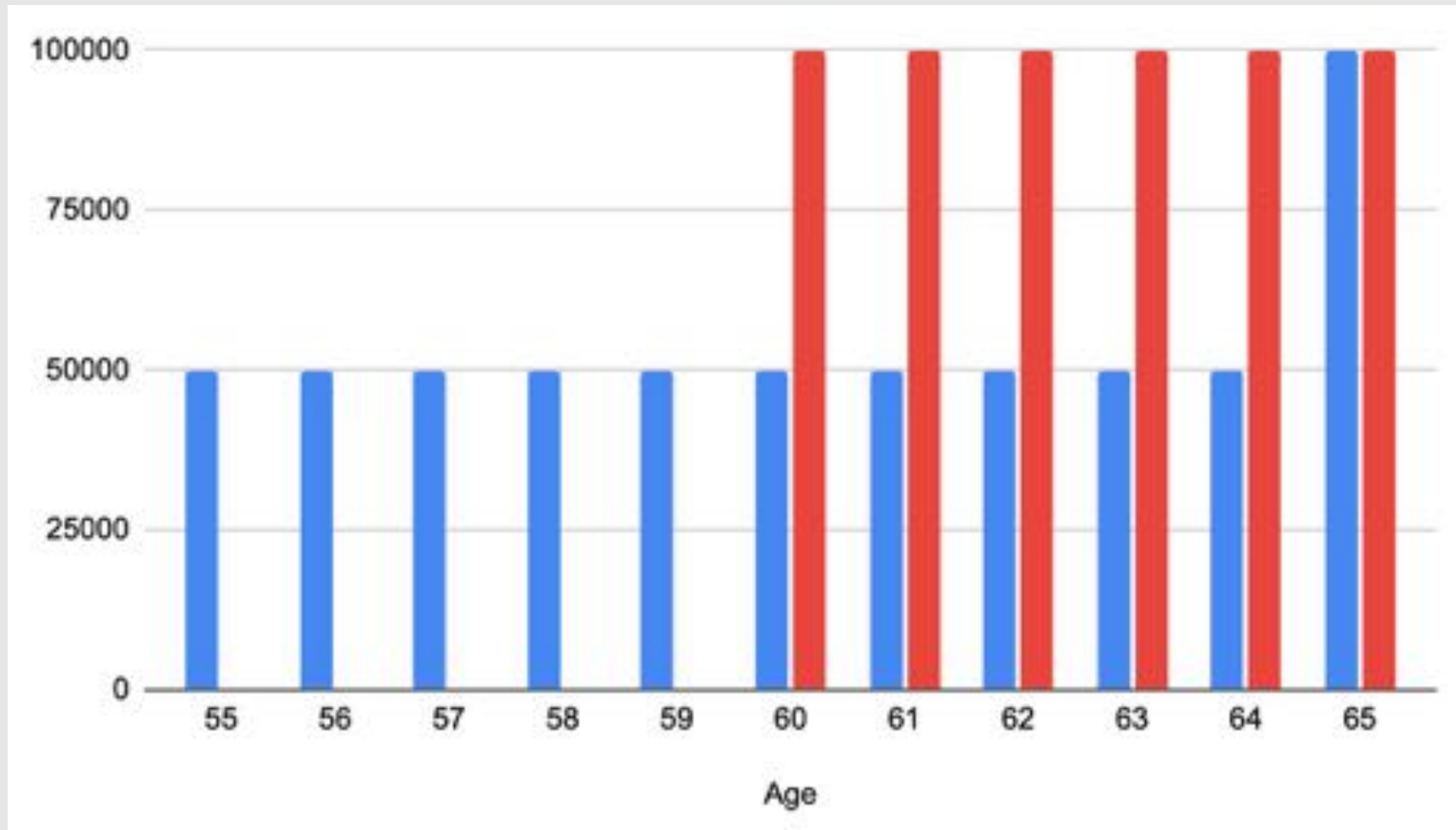
Note Sue is now paying 15.3% in STRS contributions for each \$ earned however she is earning a full-year of service credit making this is fair.

STRS Reduced Benefit Election for those under 60

- A retiree between ages of 55 and 59 can receive **half** of the monthly benefit calculated as if they were 60 at retirement.
- This reduced benefit continues for the same number of months after age 60 as the number of months the benefits were received prior to age 60. After that, the benefit rises to 100%.
- Eligibility
 - Must be at least 55
 - Be a CalSTRS 2% at 60 member
 - Be vested in CalSTRS (have five years of service credit)
- Pros – Retire before 60 but still get the 2% age factor
- Cons – Many people can not afford to live on half their benefit

STRS Reduced Benefit Election for those under 60

- Reduced benefit continues for the same number of months after age 60 as the number of months the benefits were received prior to age 60.



Banking load vs. taking pay for overload

- Banking load
 - Load worked that exceeds 1.0 goes into “banked load”
 - Shown in *Leave Balances* in your employee portal.
 - Always paid out at your current pay rate **if taken to fulfill an underload or used for a semester off** – therefore worth 26% more than if cashing it out at part-time rate.
 - Can be used for early or phase-in retirement or taking semester off with full pay
 - Two Banks: Can bank 2.0 in regular bank acct. and 2.0 in pre-retirement bank acct. Can put overload into either or both.
 - **Banked load simply buys time off with pay.**
 - Faculty can always cash out their banked load at current parity (79%)
 - Hourly faculty can also bank (1.0 = 525 hours)
- Overloads are paid out immediately (not banked)
 - Faculty paid at associate rate (79%)
 - Contributions made to STRS Defined Benefit Supplement (This translates to a smaller benefit at retirement than if the load were used as part of one’s 1.0 load)
 - **Bank the load if you can live without the money now and want time off later.**

Taking banked load leave

Article 36

FT Faculty
Only

- FT faculty can withdraw 1.0 from their regular bank once every five years. Pay will be at current rate not rate at time of banking.
- FT faculty can plan and withdraw less than 1.0 (partial leave) twice in five years. This results in a partial teaching load paid at 100%.
- FT faculty with underloads (unplanned) can backfill the underload with banked load. There is no limit on these partial leaves.
- Application for planned banked load leave (full or partial) is due the 3rd Friday the prior semester.

Phasing in a retirement using banked load

Article 14 and 36

- FT Faculty with at least 2.0 in their combined banks can take a full year of banked leave immediately proceeding retirement.
- FT Faculty will receive full salary, full STRS credit, **and all fringe benefits.**
- Faculty may also reduce teaching load to a min. of 50% using banked load to make up for the balance.
- Can work on reduced load for up to five years.
- Make a plan at least five years prior to retirement.

Associate rights concerning leave

- Associates with active assignments and who are sick, can use their accrued sick time to take leave. Union is working to change the requirement that associates have to have an active assignment.
- REP Associates (those with reemployment preference) can do the following **without any consequence to their REP status**:
 1. Decline an entire offer (of an assignment) **once in a three year period**
 2. Decline part of an offer of assignment
 3. Decline an offer if they accepted another work assignment and the offer from WVMCCD was made 7+ days after the associate accepted the other work.

Column Advancement (Appendix B)

- Faculty can apply graduate level coursework (if their dept. requires at least a masters to teach) towards column advancement.
- Undergraduate courses can be used with approval of your dean.
- Applications for column advancement are due **2nd Friday in March**.
- All coursework must be completed by Aug. 30th in order to advance to the next column in the next academic year.
- 15 units next column giving faculty another 3.75%

Step Advancement for Full-time Faculty

- Full-time: Every Fall until step 12.

After step 12:

- Full-time: Must complete a Professional Growth and Development (PG&D) project to move to next step in Fall.

Starting with step 12, full-time faculty must remain on a step for at least three years.

PG&D projects do not have to take three years.

How involved is a PG&D? Article 44

- Segment A: **3-unit** course (approx. 144 hours of work)
- Segment B: A project or class equivalent to **5 units** of work (240 hours)
- Must apply by 2nd Friday in October
- Must complete compliance report by 1st Friday in April
- Project can take less than three years and faculty can apply late, but faculty must remain on growth step for at least 3 years.

Professional Growth and Development (PG&Ds) Art. 44

Step	Column A	Column B	Column C	Column D	Column E	Column F
	AA + required Experience (6 yrs.)	MA; BA + 30; AA + 90	MA + 15; BA + 45	MA + 30; BA + 60	MA + 45; BA + 75	PhD
1	\$74,819	\$77,622	\$80,534	\$83,553	\$86,688	\$88,421
2	\$77,438	\$80,343	\$83,352	\$86,479	\$89,724	\$91,517
3	\$80,147	\$83,151	\$86,272	\$89,507	\$92,862	\$94,721
4	\$82,954	\$86,062	\$89,289	\$92,637	\$96,113	\$98,036
5	\$85,856	\$89,075	\$92,418	\$95,881	\$99,479	\$101,469
6	\$88,859	\$92,192	\$95,650	\$99,239	\$102,958	\$105,018
7	\$91,972	\$95,419	\$98,997	\$102,712	\$106,565	\$108,692
8	\$95,192	\$98,761	\$102,464	\$106,306	\$110,294	\$112,497
9	\$98,523	\$102,219	\$106,047	\$110,025	\$114,154	\$116,437
10	\$101,972	\$105,793	\$109,761	\$113,876	\$118,147	\$120,509
11	\$105,539	\$109,496	\$113,604	\$117,861	\$122,285	\$124,732
12	\$109,233	\$113,331	\$117,577	\$121,987	\$126,561	\$129,093
15	\$113,057	\$117,292	\$121,695	\$126,256	\$130,992	\$133,613
18	\$117,014	\$121,402	\$125,952	\$130,680	\$135,578	\$138,289
21	\$121,110	\$125,650	\$130,359	\$135,252	\$140,322	\$143,127
24			\$134,924	\$139,983	\$145,234	\$148,138
27			\$139,646	\$144,883	\$150,315	\$153,323
30					\$155,577	\$158,690
33					\$161,024	\$164,242
36					\$166,658	\$169,993

FT faculty must do a project to advance to next growth step.



Step Advancement for Associates

- Associates: Step advancement occurs in any semester (inc. Summer and Winter) if an aggregate of 0.8 load is taught since last step increase, until step 12. Advancement is done no more than once per year.

After step 12:

- Associates: No PG&D requirement. When an aggregate of 2.2 load is taught since last step increase, associate advances to next step.

Step	Column A	Column B	Column C	Column D	Column E	Column F
	AA + required Experience (6 yrs.)	MA; BA + 30; AA + 90	MA + 15; BA + 45	MA + 30; BA + 60	MA + 45; BA + 75	PhD
1	\$29,554	\$30,661	\$31,811	\$33,004	\$34,242	\$34,927
2	\$30,588	\$31,736	\$32,924	\$34,159	\$35,441	\$36,149
3	\$31,658	\$32,845	\$34,078	\$35,356	\$36,681	\$37,415
4	\$32,767	\$33,995	\$35,269	\$36,592	\$37,965	\$38,724
5	\$33,913	\$35,185	\$36,505	\$37,873	\$39,294	\$40,081
6	\$35,100	\$36,416	\$37,782	\$39,200	\$40,669	\$41,482
7	\$36,329	\$37,691	\$39,104	\$40,571	\$42,093	\$42,934
8	\$37,601	\$39,011	\$40,474	\$41,991	\$43,566	\$44,437
9	\$38,917	\$40,377	\$41,889	\$43,460	\$45,091	\$45,993
10	\$40,279	\$41,788	\$43,356	\$44,981	\$46,668	\$47,601
11	\$41,688	\$43,251	\$44,874	\$46,555	\$48,303	\$49,269
12	\$43,147	\$44,766	\$46,443	\$48,185	\$49,992	\$50,992
15*	\$44,658	\$46,331	\$48,070	\$49,871	\$51,742	\$52,777
18*	\$46,221	\$47,954	\$49,751	\$51,619	\$53,554	\$54,624
21*	\$47,839	\$49,632	\$51,492	\$53,425	\$55,427	\$56,535

AF faculty
advance by
working 2.2
total FTEF



What is a 403B and why do it?

PROs

- A 403B is a retirement savings account that allows the owner to contribute up to \$19,500/year in pre-tax dollars. Voluntary additional contributions for those over 50 is \$6,500/year (catch-up)
- The 403B account is controlled by YOU.
- Annual appreciation and earnings in the account are not taxed.

CON – When you take distributions from these accounts, you will have to pay tax as if it were income. *This is a problem for retirees whose tax rate is still high even though they are retired.*

What is a 403B and why do it?

\$10,000/year investment from age 31-65.

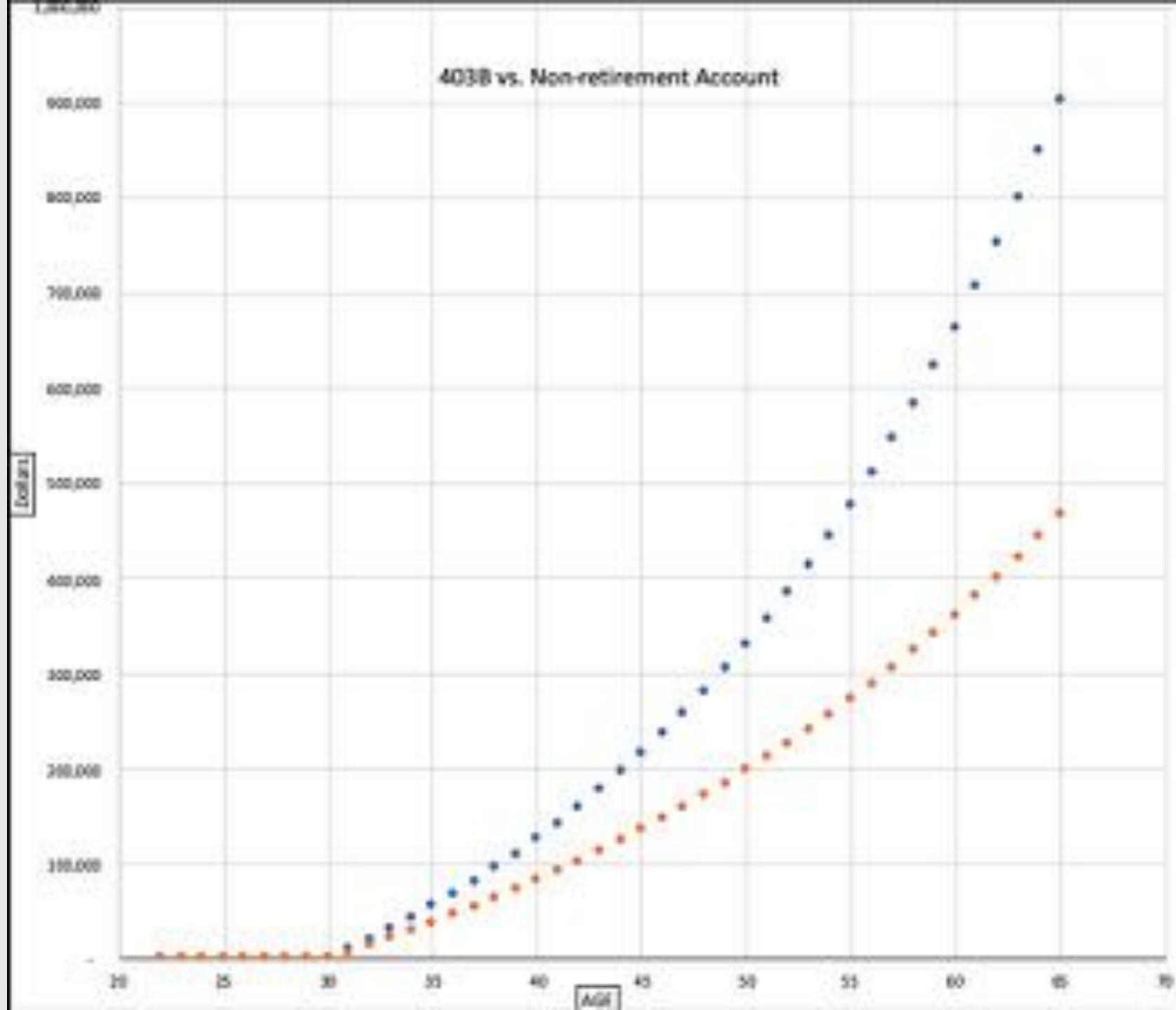
Blue – Pre-tax 403b account

Orange – Taxable non-retirement account

Assumptions:

5% ROI

30% Tax rate



When to do your 403B?

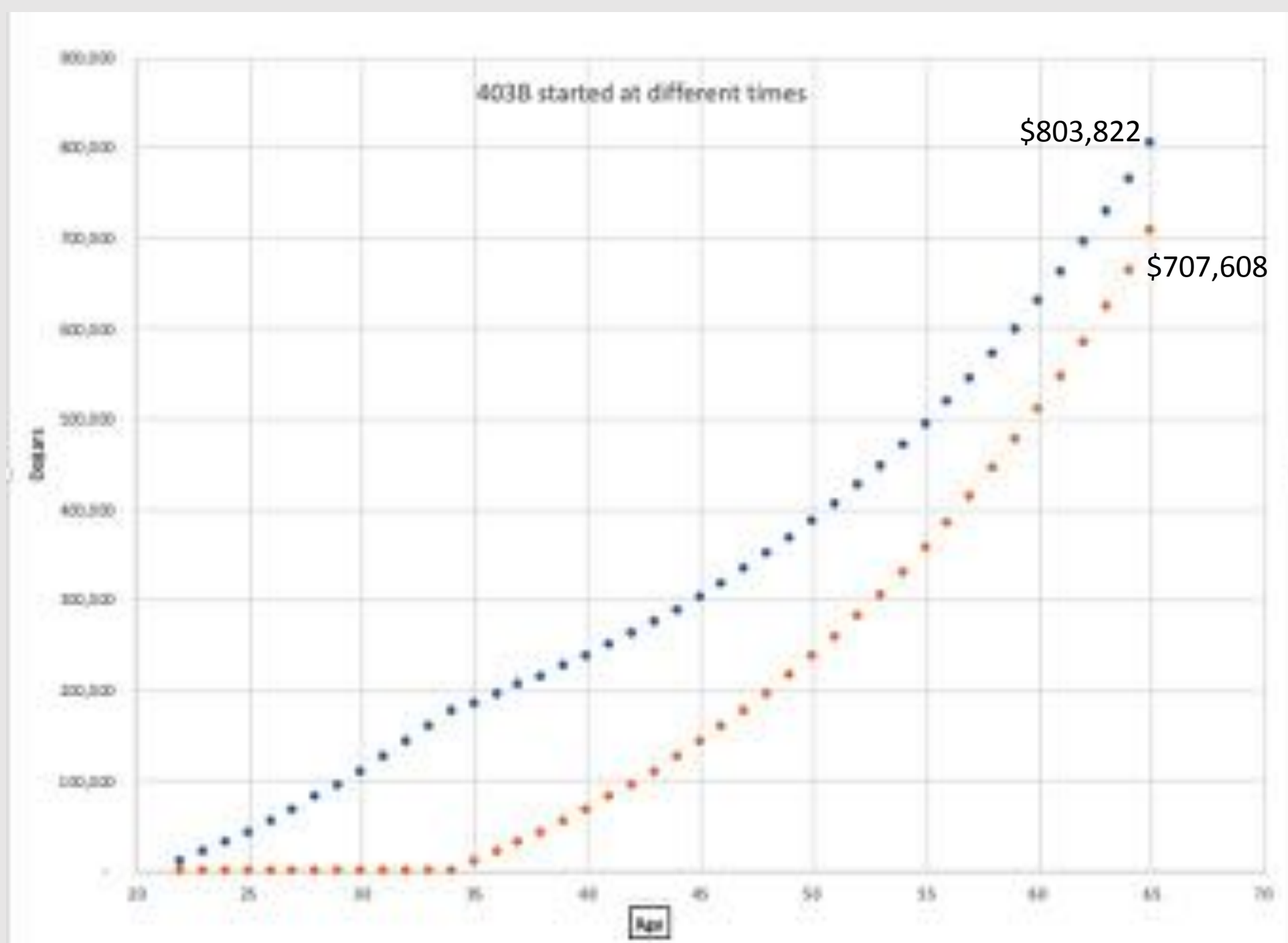
Blue – 403b account with \$10,000 annual contribution from 22-34 (\$130,000 investment)

Orange – 403B account with \$10,000 annual contribution from 35-65 (\$310,000 investment)

Assumptions:

5% ROI

30% Tax rate



What is a Roth IRA and why do it?

\$10,000/year investment from age 22-34

Blue – Pre-tax 403b account

Green – Roth IRA

Orange – Taxable non-retirement account

Assumptions:

5% ROI

30% Tax rate



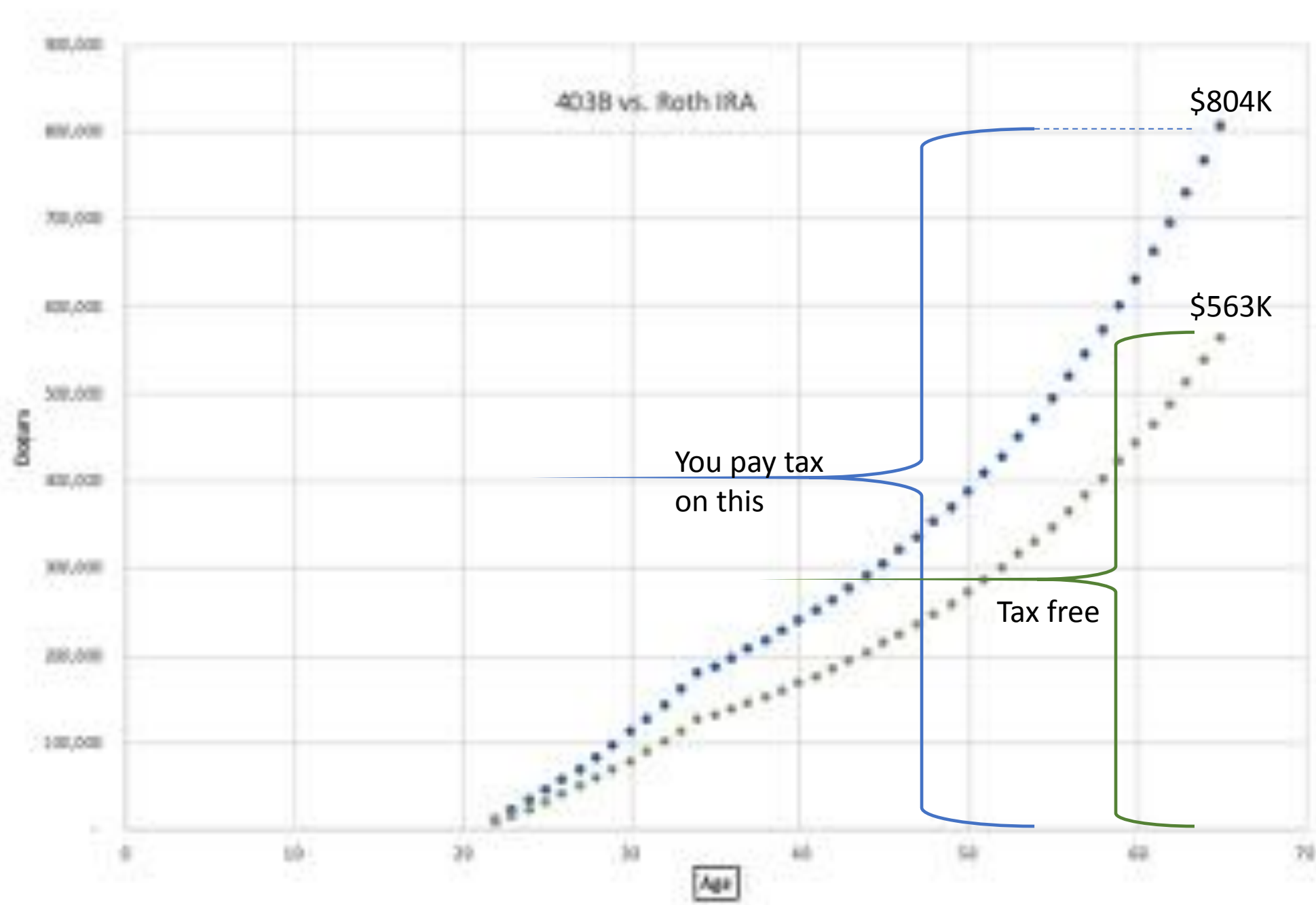
What is a Roth IRA and why do it?

\$10,000/year investment from age 22-34

Blue – Pre-tax 403b account

Green – Roth IRA

Assumptions:
5% ROI
30% Tax rate



2021 Annual Contribution Limits

You can do a combo of 403b and ROTH 403b but your total limit for both is \$19,500

You can do both a 403b and a 457, so the taxed deferred limit is \$39,000

403(b) <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> Many companies can set up your 403b, e.g. Vanguard, Schwab, Fidelity, etc. </div>	\$19,500	No income restrictions	Taxed as income Can take distributions no earlier than 59 ½ (or 55 if retired) & no later than age 72
Roth 403b (taxed up front, but no tax on gain and distributions)	\$19,500	No Income restrictions	No RMDs. IRS does not care b/c you've already paid the tax.
457 <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> Must have 457 plan through CalPERS Voya or Alta Montclair </div>	\$19,500	No income restrictions	Taxed as income Can take distributions when you separate from employment without penalty but must take RMD no later than age 70 ½
Roth IRA (taxed up front, but no tax on gain and distributions)	\$6000	Contribution limit is lowered if you are: -Single > \$122,000 -Married > \$193,000	No tax on account, therefore the IRS does not force you to take RMDs.

When to contribute to a Roth?

- If you are in a low tax bracket now, do it.
- If you think your tax bracket after retirement will be high (e.g. you're going to inherit the farm, etc.), do a ROTH.
- When tax bracket at time of contribution < tax bracket when you want the \$

West Valley- Mission

Community College District



Building Silicon Valley's future -
One student at a time



- About the District
- Administration
- Board of Trustees
- Construction Updates
- District Services
- Land Corporation
- District Committees
- Emergency Information

What is a 403b?

West Valley Mission Community College District Payroll Department

Frequently asked questions regarding Tax Sheltered Annuity (403b) plans.

What is a Tax Sheltered Annuity (TSA) plan?

A tax-sheltered annuity plan is often referred to as a "403(b) plan." Under Section 403(b) of the Internal Revenue Code, employees of non-profit institutions and public schools can set aside money for retirement on a pre-tax basis through a plan offered by their employer. To encourage saving for retirement through these plans, the federal government created special tax advantages for 403 (b) contributions.

How does a 403(b) plan work?

Under the guidelines of the IRS Publication 571, you decide the amount of money you want to contribute to the plan during each pay period, up to a pre-determined maximum amount (the IRS sets annual dollar limits). The IRS has

Faculty can do both
403b and 457

- Purpose Statement
- Calendar
- Documents
- Members
- Forms
- District Employee Self
Service
- Pay Schedule Due Dates
- 403B Plan Admin and Info
- CalPERS 457 Plan Admin
and Info
- Deferred Comp Plans
- Payroll Issues

Note:

- **Never use your social security number on district forms.**
- Use your G0 number and HR will lookup your SS# if necessary.
- District's 403b and 457 info:
 - <https://wvm.edu/services/hr/benefits/other/Pages/default.aspx#Tab5>
- District contact for 403b and 457 is:

Kevin Brundage-Sears

Kevin.Brundage-Sears@wvm.edu

Teaching as a Career

This workshop will cover the following topics: Estimating your CalSTRS pension benefit; Pre-retirement election of an option; Retiring early or phasing in a retirement; STRS Reduced workload program; Saving sick-leave for retirement vs. using it; Column and Step Advancement; and 457 vs. 403b; Roth 403b vs. regular 403b

By “automating” or scheduling our personal economy it is possible to build reserves. By using the benefits we have as instructors we can maximize compensation and savings.

By optimizing personal security, we can we devote more of ourselves to teaching.