

STRS Fixed Charges

Retirement records are generated from the payroll entries made by each district; adjustments may be necessary to correctly report retirement earnings to CalSTRS. Some adjustments may trigger changes in the total earnings and contributions reported to the CalSTRS system; these monetary corrections are recorded in the control sheets that are used to create the monthly STRS fixed charges. Fixed charges include the following:

- Refunds for contributions taken:
 - On earnings considered non-creditable to CalSTRS.
 - For employees who are not STRS members.
 - At the incorrect contribution rate (2% at 60 vs. 2% at 62).
- Refunds due to transfer of earnings between the PERS/STRS system.
- Charges for contributions owed for:
 - Employees who are STRS members, but processed through payroll as non-members.
 - Contributions taken at the incorrect rate (2% at 60 vs. 2% at 62).
- Charges for funds owed due to transfer of earnings between the PERS/STRS system.
- Salary abatements- this column is for information purposes only. This signifies that an adjustment has been made to an employee's retirement earnings due to an overpayment of earnings.

After adjustments are made and the report has been submitted, the DFS STRS Unit will prepare the fixed charge financial transactions and e-mail it to the affected districts. A fixed charge district contact distribution list is used for notifications. To view, add, or remove contacts from the list, please contact the DFS Retirement Unit.

Fixed charges are only distributed after financial transfers have been processed by the DFS Accounting Unit. An e-mail will be sent to the district notifying each affected district of the payroll cycle affected and the multi-district (MD) transfer number.

Two spreadsheets are attached to each e-mail:

- Summary of fixed charges countywide.
 - This only lists the amount that districts are being charged or refunded and does not contain detailed information.
 - The file will include tabs for each district's financial transaction form.
 - Although all districts are listed, only those with amounts on the summary sheet will have completed financial transaction forms.
- Control sheet specific to the district.
 - This sheet details the employee name, number, and amount being charged or refunded.
 - The explanation column details why the fixed charge was generated.

- Adjustments listed on the fixed charges may require further action by the district. Following is an example of the standard e-mail message that will be sent to the districts each time PERS/STRS fixed charges are transacted.

Email Sample for Fixed Charges

Part of the auditing process of the retirement records include making adjustments to ensure correct reporting to the CalPERS and CalSTRS Systems. This may include adjustments that result in the collection or refund of employee and employer contributions. These adjustments are documented and submitted to your district at the end of the auditing process in what we normally call Fixed Chargers and District Control Sheets.

Attached are the Fixed Charges and your District's Control Sheet for the following Retirement Report(s):

Retirement Plan: _____ CalPERS CalSTRS

Report Number: 10R18 MD#: 550 MD Date: 5/24/2018

On the Fixed Charges spreadsheet, please locate your district's tab to view the summary of charges for your district. Your district's Control Sheet explains in detail the charges and refunds that were processed.

Employee Refunds

Employee refunds will be transacted via the negative voluntary deductions for active employees at your district. Refunds due to employees in termed status will be refunded to the district. Please remember to issue commercial warrants to your former employees and to code the warrants as a tax type 9 claims.

Charges for Employee Contributions

Districts are charged for employee contributions when earnings eligible for retirement had been paid without contributions being taken from the employee. In some cases, districts may collect these funds from their employees; in other instances, the employer is responsible for the employee contributions due and may not pass the charge to the employee. If you need assistance determining which contributions can be collected from the employee, please contact our office.

Collecting Employee Contributions via the Payroll Process

STRS: Districts may utilize voluntary deduction Code 9816, "District Repay-EE STRS Arrears," to collect STRS contributions from employees via payroll. The voluntary deduction is pre-taxed and the W2 earnings are automatically adjusted.

PERS: Districts may utilize voluntary deduction Code 9815, "District Repay-PERS," to collect PERS contributions from employees via payroll. The voluntary deduction is pre-taxed and the W2 earnings are automatically adjusted.

Collecting Employee Contributions in Cash- Tax Issues

Repayments submitted to the district in cash or check by current calendar year employees, should be included on the W2 worksheets that are submitted to payroll on a quarterly basis. Please document these adjustments on the spreadsheet labeled "Other."

Repayments submitted to the district in cash or check by former employees during any calendar year do not require W2 adjustments. Federal and State wages cannot be adjusted for employees in terminated status.

Questions may be addressed as follows:

For PERS related fixed charges: Julie Portillo at (951) 826-6426, jportillo@rcoe.us

For STRS related fixed charges: Carolyn Yoakum at (951) 826-6538, cyoakum@rcoe.us

For tax related issues: Suzanne Tanenbaum at (951) 826-6538, stanenbaum@rcoe.us

Summary of Fixed Charges Sample

The first five columns on the fixed charge summary sheet are for information only, and include details on salary abatements and transfers between the PERS and STRS systems.

Districts should contact the DFS STRS Unit regarding questions on fixed charge transactions.

Payroll cycle being adjusted

1/21/2017

RCOE MONTHLY STRS FIXED CHARGES
OSR 17 STRS FIXED CHARGES November FY 16-17

MD# E-MAILED:

DIST #	ADJUSTED CREDITABLE EARNINGS FROM GALAXY	STRS SUMMARY FINAL CONTRIB. AMOUNT	GALAXY INITIAL AUTOMATIC FIXED CHARGES	SALARY ABATEMENTS	PERS TO STRS OR (STRS TO PERS)	FIXED CHARGES FUND 9811			MEMBER / NON-MEMBER ADJUSTMENTS		TOTAL MBR / NON-MBR CHARGES	TOTAL FUND 9811 CHARGES	TOTAL FUND 9810 & 9811 CHARGES	DIST #
						STRS CONTRIB. REFUNDS	MISC. OTHER	TOTAL FIXED CHARGES	FUND 9810 EE CONTRIB.	FUND 9811 ER CONTRIB.				
01	196,416.78	194,635.54	196,416.78	(1,781.28)			0.04	0.04			0.00	0.04	0.04	01
03	316,571.21	316,506.82	316,571.21	(400.51)		(125.80)		(125.80)	296.08	404.63	700.71	278.83	574.91	03
05	51,267.99	51,267.99	51,267.99					0.00			0.00	0.00	0.00	05
07	566,718.37	566,158.39	566,718.37	(559.99)			0.01	0.01			0.00	0.01	0.01	07
10	1,132,639.27	1,130,649.30	1,132,639.27	(1,989.94)			(0.03)	(0.03)			0.00	(0.03)	(0.03)	10
13	262,072.68	262,299.88	262,072.68					0.00	139.24	227.20	366.44	227.20	366.44	13
18	431,272.03	430,069.13	431,272.03	(1,394.73)				0.00	146.01	191.83	337.84	191.83	337.84	18
21	1,050,920.54	1,050,906.05	1,050,920.54	(14.49)				0.00	29.87		29.87	0.00	29.87	21
27	2,950.99	2,950.99	2,950.99					0.00			0.00	0.00	0.00	27
30	1,714,726.87	1,714,719.78	1,714,726.87	(7.10)			(0.01)	(0.01)			0.00	(0.01)	(0.01)	30
34	1,098,999.42	1,098,999.35	1,098,999.42			(0.07)	(0.07)	(0.07)			0.00	(0.07)	(0.07)	34
39	1,368,050.24	1,367,206.64	1,368,050.24	(649.91)		(193.73)	0.04	(193.69)			0.00	(193.69)	(193.69)	39
40	60,936.61	60,742.89	60,936.61	(193.70)			(0.02)	(0.02)			0.00	(0.02)	(0.02)	40
41	226,463.32	226,357.43	226,463.32			(52.84)		(52.84)	108.53	140.89	249.42	88.05	196.58	41
43	11,082.35	11,082.35	11,082.35					0.00	17.57		17.57	0.00	17.57	43
45	7,181.74	7,181.74	7,181.74					0.00			0.00	0.00	0.00	45
46	1,227,030.17	1,227,075.90	1,227,030.17			(127.69)	0.13	(127.56)	126.80	173.29	300.09	45.73	172.53	46
49	470,118.09	470,135.68	470,118.09				(0.02)	(0.02)	12.89	17.61	30.50	17.59	30.48	49
56	1,093,692.41	1,093,630.22	1,093,692.41	(41.52)		(27.68)		(27.68)	6.80	7.01	13.81	(20.67)	(13.87)	56
58	117,384.81	117,903.88	117,384.81					0.00	379.82	519.07	898.89	519.07	898.89	58
61	1,433,197.46	1,433,214.90	1,433,197.46	(35.54)			0.04	0.04	152.20	52.94	205.14	52.98	205.18	61
64	154,412.03	154,412.00	154,412.03				(0.03)	(0.03)			0.00	(0.03)	(0.03)	64
67	310,162.55	310,162.55	310,162.55					0.00			0.00	0.00	0.00	67
71	582,711.81	582,375.46	582,711.81		(426.81)	(121.83)		(121.83)	155.33	212.29	367.62	90.46	245.79	71
74	2,603,514.54	2,601,997.89	2,603,514.54	(1,516.64)			(0.01)	(0.01)			0.00	(0.01)	(0.01)	74
81	213,187.55	213,187.55	213,187.55					0.00			0.00	0.00	0.00	81
84	512,059.79	511,774.28	512,059.79					0.00	0.04		0.04	0.00	0.04	84
88	1,400,719.41	1,400,283.82	1,400,719.41	(435.59)				0.00			0.00	0.00	0.00	88
90	993,294.58	993,220.30	993,294.58	(74.26)			(0.02)	(0.02)			0.00	(0.02)	(0.02)	90
99	490,861.77	490,511.78	490,861.77	(292.97)		(653.31)	0.01	(653.30)	62.34	85.20	147.54	(568.10)	(505.76)	99
TOTAL	20,100,617.38	20,091,620.46	20,100,617.38	(9,388.17)	(426.81)	(1,302.88)	0.06	(1,302.82)	1,633.52	2,031.96	3,665.48	729.14	2,362.66	

EMPLR FIXED CHARGES 9811 & 9810 / COD / MSJC / PVCC / RCC / ALVORD / BANNING / BEAUMONT / COACHELLA / DESERT CTR / DESERT SANI

District financial transaction form tabs

Control Sheet Sample

These are the only columns that generate charges/refunds for districts

STRS CONTROL SHEET
FY 2016 - 2017
D 05R'17

DISTRICT	DISTRICT NAME	PREP BY	16-17 Rates		16-17 EGS Rates		16-17 Rates		14-15 Rates		LEGEND:									
			3680	9.26%	12,880	8.00%	2680	9.20%	14,512	8.85%										
		Shabana									R - Refunds SA - Salary Abatement NM - CalSTRS Non-Member MBR - CalSTRS Member M2 - Mandatorily Qualified for membership SR - CalSTRS Service Related DR - Disability Related DAL - Disability									
PRELIMINARY CONTROL TOTAL:			3,976,898.67	3,902,305.28	356,076.03	490,881.77														
EMPLOYEE #	EMPLOYEE NAME	REPORTABLE EARNINGS	CREDITABLE EARNINGS	'EE CONTRIB.	'ER CONTRIB.	'EE SA	'ER SA	'EE STSPER S	'ER STSPER S	'EE TRANSFER	'ER TRANSFER	'EE HOLDING	'ER HOLDING	'EE REFINDS	'ER REFINDS	'EE DISTRICT CHARGES	'ER DISTRICT CHARGES	'EE OTHER	'ER OTHER	COMMENTS
451	Yolanda	(125.00)	(125.00)	(11.50)	(13.41)	(11.50)	(13.41)													SA 10/1/16 (04/076-04/2016)
452	Yolanda	(2,222.27)	(2,222.27)	(227.78)	(279.56)	(227.78)	(279.56)							(25.37)						SA 10/1/16 (04/076-04/2016)
1224	Elizabeth																			Refund due to incorrect AEG40 boxes (04/17 10/076-11/2016)
338	Mathew															62.34	62.34			District Charge Member 11/01/16 (04/17 10/076-11/2016)
132	Abdelm	872.03																		Refund earnings transfer from PERS
84	Patrick	1,130.64										304.08	142.23							Reversal to (0517 Non-Member earnings, refunding contributions that were held and reporting non-member earnings to STRS (06/17 10/076-07/16)
384	Patrick																			Refunding contribution, non-member earnings (04/17 10/076-11/2016)
	Rounding Difference																			
TOTAL DISTRICT ADJUSTMENTS			(144.60)	(2,800.67)	(306.25)	(345.99)	(239.28)	(292.97)				304.08	142.23							
CONTROL TOTALS DIFFERENCES																				
FINAL CONTROL TOTALS:			3,976,956.07	3,895,524.61	394,789.84	490,511.78														
GALAXY GRAND TOTALS:			3,976,956.07	3,895,524.61	394,789.84	490,511.78														
CONTROL vs GALAXY DIFFERENCES																				

Penalties and Interest

Penalties and interest (P&I) assessments went into effect July 1, 2012. The California Code of Regulations allows CalSTRS to assess penalties and interest to employers for late submission of the retirement report and late or insufficient employee and employer contributions to the Defined Benefit Program.

Provisions were enacted to create incentives for employers to report timely and accurately, and to mitigate any losses suffered by the CalSTRS system resulting from an employer's failure to properly report earnings and contributions.

Retirement reports submitted to CalSTRS by the County Office are analyzed for P&I charges and invoices are generated if applicable. The STRS Retirement Unit downloads the invoices and issues payment on behalf of the reporting districts. P&I assessments are billed to each district via financial transactions charging each district's holding accounts. Per the California Department of Education, any type of settlement or penalty should be charged to the 7100 function. In addition, a settlement or penalty is not allowed to be charged to a restricted program unless specifically permitted.

Districts may dispute P&I charges by creating draft disputes via the Contribution Account Portal in SEW. Draft disputes are reviewed by the STRS Retirement Unit in DFS and submitted to CalSTRS for approval. Disputes must be submitted within 90 days from the day of the P&I invoice.

There are four different penalty types:

- Type 1: Late Report.
- Type 2: Late Adjustment.
- Type 3: Late Fiscal Year Contributions.
- Type 4: Late Contributions.

Penalty Type 1- Late Report

Contributions reported for the first time for an employee for a specific period of time where there was no previous reported line for that employee for any day in that specific period of time.

- Late if received on the 44th day after 5 p.m.
- Penalty is 7.5% of employer and employee contributions compounded daily.
- Penalties can only be calculated starting July 1, 2012.
- No penalty for late reports that neither increases nor decreases the employee or employer contributions.
- Penalty exemptions for worker's compensation and federal and state law:
 - No data elements for system exclusion making it necessary for employer to dispute penalties assessed for reporting earnings related to worker's compensation.

The P1 penalty is calculated as follows:

$$('EE+'ER \text{ cntrb. total}) * \left(1 + \frac{\text{interest rate}}{360}\right)^{\text{Days Late}} - ('EE+'ER \text{ cntrb. total}) = \text{Penalty Amount}$$

- Days Late is the count from the **report due date** to the **report received date**.
- Interest rate is currently 7.00%.
- CalSTRS uses the federal calendar which always has a base of 360 days. Penalties will be split by days in each month per the federal calendar.

Exemptions for Part-Time and Substitute Extra Days

Usually reported with assignment codes 54, 55, and 58. Conditions to be met:

1. Date the substitute or part-time position is paid matches the pay date on a published salary schedule for that position; and
2. The pay date is no more than 31 calendar days following the last day of the month in which the compensation being reported was earned; and
3. The applicable portions of the report are received no later than 44 calendar days following the pay date.

System will assume all criteria are met and will penalize based on the 31 days from the service period end date.

How does the part-time service exclusion work for penalties and interest?

CalSTRS made changes to the draft regulations in response to feedback from many employers. The provision for part-time service that was added to the draft regulations for both the reporting and the contribution remittances allows for the published pay date to be used in determining the due dates for both remittances and reporting. This is in contrast to full-time service where the due dates are derived from the service period end date (which may or may not be the actual published pay date).

Therefore, for service determined to be part-time, including substitutes, the Defined Benefit reporting will be due 44 calendar days from the published pay date (for non-adjustments), the DB reporting for adjustments to contributions will be due 60 days from notification or discovery, and the Defined Benefit remittances for that reporting will be due 5 and 15 business days from the published pay date.

Example:

Type of Service	Service Period End Date	Published Pay Date	95% Contrib. Due	100% Contrib. Due	Report Due Date
Full-Time	03/01/17 - 03/31/17	03/31/17	04/07/17	04/21/17	05/14/17
Part-Time	02/14/17 - 03/15/17	03/31/17	04/07/17	04/21/17	05/14/17

Note: The service period end date is different. However, the report due date is the same.

Penalty Type 2- Late Adjustment

Contributions reported by a district, for an employee that overlaps prior service for that employee and district by at least one day.

- Late if received on the 60th calendar day after 5 p.m. following discovery by the employer or notification by the system.
 - Discovery by the employer is end of the pay period.
 - Notification by the system:
 - Form 756 delivered to the employer by mail or e-mail.
 - Audit report delivered to the employer by mail or e-mail.
- Calculation based on cumulative value on the sum of the absolute value of the change in employer and employee contributions for each employee.
- Penalty is 7.50% of employer and employee contributions compounded daily.
- Adjustments with earnings dated July 1, 2012, or later may be assessed.
- No penalty for a late adjustment that neither increases nor decreases the employer or employee contributions.
- Penalty exemptions for workers' compensation and federal and state law:
 - No data elements for system exclusion making it necessary for employer to dispute penalties assessed for reporting earnings related to workers' compensation.

The P2 penalty is calculated as follows:

$$('EE+'ER \text{ cntrb. total}) * \left(1 + \frac{\text{interest rate}}{360}\right)^{\text{Days Late}} - ('EE+'ER \text{ cntrb. total}) = \text{Penalty Amount}$$

- Days Late = Day count from report due date to report received date.
- Note: The report due date is considered 60 days from the date of discovery or notification.
 - Discovery examples: an updated contract or submission of a transcript that impacts compensation.
- Notification date is the date the County Office receives a priority case from CalSTRS (Form 756) requesting adjustments to an employee's STRS account. The County Office may contact the district for more information (if there no notification date, the due date is 60 days from the receipt of the form).

Hint: Include in your MOU when the retroactive salary increase will be processed through payroll. This may extend the 90 days penalty-free window.

Exemptions for Retroactive Adjustments

Conditions to be met:

1. Adjustments are made for all members of a class of employees.
2. The adjustments are made pursuant to a written employment agreement with an employer or with an exclusive representative entered into by an employer.
3. The adjustments become effective contemporaneously with the effective date of the written agreement or the effective date of the provision in the agreement providing for future increases in compensation.
4. The adjustments are reported to the system within 90 days of the effective date of the written employment agreement or the effective date of the provision in the agreement providing for future increases in compensation.

Penalty Type 3- Late Fiscal Year Contributions

Contributions for a prior fiscal year period remitted on or after March 1 of subsequent fiscal year are eligible for type 3 penalties.

- FY 2015/16 contributions reported March 1, 2017, or later are assessed type 3 penalties.
- Assessment based on 5% of creditable compensation.
- Adjustments with earnings dated July 1, 2012, or later may be assessed.
-

Penalty 3 was created because CalSTRS does not receive any matching funds from the state if the creditable earnings were not reported by March 1. The P3 penalty is calculated as follows:

$$\text{Period Earnings} * 5\% = \text{Penalty Amount}$$

Penalty Type 4- Late Contributions

Late receipt of payments of contributions.

- Penalty based on receiving 95% of contributions due by 3:00 p.m. on the 5th business day.
 - Contributions received after 3:00 p.m. are posted on the next business day.
 - Need timely submission of checks/warrants from independent entities in order to deposit on time to our local bank.
- Remaining balance due by 3:00 p.m. on the 15th business day.
- Penalty is 7.50% of employer and employee contributions compounded daily.
- Earning periods dated July 1, 2012, or later may be assessed.
- Penalty exemptions for workers' compensation and federal and state law:
 - No data elements for system exclusion making it necessary for employer to dispute penalties assessed for reporting earnings related to workers' compensation.
- Penalty exemptions for late contributions if related to a retroactive salary increase.
- Part-time or substitute extra days.

The P4 penalty is made up of two parts – Penalty 4(a) and Penalty 4(b). They are calculated as follows:

$$('EE+'ER \text{ cntrb. total}) * \left(1 + \frac{\text{interest rate}}{360}\right)^{\text{Days Late}} - ('EE+'ER \text{ cntrb. total}) = P4(a)$$

$$(P4(a)) * \left(1 + \frac{\text{interest rate}}{360}\right)^{\text{Days Late}} - (P4(a)) = P4(b)$$

Invoicing for Penalties and Interest Charges

Charges for P&I are invoiced to the County Office every time a retirement report is submitted to CalSTRS. Charges are summarized by penalty type and posted in PDF format. DFS downloads the invoice in Excel format to separate P&I charges by district and create the P&I charges financial transactions. The financial transactions are e-mailed to all affected districts and includes needed information for each district to retrieve the P&I invoice detail from the SEW website, for their specific district charges.

Districts have 90 days from the day of the invoice to dispute any charges; however, the County Office must pay the invoice in full to prevent any additional interest charges.

Invoice sample for a supplemental file transmitted to CalSTRS

INVOICE
AR 1744 (REV 05/11)

Date: 12/07/2016

Riverside County Office of Education
PO BOX 307
RIVERSIDE CA 92502

CALSTRS
HOW WILL YOU SPEND YOUR FUTURE?

California State Teachers' Retirement System
P.O. Box 15275
Sacramento, CA 95851-0275
www.calstrs.com

Business Partner No. 1000000033
Report Source ID 00033

Payrolls Reported: B
Payroll and POD's.

RCOE

04S'17

INVOICE NUMBER	MEDIA ID	REPORT MONTH FISCAL YEAR	AMOUNT DUE	DUE DATE
20005818	STM0000017756	SU - 2017	\$127.95	01/06/2017

PENALTIES AND INTEREST ASSESSMENT

Penalty Type:	
DB - Late Report	\$28.40
DB - Late Report - Contrib	\$0.00
DB - Late Contribution - P	\$0.00
DB - Late Contribution	\$99.55
Total Amount Due	\$127.95

#40 – Supplemental files are not identified by payroll month. Numbers are assigned in chronological order as they are submitted.

78-9XX-9816-0-0000-0000-9620

If your payment is not received on or before the due date, interest at an annual rate of 7.5% will accrue on the unpaid balance. An Invoice Detail report substantiating this assessment is available via the Contribution Account Portal on the Secure Employer Website (SEW). This assessment is in accordance with Education Code 23003, 23006, and 23008. If you feel the assessment is invalid, you may initiate a dispute case via Penalty Assessment & Dispute Management on the portal within 90 days from the date of this invoice. If a dispute case is not initiated within this timeframe, your right to an appeal is forfeited in accordance with California Code of Regulations, Title 5, Division 3, Chapter 1, Article 16, § 27009. If you have any questions regarding this invoice, please contact Accounts Receivables via email at AR@CalSTRS.com.

Invoices are remitted to the County Office.

The County Office pays the invoices on behalf of all agencies.

For agencies using Galaxy, the holding program accounts are billed.

For independent agencies, RCOE bills each agency.

Supplemental files are used to report RCOE's B payroll and independent districts; each one is submitted in a separate file so penalties are assessed properly by CalSTRS. Independent charters are combined whenever possible by month since CalSTRS only allows 99 supplemental files submitted by fiscal year.

Invoice sample for a Regular file transmitted to CalSTRS

INVOICE
AR 1744 (REV 05/11)

Date: 12/02/2016

Riverside County Office of Education
PO BOX 307
RIVERSIDE CA 92502



California State Teachers' Retirement System
P.O. Box 15275
Sacramento, CA 95851-0275
www.calstrs.com

Business Partner No. 1000000033
Report Source ID 00033

RCOE

04R'17

Payrolls Reported:
A Payroll
M Payroll
PODs

INVOICE NUMBER	MEDIA ID	REPORT MONTH FISCAL YEAR	AMOUNT DUE	DUE DATE
20005793	STM0000017743	04 - 2017	\$2,943.65	01/01/2017

PENALTIES & INTEREST ASSESSMENT	
Penalty Type:	
DB - Late Report	\$432.81
DB - Late Report - Contribution Adjustment	\$0.00
DB - Late Contribution - Prior Fiscal Year	\$919.29
DB - Late Contribution	\$1,591.55
Total Amount Due	\$2,943.65

Regular files are identified by payroll month. This one is for fiscal month 4 (October payroll)

Accounts charged when RCOE pays the invoice: 78-9XX-9816-0-0000-0000-9620

If your payment is not received on or before the due date, interest at an annual rate of 7.5% will accrue on the unpaid balance. An Invoice Detail report substantiating this assessment is available via the Contribution Account Portal on the Secure Employer Website (SEW). This assessment is in accordance with Education Code 23003, 23006, and 23008. If you feel the assessment is invalid, you may initiate a dispute case via Penalty Assessment & Dispute Management on the portal within 90 days from the date of this invoice. If a dispute case is not initiated within this timeframe, your right to an appeal is forfeited in accordance with California Code of Regulations, Title 5, Division 3, Chapter 1, Article 16, § 27009. If you have any questions regarding this invoice, please contact Accounts Receivables via email at AR@CalSTRS.com.

Claim description: "P&I Payment for RCOE 04R'17 Invoice 20005793"

Please include the invoice number on your payment and remit to:
 Attention: Accounting Division - Cash Receipts
 California State Teachers' Retirement System

CalSTRS notifies RCOE via e-mail when invoices are generated. DFS staff downloads the invoice in PDF and Excel format to separate the charges by district.

Sample of Pivot table created to separate charges by district

04R'17 EXCEL P & I INVOICE

Sum of Penalty Amt RowLabels	Column Labels P1	P3	P4	Grand Total
33001		4.76	38.79	43.55
33003		1.06	9.45	10.51
33007		6.88	50.08	56.96
33010		0.02	38.23	38.25
33013		31.85	115.74	127.26
33018			2.09	2.09
33021		3.36	90.28	93.64
33030		30.62	72.15	102.77
33034			483.89	388.3
33039		1.83	54.51	56.34
33040			2.03	2.03
33041			13.32	13.32
33046		1.58	23.29	24.87
33056			17.55	17.55
33061		2.63	20.67	23.3
33064			1.52	1.52
33067			0.47	0.47
33071		0.35	61.04	44.25
33074			71.5	71.5
33081			0.98	0.98
33084		1.44	32.32	33.76
33088		335.66	258.62	401.25
33090		3.38	42.88	46.26
33099		7.39	48.38	55.77
Grand Total		432.81	919.29	1591.55

This is used to create the P&I financial transactions to charge the district's holding program accounts

Sample of financial transaction cover sheet for P&I charges

Report Month/FY and Media ID:	STRS P&I for October Reg FY16-17 (04R'17) STM0000017743	
Invoice Date:	12/02/16	
Today's Date:	12/06/16	
Prepared by:	Shabana	

DIST#	TOTAL P & I CHARGES
01	43.55
03	10.51
05	
07	56.96
10	38.25
13	274.85
18	2.09
21	93.64
27	
30	102.77
34	872.19
39	56.34
40	2.03
41	13.32
43	
45	
46	24.87
49	
56	17.55
58	
61	23.30
64	1.52
67	0.47
71	105.64
74	71.50
81	0.98
84	33.76
88	995.53
90	46.26
99	55.77
Total	2,943.65

P & I CHARGES COUNTY SUMMARY						COD	MSJC	PVCC	RCC	ALVORD	BANNING	BEAU
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DFS e-mails the financial transactions to the affected districts providing the MD#.

Districts must log in to SEW and access the Contribution Account Portal to download the adjustments that generated the penalty for the district.

District financial transaction form tabs

Sample of financial transaction

FINANCIAL TRANSACTION FORM																	
District		98/												Transaction Date:			
FY		16/17												Transaction ID:			
				1 - Appropriation - Green				3 - Abatement of Exp - Orange									
				2 - Revenue - Pink				3 - Abatement of Rev - Yellow									
				2 - Expenditure - White				4 - Encumbrances - Blue									
Dist	Fund	School	Resource	PY	Goal	Function	Object	Type Trans.	Debit Amount	Credit Amount	Document Number	Accrual Number	Reference				
01	11	900	0999	0	0000	0000	5821	2	43.55				STRS P&I for October Reg FY16-17 (04R17) STM0000017743				
98	78	901	9816	0	0000	0000	9310	2		43.55			STRS P&I for October Reg FY16-17 (04R17) STM0000017743				
TOTAL:(total of all pages)									43.55	43.55							
Reason for transaction:				STRS P&I for October Reg FY16-17 (04R'17) STM0000017743						90 DAY DISPUTE WINDOW EXPIRES: 03/02/17							
Ana M. Lambert				12/06/16				Shabana				12/06/16 1 1					
Signature of Authorizing Agent				Date				Prepared By:				Date Page of					

The financial transactions include the file identifier (STM#) which is needed to download the P&I detail information from the Contribution Account Portal.

It also notifies districts when the 90 day dispute window expires. Any disputes created after the 90 day window will be denied by CalSTRS.

Navigating the Contribution Account Portal for Penalties and Interest Charges

The STRS Retirement Unit in DFS will provide each district the financial transactions listing only the P&I charges assessed for their districts.

To see the detail of penalties assessed by employee, districts should log in to the Secured Employer Website (SEW) and utilize the Reference Items to review the job aide titled Contribution Account Portal (CAP). This job aide is a video the Contribution Account Portal that goes through the process of extracting detailed information. See below for location:

- Home
- Manage Files
- Manage Reports
- Maintain Users
- Authorize Users
- REAP
- Employer Notification (1)
- Contribution Account Portal
- Remittance Advice
- Secure Message Center
- Reference Items
- Forms & Publications
- My Links

Reference Item Search

Search Criteria Hide

Search Text:

Reference Category:

- Events
- FAQs
- Publications
- File Specifications
- Laws and Regulations
- Useful Websites

- Employer Directives and Circulars
- Forms
- Employer Communications
- File Submission and Remittance Schedules
- User Manuals and Training

SEW Function:

Search Reset

Search Results Add to My Links

Items 1-1 of 1 Items/Page: 10 ▼ Page 1 of 1 1

	Name	Description	Category	SEW Function	
Open	Contribution Account Portal (CAP)	Video	User Manuals and Training	Reference Items	<input type="checkbox"/>

Items 1-1 of 1 Items/Page: 10 ▼ Page 1 of 1 1

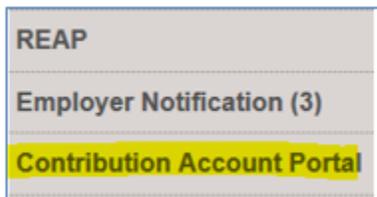
Districts are responsible for initiating the dispute process. In some instances, the County Office will initiate the process and notify districts that a dispute will be submitted on the district’s behalf.

Districts initiate the dispute process by creating a draft dispute. The STRS Unit in DFS reviews the dispute and creates the dispute case or rejects the draft dispute. Once a dispute case has been created, CalSTRS reviews the information and will either approve or deny the dispute.

Once a draft dispute has been created, please e-mail the STRS retirement supervisor detailing why the dispute was created and any documents to support the dispute.

Instruction for Creating a Draft Dispute

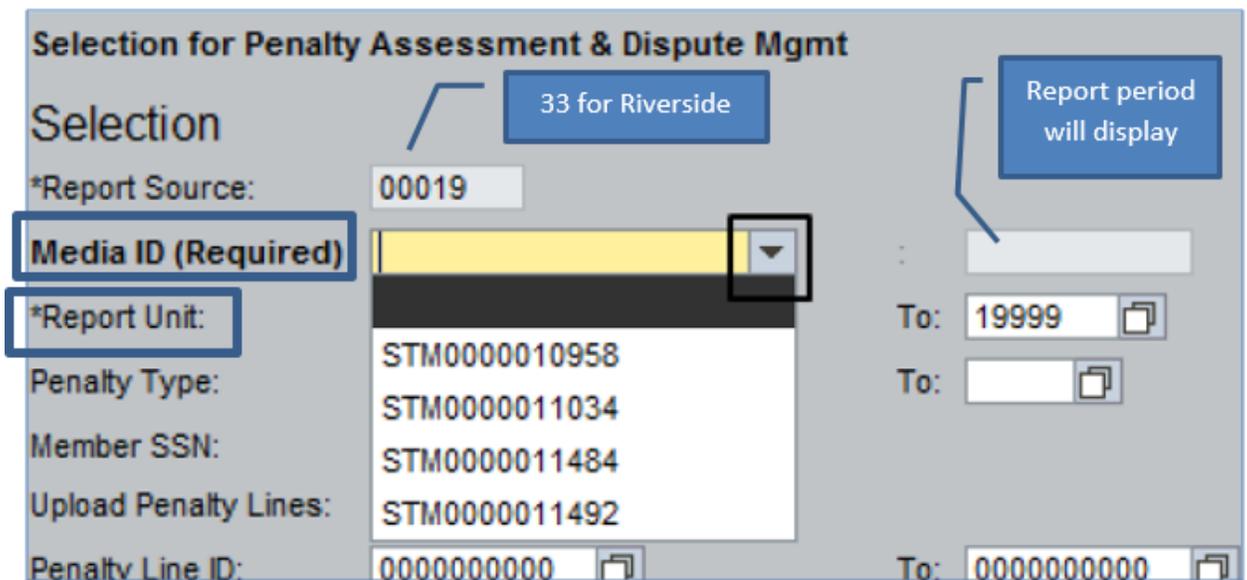
1. Log in to the Secured Employer Website and click on Contribution Account Portal.



2. Click on Penalty Assessment & Dispute Mgmt.



3. Select the Media ID to dispute (STM file number).



The STM file number is included in the P&I financial transactions e-mailed to each district. The fiscal year and the report period will display as either a supplemental file number or a report month (i.e. 06/2017). The Report Unit should be prefilled with your district number.

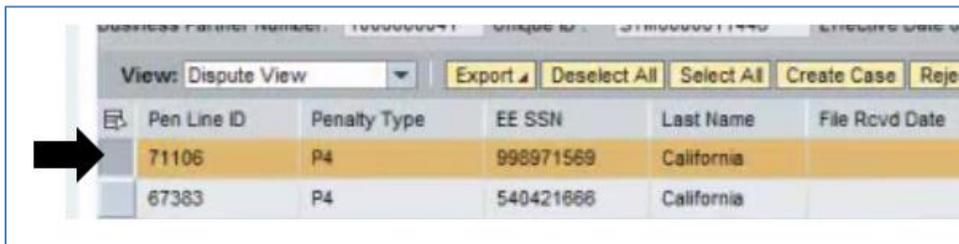
- Click "Continue to PADM" (Penalty Assessment and Dispute Management).

- Displays as follows:

View	Standard View	Export	Deselect All	Select All	Create Case	Reject Draft	Create Draft	Attach Doc	Cancel Draft	
EE	CL	Rpt Src	File Rcvd Date	Report Unit	Pen Line ID	Media ID	Report ID	Report Per	Penalty Type	EE SSN
	100	33	07/23/2012	33101	285149	STM000011708	06/30/2012	SU	P4	5296
	100	33	07/23/2012	33101	285150	STM000011708	06/30/2012	SU	P4	5490
	100	33	07/23/2012	33101	285151	STM000011708	06/30/2012	SU	P4	5547
	100	33	07/23/2012	33101	285152	STM000011708	06/30/2012	SU	P4	5891
	100	33	07/23/2012	33101	285153	STM000011708	06/30/2012	SU	P4	6055
	100	33	07/23/2012	33101	285154	STM000011708	06/30/2012	SU	P4	6200
	100	33	07/23/2012	33101	285155	STM000011708	06/30/2012	SU	P4	6206
	100	33	07/23/2012	33101	285156	STM000011708	06/30/2012	SU	P4	6210
	100	33	07/23/2012	33101	285158	STM000011708	06/30/2012	SU	P4	1470

- On View field (circled above) click on arrow down and click "Dispute View".

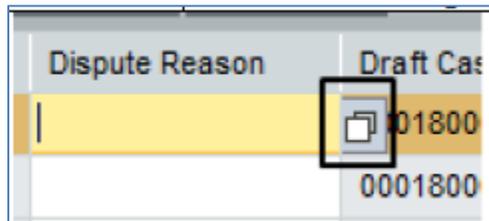
7. Select line(s) to dispute by clicking on the gray square in front of the line. To select multiple lines, hold Ctrl or Shift key and click on additional lines. All lines selected will display in orange.



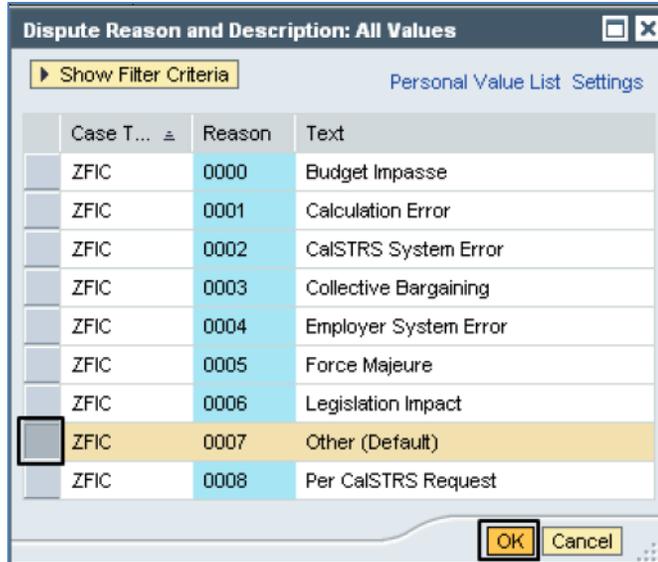
8. Click on “Dispute Reason” box.



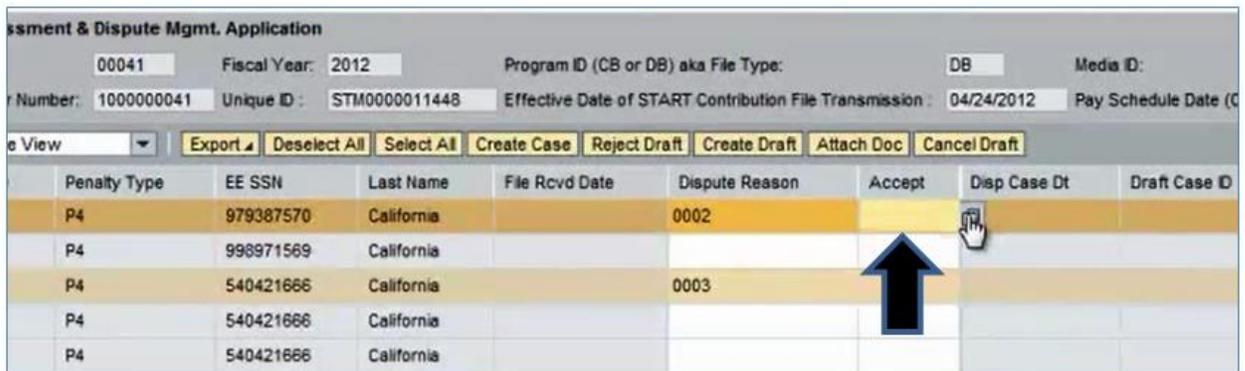
- A secondary box will appear:



- Click on it and select reason for dispute. A dispute reason must be selected for each line being disputed.



9. Accept the lines being disputed. Click on “Accept” box.



- A secondary box will appear



- Accept or reject the line being disputed. Each line being disputed must be accepted.

10. Click “Create Draft”.

File Type	EE SSN	Last Name	File Rcvd Date	Dispute Reason	Accept	Disp Case Dt
	979387570	California		0002	ACCEPT	
	998971569	California				
	540421666	California		0003	ACCEPT	<input type="checkbox"/>
	540421666	California				
	540421666	California				
	973438232	California				

11. A draft case ID will display. It will also have yellow indicator which means a draft case has been created.

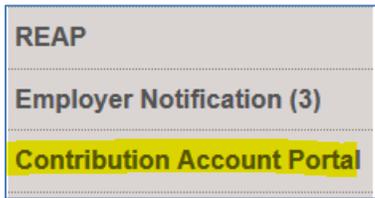
E SSN	Last Name	File Rcvd Date	Dispute Reason	Accept	Disp Case Dt	Draft Case ID	Case ID	Disp Ind
79387570	California		0002	ACCEPT		00016400000220120720211649		○△○
98971569	California							○○
40421666	California		0003	ACCEPT		00016400000220120720211649		○△○
40421666	California							○○
40421666	California							○○
73438232	California							○○
40421666	California							○○

The initiating district and DFS should receive an email from CalSTRS stating a draft case has been created.

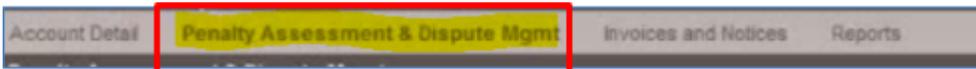
Districts should e-mail the STRS supervisor detailing why the dispute was created and any documents to support the dispute.

Instructions for the DFS STRS Unit Approving a Draft Case

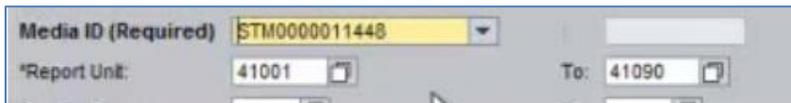
1. Select Contribution Account Portal.



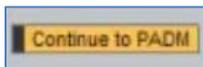
2. Select Penalty Assessment & Dispute Mgmt.



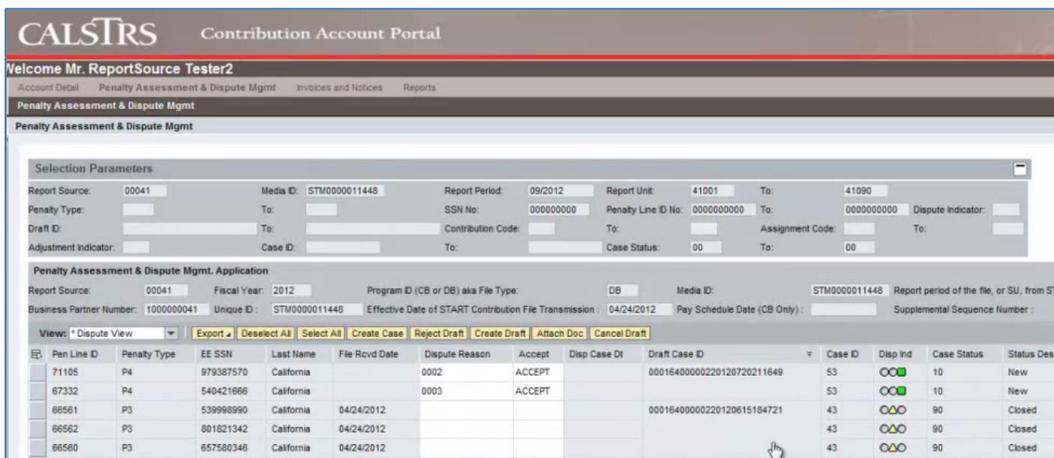
3. Select file to dispute (Media ID) and Report Unit.



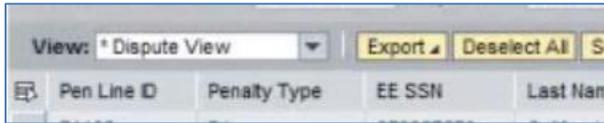
4. Filter further if desired- for example, if you have the employee social security number or the Draft ID number.
5. Click "Continue to PADM".



6. Displays as follows:



On View, arrow down and click “Dispute View”.



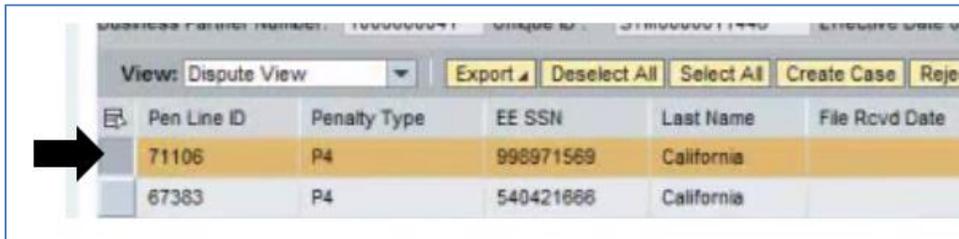
7. Filter by Draft Case ID.



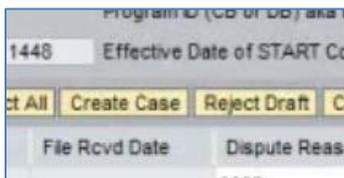
- Notice Dispute Indicator: It should be a yellow triangle indicating status as draft dispute.
- When approved by RCOE, the yellow triangle will change to a green square.



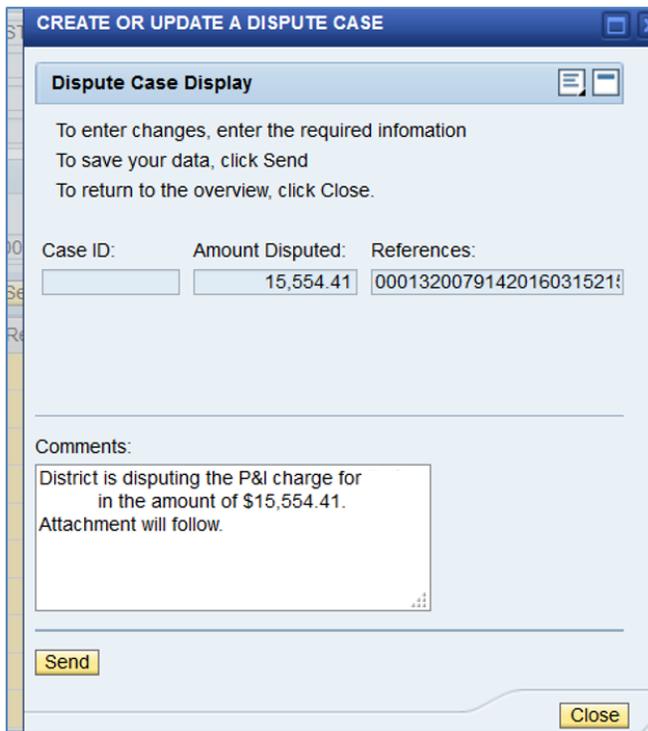
8. Select dispute lines to be approved by clicking the box (as shown below) for each of the lines being disputed. The lines should now display in orange:



9. Click Create Case.



10. A pop-up box will appear:



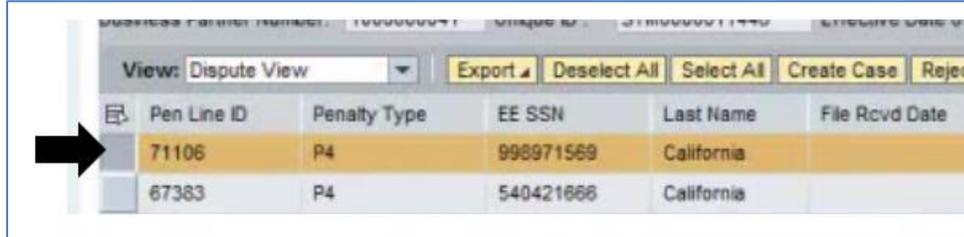
- Verify the dispute amount is the full amount you intend to dispute.
- Type comments.
- Click Send (Case ID# will be assigned).
- Click Close.

11. The dispute indicator should now be green and the Case ID will be provided.

Case ID	Disp Ind
749	○○●
	○○●
	○○●

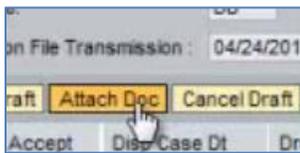
Attaching a Document to the Dispute

12. To attach a document to a dispute, first sort by Case ID and select the desired line(s) by clicking the box shown below for each of the lines being disputed. Lines should display in orange now:

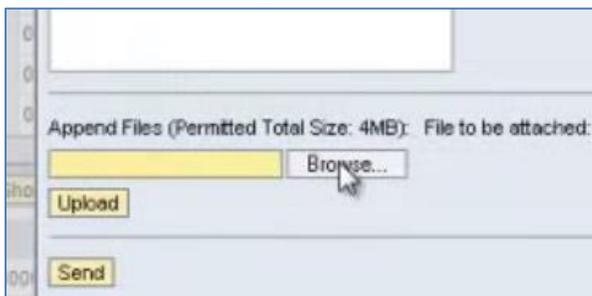


Pen Line ID	Penalty Type	EE SSN	Last Name	File Rcvd Date
71106	P4	998971569	California	
67383	P4	540421668	California	

13. Click "Attach Doc":



14. Click browse to select your file:



15. Click upload.

16. Insert comments.

17. Click Send.



18. At this time, an automatic e-mail from CalSTRS will be generated notifying the relevant SEW users that a new dispute case was created.

- Note: If automatic e-mail is not received, contact CalSTRS rep to inquire about dispute.

19. Print the e-mail write and write down:

- The report number the dispute was for (03S17 or 4R17).
- The district the dispute is for.
- The employee name and number.
- The amount of dispute.

20. Attach all documentation received supporting the reason for dispute and file in the P&I dispute binder.

21. Follow up on dispute status after a month if there has not been any communication from CalSTRS regarding the dispute.

22. Once funds have been received and deposited, refund the district by reversing the financial transaction originally used to charge the district for the P&I (only for the amount of the refund received by CalSTRS).

23. E-mail financial transaction (including MD#) to district notifying that the P&I dispute was accepted and the funds being refunded to the district.

24. Print e-mail, attach to documents in the P&I dispute binder and move to the back of the binder.