



**State of California
Savings Plus Program**

**Part-time, Seasonal,
and Temporary Employees
Retirement Program**

**FACT
SHEET**

The Part-time, Seasonal, and Temporary Employees Retirement Program (PST Program) is a savings program created by federal law for employees who are not members of a retirement system. The PST Program provides an opportunity for state and California State University (CSU) employees not covered by Social Security and by the California Public Employees' Retirement System (CalPERS) to save for retirement.

The Department of Personnel Administration's Savings Plus Program (Savings Plus) administers the PST Program for employees hired as part-time, seasonal, or temporary. The PST Program is an eligible 457 Deferred Compensation Plan (457 Plan) under the *Internal Revenue Code*.

**Employees
Who Must
Participate**

Employees not covered by Social Security and excluded from participation in CalPERS must participate in the PST Program. Typically, these employees include as follows:

- Part-time employees who work less than one-half time
- Seasonal employees
- Temporary and permanent-intermittent employees, including members of boards or commissions, who work less than six months or 125 days, if employed on a daily basis, or less than 1,000 hours in a given fiscal year (July 1 through June 30), if employed on an hourly basis
- Half-time CSU employees who have less than one academic year of credited service

Your personnel office can provide you with information on your eligibility for the PST Program.

Employees Who Are Excluded from Mandatory Participation

Some part-time, seasonal, and temporary employees do not participate in the PST Program. The following employees are **not** eligible to participate in the program:

- Full-time students who regularly attend classes in the institutions in which they are working.
- Employees who are hired temporarily to handle disaster emergencies, such as fires, floods, storms, earthquakes, and so on.
- Election officials and election workers who are paid less than \$100 in a calendar year.
- Persons who are hired through programs to relieve unemployment, such as summer youth programs.
- Persons who have retired from the state or other public employment that was covered by CalPERS.
- Authorized, nonresident aliens who have F or J visas or M teaching visas.
- Persons who are paid for services performed in a hospital, home, or another institution in which they live.
- Persons who have CalPERS coverage through concurrent public agency employment.
- Employees who are employed in multiple positions with the state and/or CSU system; one position must be covered by Social Security, CalPERS, Judges' Retirement System (JRS), or Legislators' Retirement System (LRS).
- Casual employees who are provided health and welfare benefits: These persons are typically employed between 60 and 90 days in a calendar year.
- CSU employees who are required to participate in an alternative, qualified retirement plan for the Omnibus Budget Reconciliation Act of 1990.
- Self-employed persons who render services to the state and make Social Security payments on wages earned from their state contract. To request this exemption, you must submit a Letter of Intent Earnings to your personnel office indicating that you will pay Social Security taxes on the earnings along with a copy of your Self-Employment Tax Form from the previous year.

Maintaining Your Account

- Because statements are mailed semi-annually, it is very important for Savings Plus to have your correct address. If you are currently working and contributing to the PST Program, notify your departmental personnel/payroll office of your address change. If you are separated from state service, you can change your address directly through your SPP account on our Web site. Simply logon to your account, select "Online Profile," and then "Change Personal Information."
- You need to designate one or more beneficiaries for your PST account by completing a 457 DCP Beneficiary Designation Form. You may make your change online or download this document from the Savings Plus Web site at www.sppforu.com or call our automated Voice Response System at 866-566-4777 to request that it be mailed to you.

Withdrawing Money from Your Account

- If you separate from employment, you become eligible and should withdraw your money from your account 90 days after your last contribution posts.
- The methods of payment available are explained in the *Part-time, Seasonal, and Temporary Employees Retirement Program: Benefit Payment Booklet*. You may download this document from the Savings Plus Web site at www.sppforu.com or call our automated Voice Response System at 866-566-4777 to request that it be mailed to you.

Additional Facts

- As an eligible PST employee, you are not covered by Social Security. You are also presently excluded from a pension through CalPERS because of your length of employment or time base. From each paycheck that you receive, 7.5 percent of your gross wages are withheld pre-tax, deposited in your name, and invested for you.
- Your automatic payroll deductions are deposited in your PST account. PST assets are invested in the Short Term Investment Fund-PST or other fund selected by Savings Plus. You can obtain more information about this fund by contacting Savings Plus.
- There are no employer contributions or matching funds in this program. Your account balance consists of your contributions and any interest earned.
- An administrative fee of up to 50 basis points ($\frac{1}{2}$ of 1 percent) a year may be assessed against program assets on a monthly basis. In addition, departments are charged an administrative fee for each employee.
- Savings Plus issues semi-annual statements reflecting your contributions, earnings, and current balance. The statement is mailed to your address on record.
- On enrollment, you are fully vested (entitled to 100 percent of your account if you separate from service).
- Your participation in this program does not limit your contributions to an IRA.
- If you contribute to a 457 Plan during the same year you were automatically enrolled in the PST Program, your 457 Plan normal deferral limit for that year must be reduced by the amount deducted from your salary for the PST Program.

Becoming Eligible for CalPERS

If your employment status (length of employment or time base) changes and you become eligible for CalPERS, the 7.5 percent PST deduction from your paycheck ceases.

- 100 percent of your PST account balance will be automatically transferred to the Savings Plus 457 Plan, and an account will be established in your name. The funds will be credited initially to the Short Term Investment Fund (STIF) or other fund selected by Savings Plus. You may exchange your funds from the STIF to other investments of your choice within the Savings Plus portfolio.
- You can manage your account by logging onto the Savings Plus Web site at www.sppforu.com or by calling the Voice Response System at 866-566-4777, 24 hours a day, 365 days a year.
- You may elect to begin payroll deferrals to your 457 Plan or to open a Savings Plus 401(k) Thrift Plan.
- You will receive quarterly statements, and a monthly administrative fee will be assessed on each of your account(s).
- You may be able to use your 457 Plan account to purchase service credit with CalPERS or other public pension plans. Complete the Purchase of Service Credit Authorization Form available at our Web site or through the Voice Response System.

Contact Information

Voice Response System: (866) 566-4777, 24 hours a day, 7 days a week

Customer Service: (866) 566-4777, 8:30 a.m. – 4:00 p.m. (PT)
Monday–Friday

To speak with a customer service representative, press *0.

Office: 8:00 a.m. – 4:30 p.m. (PT), Monday–Friday

TTY: (800) 848-0833

Fax: (916) 327-1885

Web site: www.sppforu.com