

The California State University  
Office of the Chancellor  
401 Golden Shore  
Long Beach, CA 90802-4210  
(562) 951-4411

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**Code:** TECHNICAL LETTER  
HR/Benefits 2003-26

**To:** Human Resources Directors  
Benefits Officers

**From:** Cathy Robinson, Assistant Vice Chancellor  
Human Resources Administration



**Subject:** RETIREMENT PLANS - PART-TIME, SEASONAL AND TEMPORARY EMPLOYEES

This technical letter updates the retirement plan enrollment requirement for part-time, seasonal and temporary employees. The Federal Omnibus Reconciliation Act (OBRA) requires that public employees who are not members of a retirement system be covered either by a qualified retirement program or by Social Security. This requirement applies to CSU employees who are presently excluded from membership in California Public Employees' Retirement System (CalPERS) because they do not meet the eligibility requirements (i.e., work less than one half-time, are seasonal, or employed on an intermittent or temporary basis). Part-time, seasonal and temporary employees who are not in CalPERS are required to participate in either the Department of Personnel Administration's Part-time, Seasonal, and Temporary Employee Retirement Program (DPA PST), or the University of California's Defined Contribution (UC DC) Plan. These retirement plans were implemented to satisfy the requirements of the OBRA.

Eligible part-time, seasonal and temporary employees are provided coverage through the DPA PST Retirement Program or UC DC Plan as follows:

▪ **The DPA PST Retirement Program**

Administered by the Department of Personnel Administration, Savings Plus Program, the DPA PST Retirement Program is a deferred compensation plan established and maintained under Internal Revenue Code Section 457 and provides coverage to employees in the following employee categories:

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**Distribution:**

CSU Presidents  
Vice Chancellor, Human Resources  
Vice Presidents, Administration  
Associate Vice Presidents/Deans of Faculty  
Director, SOSS  
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Unit 3 – Faculty  
Unit 4 – Academic Professionals  
Unit 6 – Skilled Crafts (hired 12/91-6/94)  
Unit 8 – Public Safety  
Non-represented employees hired after 5/24/96

▪ **The UC DC Plan**

Administered by the University of California, the UC DC Plan is established and maintained under section 401(a) of the Internal Revenue Code. Part-time, seasonal, and temporary employees who participate in the UC DC Plan under this arrangement are called “Safe Harbor” participants. The UC DC Plan provides coverage to employees in the following employee categories:

Unit 1 – Physicians  
Units 2, 5, 7 and 9 – CSEA  
Unit 6 – Skilled Crafts hired after 7/1/94  
Unit 10 – Operating Engineers  
Non-represented employees hired before 5/25/96

**General Information**

- Teaching Associates, Graduate Assistants, Student Classifications (0100, 1870, 1871, and 1872) and Trade Rate Employees are excluded from these plans.
- CSU employees who are enrolled in the State Teacher’s Retirement System (STRS), the Judges’ Retirement System (JRS), or the Legislative Retirement System (LRS) through another agency, or other employment, and who do not meet the CalPERS eligibility criteria must be enrolled in the appropriate plan specified for part-time, seasonal and temporary employees according to his/her classification. This provision applies also to individuals who have retired from STRS, JRS, or LRS.
- Once an employee is a member of CalPERS, if he/she separates and at a later date works for a CalPERS-covered agency, the employee is enrolled in CalPERS immediately as long as his/her funds remained on deposit with CalPERS. There is no length of service or time base requirement. (These provisions are laid out in the CalPERS State Handbook.)
- If a part-time CSU employee has other CalPERS employment but it is less than full-time, the CSU position should be reported to CalPERS up to the combined 1.0 maximum.
- If a part-time CSU employee has another full-time position covered by CalPERS, the part-time CSU position is not reported to CalPERS because total employment

is in excess of 1.0 and the position is also excluded from participation in either the UC DC Plan or the DPA PST Plan. The part-time CSU employment would be subject to Medicare if the employee were hired after April 1986.

If a correction needs to be made to an employee's retirement plan as a result of this update, the change should be made utilizing the 505 transaction with an October 1, 2003 effective date.

For additional information, please reference the following CSU coded memoranda:

- ✓ Technical Letter HR/Benefits 91-22
- ✓ Technical Letter HR/Benefits 92-02
- ✓ Technical Letter HR/Benefits 92-02, Supplement #1
- ✓ HR 96-10

For additional information on the DPA PST, please contact the Department of Personnel Administration at (866) 566-4777, or visit their website at: <http://www.sppforu.com>. Additional information regarding the UC DC Plan can be obtained by calling (800) 888-8267, or via their website at <http://www.atyourservice.ucop.edu/>.

The PIMS manual will be updated to reflect these changes.

Questions regarding this technical letter may be directed to Felice Bakre at (562) 951-4410. This technical letter is also available on the Human Resources Administration's Web site at: <http://www.calstate.edu/HRAdm/memos.shtml>.

CR/fb