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Circular Letter

TO: STATE AGENCIES, NON-CENTRAL STATE AGENCIES, STATE COLLEGES & UNIVERSITIES AND JUDICIARY: TRIAL COURTS AND COUNTIES

SUBJECT: MEMBERSHIP ELIGIBILITY FOR STATE, NON-CENTRAL STATE, AND TRIAL COURT EMPLOYEES SUBJECT TO MANDATORY FURLOUGHS

This Circular Letter is to clarify the effect of mandatory furloughs on membership eligibility for state, non-central state, and trial court employees who do not have a fixed term of appointment and who work on a seasonal, limited-term, on-call, emergency, intermittent, substitute, irregular or other part-time basis. The Government Code provisions which govern this subject as to state, non-central state and trial court employees (Sections 20969 and 20969.1), require that for all retirement purposes, including benefit eligibility and calculations of retirement allowances, credit for service and compensation earnable should be based on the service that would have been credited and the compensation earnable that would have been recognized had the employee not been subject to mandatory furloughs.

The work hours of employees who do not have a fixed term of appointment and who work on an irregular or other part-time basis as outlined in Government Code Section 20305 should be monitored to determine the point at which service that would have been credited but for the mandatory furlough would entitle the employee to membership in CalPERS. The hours that an employee would have worked had the employee not been subject to mandatory furloughs should be counted toward CalPERS membership eligibility.

We appreciate the difficulties that mandatory furloughs may have caused employers; however, we want to ensure that your employees' eligibility for CalPERS membership will not be affected by the furloughs in accordance with current law. If you have any questions, please call our Employer Contact Center at **888 CalPERS** (or **888-225-7377**).

Lori McGartland, Chief
Employer Services Division