



System Error Recovery Employer Share (SERES) Invoicing Information

Beginning June 1, 2024, the first invoice of overpayments due to system error, in accordance with Assembly Bill 1667 (Chapter 754, Statutes of 2022), will be available for all employers that report directly to CalSTRS.

Key information

- The first invoice will contain information for benefit overpayments established from January 1, 2023, through June 30, 2023.
- The total amount of overpayments due to system errors will be split between employers and the state. The employers' share will be 15% of the total benefit overpayments that took place during the billing period. [Education Code section 24616.2(a)(4)(A)(ii)]
- The total employers' share will be recovered from all employers that report directly to CalSTRS in amounts proportionate to their contributions.
- The amounts will include regular interest from the date of overpayment to the date of recovery. [Education Code section 24616.2(a)(4)(B)]
- An email notification will be sent to all employers that report directly to CalSTRS when the invoice is available to view in SEW, and email notifications will be sent to contacts who signed up to receive AB 1667 invoices. For employers that did not sign up for AB 1667 invoice email notifications, CalSTRS will work with the county office of education to obtain their contact information and will assist them with getting access to SEW and notification when AB 1667 invoices are available.
- The check payment method is currently available, and payments can be remitted to the address specified in the invoice. The ACH payment method is scheduled to be available by May 31, 2024, and availability will be confirmed at a later date.
- Information regarding the invoice amounts will not be available until the invoices are available to view in SEW.

Frequently asked questions

What is the System Error Recovery Employer Share (SERES) Invoice (Form AR-0656)?

- Form AR-0656 is the invoice for the employer share of the benefits overpaid to CalSTRS members due to an error by CalSTRS (a system-driven event). Employers are required to remit these amounts pursuant to Assembly Bill 1667 (Chapter 754, Statutes of 2022).

What is a system-driven event?

- Any change in a recipient's benefit as a result of a system adjustment.

What is the system?

- The California State Teachers' Retirement System.

Which employers will receive an invoice from CalSTRS?

- All employers that report directly to CalSTRS will receive an invoice.

How often will employers receive this invoice from CalSTRS?

- CalSTRS plans to bill employers annually during the first week of June each year for benefit overpayments established in the previous fiscal year.

How will employers receive this invoice from CalSTRS?

- A notification will be sent through the Secure Message Center in SEW when the invoice is available to view. Sample of the Secure Message Center notification:

Subject: Overpayment Invoice AB 1667

Hello,

Your new overpayment invoice per AB 1667 is now available to view in SEW.

The invoice is available as a PDF attachment through a Secure Message Center. If you need assistance accessing the invoice, please reach out to the Employer Accounts Receivable team at EmployerAccountsReceivable@CalSTRS.com.

How is the amount due calculated for each employer?

- The total amount of overpayments due to system-driven events will be split between employers and the state. The employers' share will be 15% of the total benefit adjustments. The first invoice will cover adjustments from January 1, 2023, through June 30, 2023. The total employers' share will be recovered from all employers that report directly to CalSTRS in amounts proportionate to their contributions.

Will the invoice include interest?

- The invoice will include regular interest that will be calculated from the date of the overpayment to the date of recovery.

What information does the System Error Recovery Employer Share (SERES) Invoice (Form AR-0656) include?

- Invoice number.

- Billing period.
- Amount due.
- Due date.
- Enclosure showing a line-item breakdown with the proportionate share percentage and share amount by report unit. See page 5 for a sample enclosure.

When are employers required to pay the total amount due on the invoice?

- CalSTRS must receive payment for the first invoice by July 1, 2024. Additional regular interest will be added on any unpaid balance.

What method should employers use to pay these invoices?

- The check payment method is currently available, and payments can be remitted to the address specified in the invoice. The ACH payment method is scheduled to be available by May 31, 2024, and availability will be confirmed at a later date.

Sample System Error Recovery Employer Share (SERES) Invoice (Form AR-0656)



California State Teachers' Retirement System
P.O. Box 15275
Sacramento, CA 95851-0275
800-228-5453
CalSTRS.com

INVOICE
AR-0656

May 30, 2024

Rivertown County Office of Education
123 Pine Ave
Evergreen Springs CA 90210-1140

Business Partner No. 1000000016
Report Source/Unit ID 00016

INVOICE	BILLING PERIOD	AMOUNT DUE	DUE DATE
0000000001	1/1/2023– 6/30/2023	\$1,000.00	7/1/2024

SYSTEM ERROR RECOVERY EMPLOYER SHARE (SERES) SUMMARY	
Receivable Type: SERES	
Overpaid Initial Balance Ed. Code §24616.2 (4) (A) (ii)	\$950.00
Recovery Interest Ed. Code §24616.2 (4) (B)	\$50.00
Total amount due	\$1,000.00

Education Code section 24616.2 (added by Stats. 2022, Ch. 754 § 11 (AB1667) effective January 1, 2023) grants CalSTRS the authority to bill employers 15% of all amounts overpaid due to an error by the system in amounts proportionate to an employer's share of contributions for the fiscal year of the billing period, including regular interest from the date of the overpayment to the date of recovery.

Late payments will accrue interest at the regular rate on the unpaid balance [Ed. Code 24616.2 (b)].

Please do not include payment for this invoice with any other contribution or retirement incentive remittance.

To ensure proper payment to your account, include the invoice number on your payment and send via ACH or mail payment to:

CalSTRS
Accounting Division – Cash Receipts
P.O. Box 15275
Sacramento, CA 95851-0275

If you have questions regarding this invoice, email Accounts Receivables at EmployerAccountsReceivable@CalSTRS.com.

Sample enclosure



Line No.	Employer reporting number	Employer name	Proportionate share %	Proportionate share amount
1				
2				
3				
4				
5				
6				
Alameda County Office of Education				