FREQUENTLY ASKED QUESTIONS

1. What is the Supplementary Retirement Plan (SRP)?

The Supplementary Retirement Plan (SRP) is an early retirement incentive plan that the District is offering to eligible employees for the 2025-2026 Academic Year only. Employees who meet the established requirements may participate.

2. Who is PARS?

Public Agency Retirement Services (PARS) is a fee-for-service third party retirement plan administration company that has been hired by the District to administer the SRP. *Learn more about our company at pars.org.*

3. How do I know if I'm eligible to participate?

In order to participate in the SRP, you must meet the following criteria set forth by the District:

Full-time Faculty (AFT):

- Full-time Faculty (AFT) employees who are employed by the District as of February 25, 2026
- Are 1.0 FTE (full-time equivalence) as of February 25, 2026
- Have completed at least five (5) years of District service as of June 30, 2026
- Are at least age fifty-five (55) as of June 30, 2026
- Have resigned from District employment effective after completing the 2025-2026 Academic year on or before June 30, 2026
- Have submitted all required SRP enrollment materials, District Letter of Resignation/Retirement, and Employee Statement of Resignation/Retirement from District Employment to the PARS office no later than 5:00 PM on May 26, 2026

All Other Groups:

- Classified Non-Management (AFSCME), Classified Non-Management (CSEA), Classified Non-Exempt (Schedule 40/Professional Supervisory), Confidential and Academic-Classified Exempt Supervisor (Sch.35) employees who are employed by the District as of February 25, 2026
- Are 1.0 FTE (full-time equivalence) as of February 25, 2026
- Have completed at least five (5) years of District service as of June 30, 2026
- Are at least age fifty-five (55) as of June 30, 2026
- Have resigned from District employment effective after completing the 2025-2026 Academic year on or before August 31, 2026
- Have submitted all required SRP enrollment materials, District Letter of Resignation/Retirement, and Employee Statement of Resignation/Retirement from District Employment to the PARS office no later than 5:00 PM on July 24, 2026

SRP eligibility will ultimately be determined based on the provisions of the SRP and will be verified by the District of all relevant assumptions. If it is determined that you do not meet any one of the eligibility requirements, you will be notified of your ineligibility.

4. What benefit is being offered to me through the SRP?

The District is providing a benefit through a 403(b) fixed annuity funded by District contributions. The sum of the contributions shall equal 80% of final annual base salary.

For purposes of this plan, Final Pay shall be defined as the final annual base salary based on the applicable salary schedules in effect for the 2025-2026 Fiscal Year.

- Final Pay does not include differentials, stipends, extra and hourly assignments, overload and overtime pay, LSI, and contract extension days (extra contract days) as applicable.
- For those participating in the Reduced Workload Program, Final Pay shall be defined as the final annual base salary on the applicable salary schedules in effect for the 2025-2026 Fiscal Year as if the participating employee was working 1.0 FTE.
- For those on a temporary leave of absence (of any kind), Final Pay shall be defined as the final annual base salary based on the applicable salary schedules in effect for the 2025-2026 Fiscal Year as if the participating employee had worked in the same classification in regular status for the entire 2025-2026 Fiscal year.

5. What are my payment options should I wish to participate?

You may take your monthly SRP benefit as Lifetime only (Option 1), Joint-and-Survivor (Option 2), Lifetime or Ten-Year guarantee (Option 3), or as fixed monthly payments, ranging from 5 to 15 years (Options 5-15).

6. Which is the "best" SRP option?

All SRP options are equal in terms of cost. In other words, it will cost the District the same amount of money to provide the benefit, whether you choose Option 1 or Option 15. The best option is the one that fits each employee's individual needs.

Neither the District nor PARS offers tax, accounting, or legal advice. Employees should consult the enclosed Special Tax Notice Regarding Plan Payments and their own tax, accounting, or legal advisors regarding tax, accounting or legal matters related to their resignation/retirement.

7. Will the incentive be subject to federal, state, and local taxes? How will I know how much to withhold?

Neither the District nor PARS offers tax, accounting, or legal advice. For more information, please refer to the enclosed Special Tax Notice Regarding Plan Payments and the Tax Withholding Form (page 5) in your enrollment packet. Employees should consult with their own tax, accounting, or legal advisors regarding tax, accounting or legal matters and the consequences of your resignation and/or retirement.

8. Can I roll over my benefit into my own plan?

Yes, if you select one of the Options 5-9, you are eligible to roll over your benefits into an IRA or to an eligible employer plan that accepts the rollover. However, if you are in the year in which you will reach age 73 or older, you are not eligible to elect a direct rollover or Roth conversion of your SRP benefit payments. SRP benefit payments will be treated as a required minimum distribution and will be coded as a taxable distribution for the duration of your benefit period.

9. When do I have to resign from the District?

Full-time Faculty (AFT):

- Full-time Faculty (AFT) are required to resign from District employment effective after completing the 2025-2026 Academic year on or before June 30, 2026

All Other Groups:

- All Other Groups are required to resign from District employment effective after completing the 2025-2026 Academic year on or before August 31, 2026

10. What is the difference between resignation and retirement?

To participate in the SRP, you are required to resign from District employment. However, you do not have to retire from the District (and CalSTRS/CalPERS) to participate.

If you resign and do not retire from the District (and CalSTRS/CalPERS). You may not be entitled to the retiree medical benefits and any offset associated with that benefit. In addition, you may lose your unused sick leave, which may affect your CalSTRS/CalPERS retirement calculation.

11. Does participating in the SRP replace CalSTRS or CalPERS?

Participating in the SRP does not replace CalSTRS or CalPERS. SRP benefits are paid in addition to any CalSTRS or CalPERS benefits you have accrued to date. For instance, in retirement, you would receive at least two payments: one through the SRP and one through either CalSTRS or CalPERS.

12. How do I enroll in the SRP?

Full-time Faculty (AFT):

- To enroll in the SRP, complete and submit the required SRP enrollment materials, District Letter of Resignation/Retirement, and Employee Statement of Resignation/Retirement from District Employment to PARS by the enrollment deadline of May 26, 2026.

All Other Groups:

- To enroll in the SRP, complete and submit the required SRP enrollment materials, District Letter of Resignation/Retirement, and Employee Statement of Resignation/Retirement from District Employment to PARS by the enrollment deadline of July 24, 2026.

13. What is the deadline to enroll in the SRP?

Full-time Faculty (AFT):

- All required SRP enrollment materials, District Letter of Resignation/Retirement, and Employee Statement of Resignation/Retirement from District Employment must be received by PARS no later than 5:00 PM on Tuesday, May 26, 2026 *(not postmarked).*

All Other Groups:

- All required SRP enrollment materials, District Letter of Resignation/Retirement, and Employee Statement of Resignation/Retirement from District Employment must be received by PARS no later than 5:00 PM on Friday, July 24, 2026 *(not postmarked).*

14. Can I change my benefit option choice after the enrollment deadline?

No, you cannot change your SRP option choice after the enrollment deadline for your employee group.

15. Can I rescind my participation in the SRP after the enrollment deadline?

If you submit your SRP enrollment materials, District Letter of Resignation/Retirement, and Employee Statement of Resignation/Retirement from District Employment to the PARS office by the deadline date for your employee group, your resignation/retirement and participation in the SRP is irrevocable and may not be rescinded unless the District withdraws the SRP for your employee group. If the District withdraws the SRP for your employee group, resignations/retirements will be automatically rescinded.

16. What is the minimum participation requirement for the SRP to move forward?

In order for the SRP to move forward, sufficient plan participation in each employee group (Full-time Faculty (AFT), Classified Non-Management (AFSCME), Classified Non-Management (CSEA), Classified Non-Exempt (Schedule 40/Professional Supervisory), Confidential and Academic-Classified Exempt Supervisor (Sch.35) in order to meet the District's *fiscal and operational objectives* must be met by the May 26, 2026 (for Full-time Faculty (AFT)) **or** July 24, 2026 (for all other groups) enrollment deadline in order for the SRP to go into effect for an employee group.

The District will announce if the plan will move forward on June 26, 2026 (for Full-time Faculty (AFT)) **or** August 28, 2026 (for all other groups).

17. What if the District's objectives are not reached by the enrollment deadline?

If the minimum participation requirement has not been reached for your employee group, the District will withdraw the SRP for your employee group and will notify enrolled employees of the withdrawal on or before June 26, 2026 (for Full-time Faculty) **or** August 28, 2026 (for all other groups).

If the District withdraws the SRP for your employee group, resignations/retirements will automatically be rescinded for your employee group.

18. When will I receive my first SRP benefit payment?

Should the plan move forward, your SRP benefit is due to commence August 1, 2026 (for Full-time Faculty (AFT)) or October 1, 2026 (for all other groups) provided that you have submitted all required SRP enrollment materials, District Letter of Resignation/Retirement, and Employee Statement of Resignation/Retirement from District Employment to PARS by the May 26, 2026 (for Full-time Faculty (AFT)) or July 24, 2026 (for all other groups) enrollment deadline.

19. Will the SRP be offered again?

The SRP is offered by the District for this year only. It is a one-time offer, and there is no guarantee that the plan will be offered again.

Questions? Contact the PARS Plan Support Department:

Monday — Friday 8:30 AM — 5:00 PM

Call **(800) 731-7884** or email **plansupport@pars.org**.