



California Public Employees' Retirement System  
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## Special Compensation Circular Letter

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**To:** State Colleges and Universities, County Superintendent of Schools, and Individual School Districts  
**Subject:** Reportability of Coaching Stipends

### Purpose

The purpose of this Circular Letter is to inform all CalPERS contracted school employers of how to determine if a coaching stipend is reportable as compensation earnable or pensionable compensation.

### Coaching Stipends

Coaching stipends in most cases are ad hoc payments to compensate a coach for work performed. Although a payment is provided to the coach, it is often based on coaching an undetermined number of hours or time base and not normally reportable for CalPERS purposes.

### Reporting the Position as a Coach

For compensation to be reportable to CalPERS, the compensation must meet the definition of compensation earnable or pensionable compensation pursuant to the Public Employees' Retirement Law. If the District or the County Office of Education establishes a formal classification for coach positions, the positions will be established by a quantifiable pay rate for services rendered as they are substantiated by the following items to be considered reportable:

- Official duty statement
- Minimum qualifications

- An approved pay rate pursuant to a publicly available pay schedule

If a coaching position has been established and meets these criteria, it may be reportable to CalPERS as compensation earnable or pensionable compensation.

### **Not Defined as Special Compensation**

Coaching stipends may appear to be special compensation; however, the California Code of Regulations sections 571 and 571.1 define the exclusive list of items that may be reported for compensation earnable or pensionable compensation. Additionally, the actual hours worked, specifically for the coaching stipend, only pertain to coaching school sports and are not identified as any of the defined items of special compensation. A coaching stipend does not meet the definition of special compensation; therefore, it is not deemed as reportable for pension purposes.

### **Questions**

It is the contracted school employer's responsibility to comply with all terms and conditions set forth in the contract with CalPERS and ensure all reportable information is compliant with the Public Employees' Retirement Law.

If you have any questions or concerns, contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**), or email [MOU\\_Review@Calpers.ca.gov](mailto:MOU_Review@Calpers.ca.gov).

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