

Revision Date: February 2016 – Public Agency & Schools Reference Guide
Chapter: Contract Coverage Procedures

Section: Public Agency Contract Information
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Legend: Deleted/Replaced – Added/Revised

The agency must select whether to:

- Provide service credit for unused sick leave
- Permit employees to purchase various military or other forms of additional service credit
- Permit industrial disability retirement for miscellaneous members
- Offer the maximum cost of living adjustment

The agency must also determine the amount of the lump sum death benefit for retired members and the level of benefits to provide to survivors of employees not covered by Social Security.

Through my|CalPERS (CalPERS' computer application), your agency has immediate access to all of its current contract information.

The following Government Code benefits are mandated for all public agencies:

- Section 21620 (\$500 Retired Death Benefit)
- Section 21329 (2% Cost of Living (COLA))
- Section 20037 (Three-Year Final Compensation)
- Section 21551 (Continuation of Pre-Retirement Death Benefits After Remarriage of Survivor)

Government Code Sections 20840, 20841, and 20842 authorize the CalPERS' Board to create risk pools for public agencies and mandate participation for all plans with less than 100 active members.

Beginning July 1, 2005, plans with less than 100 active members will be mandated into risk pools.

Government Code Section 20840(e) requires that each pool contain certain benefits:

- Section 20965 (Credit for Unused Sick Leave)
- Section 21022 (Public Service Credit for Periods of Layoffs)
- Section 21023.5 (Public Service Credit for Peace Corps or AmeriCorps: VISTA Service)
- Section 21024 (Military Service Credit as Public Service)
- Section 21026 (Public Service Credit for Service Rendered to a Nonprofit Corporation)
- Section 21027 (Military Service Credit for Retired Persons)
- Section 21536 (Local System Service Credit Included in Basic Death Benefit) – only applicable when public agency transfers its Local Retirement System
- Section 21548 (Pre-Retirement Option 2W Death Benefit)

Prospective contracting agencies must determine the amount of the lump sum death benefit and Cost of Living Adjustment (COLA) for retired members; and the level of benefits to provide to survivors of employees not covered by Social Security.

In addition to the mandated benefits listed above, agencies have the choice of Optional Benefits which can be located in The [Optional Benefits Listing](#) (PERS-CON-40). The PERS-CON-40 contains all of the benefits a public agency can contract for and is available on the CalPERS website at www.calpers.ca.gov.

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