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# **Circular Letter**

**TO: PUBLIC AGENCIES, COUNTY SUPERINTENDENTS OF SCHOOLS,  
EMPLOYEE REPRESENTATIVES AND OTHER INTERESTED PARTIES**

**SUBJECT: ACTUARIAL VALUATION FEES**

The purpose of this letter is to inform all employers that in September 2010 the CalPERS Board adopted a new fee structure for amendment valuations and new agency valuations performed by CalPERS.

Currently employers are charged a fee of \$200 for an amendment valuation and a fee of \$700 for each new agency valuation. This fee structure has been in place since August 2004.

Over the last two years, CalPERS staff gathered detailed information on the number of hours and costs involved in the processing of new agency valuations and amendment valuations. Based on the information collected during those two years, the CalPERS Board adopted the following new fee structure:

- \$300 for each amendment valuation
- \$900 for each new agency valuation not involving a local system transfer
- \$3,000 for each new agency valuation involving a local system transfer

This is the first time CalPERS will have a dual fee structure for new agency valuations. There are two types of new agency valuations; those that involve a local system transfer and those not involving a local system transfer. When an employer has an existing retirement plan or plans and is interested in joining CalPERS and transferring all assets and liabilities for their existing plan(s) to CalPERS it is consider a local system transfer.

As part of the new agency valuation process, CalPERS actuaries try to replicate and reconcile the liabilities and costs with the most recent valuation performed for the existing system. Such reproduction of an existing valuation requires more time and is more expensive to perform. Therefore, staff recommended and the Board approved the above dual fee structure for new agency valuations.

For more information on this new fee structure, please refer to agenda item 3a of the September 2010 Benefit and Program Administration Committee meeting on the CalPERS website.

To locate this item, please follow the instructions below:

- Access CalPERS On-Line at [www.calpers.ca.gov](http://www.calpers.ca.gov)
- Select "About CalPERS" (navigation bar)
- Select "Board & Committee Meeting Calendar & Agendas"
- Select "Board & Committee Meeting Agenda Archives"
- Access "Benefits & Program Administration Committee"
- Select "September 14, 2010"
- Select agenda item 3a – "Valuation Fees"

This new fee structure will be effective on January 1, 2011. It will apply to requests received by CalPERS on or after January 1, 2011. Any requests for a valuation received by CalPERS prior to January 1, 2011 will be subject to the \$200 and \$700 fees.

If you have any questions, please feel free to contact the CalPERS Employer Contact Center at **888 CalPERS** (or **888-225-7377**)

Lori McGartland, Chief  
Employer Services Division