



HUMAN RESOURCE SERVICES

RETIREMENT ELECTION FOR PART-TIME FACULTY

Part-Time Faculty employment does not qualify for mandatory membership in the State Teachers' Retirement System (STRS) Defined Benefit Plan and therefore you have the option of either electing permissive membership in the STRS Defined Benefit Plan or if you decline membership you will be enrolled in an alternate retirement plan, Accumulation Program for Part-time Limited-service Employees (APPLE).

Option 1: State Teachers' Retirement System (STRS) Defined Benefit Plan

Education Code section 22515 permits an employee who performs creditable service (as defined in Section 22119.5 to elect membership in the STRS Defined Benefit Plan. This plan is a traditional defined benefit plan that provides retirement, survivor and disability benefits once you are fully vested (5 years of full-time equivalent service). If you do not vest you can withdraw your contributions but you will not receive employer contributions. Your benefit is based on a formula set by law using your age, service credit and final compensation.

If you were first hired...	You are covered under the following benefit structure:	Employee Contribution Rate	Employer Contribution Rate
On or before December 31, 2012	CalSTRS 2% at 60	10.25 %	19.1 %
On or after January 1, 2013	CalSTRS 2% at 62	10.205 %	19.1 %

You may elect at any time, however once elected membership in the STRS Defined Benefit Plan is irrevocable for all future employment to perform creditable service. This election may be canceled only by terminating all creditable service and receiving a refund of accumulated retirement contributions.

Option 2: Accumulation Program for Part-time Limited-service Employees (APPLE).

If you decline membership into STRS, you will automatically become enrolled in APPLE. APPLE is an alternative to Social Security that has been designed for educational sector employees as a qualified 401(a) plan. The employee contribution rate is 5% and Palomar College contributes 2.5%, for a total contribution of 7.5%. Contributions are allowed to be rolled over to another qualified plan under Internal Revenue Code (IRC) section 401(a).

Please complete the enclosed "Permissive Election and Acknowledgment of Receipt" if you elect membership you will be enrolled in STRS if you decline membership you will be enrolled in APPLE.