



**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 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 must contact Savings Plus to change your address.
- In the event of death, your survivor must notify Savings Plus and complete the required documents that will allow for payment. Your benefits will be paid in the following order, unless you designate otherwise: (1) your surviving spouse or registered domestic partner, if none; (2) natural and adopted children, share and share alike, or, if none; (3) parents, share and

share alike, or, if none; (4) brothers and sisters, share and share alike, or, if none; (5) your estate (if probated or subject to probate) or, if none; (6) your trust (if one exists) or, if none; (7) stepchildren, share and share alike, or, if none; (8) grandchildren, share and share alike, or, if none; (9) nieces and nephews, share and share alike, or, if none; (10) great-grandchildren, share and share alike, or, if none; (11) cousins, share and share alike, or, if none; (12) in accordance with state laws.

- You can designate one or more beneficiaries other than those indicated above for your PST account by completing a “457 DCP Beneficiary Designation Form” (DC-3496). Contact Savings Plus for this form.

Withdrawing Money from Your Account

- If you separate from employment, you become eligible to withdraw money from your account.
- You may request that 100 percent of your account balance be directly rolled over to another entity (IRA, 401[k] plan, 457 plan, or 403[b] Tax Sheltered Annuity) as long as the entity sponsoring the plan accepts 457 funds.
- The methods of payment available are explained in the *Part-time, Seasonal, and Temporary Employees Retirement Program: Benefit Payment Booklet* (DC-3500). 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. Complete the “Part-time, Seasonal, and Temporary Employees Retirement Program Benefit Payment Application” and send it to Savings Plus. Payment will be issued 90 to 120 days after your last contribution posts to your account.

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 Dwight/SEI Stable Asset Fund 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 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 Savings Pool or other fund selected by Savings Plus. You may exchange your funds from the Savings Pool 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 the basis of the market value 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 “457 Deferred Compensation Plan Purchase of Service Credit Form” available at our Web site or through the Voice Response System.

Contact Information

Savings Plus Program
PST Program
1800 15th Street
Sacramento, CA 95814

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.–5:00 p.m. (PT), Monday–Friday

TDD: (916) 327-4266

Fax: (916) 327-1885

Web site: www.sppforu.com