# GUIDANCE FOR PROCESSING RETURN OF STRS EXCESS CONTRIBUTIONS

The San Mateo County Office of Education (SMCOE) received a refund check from the California State Teachers' Retirement System (CalSTRS) representing a return of excess contributions. SMCOE will refund the applicable amount to each district. The employee detail for the refund is located on Share Point identified as CalSTRS Excess Contributions in the Payroll Document Sharing Folder.

CalSTRS will send a letter directly to each individual receiving a refund and advising them of the overpayment applicable to them. The individuals are receiving the refund because they exceeded one full-year of service credit resulting in excess contributions to their Defined Benefit (DB) retirement account. CalSTRS transferred excess earnings from the individual's DB retirement account into their CalSTRS Defined Benefit Supplemental (DBS) retirement account. The DBS rate is lower than the DB rate, which resulted in a refund. The CalSTRS DB and DBS rates for both employees and employers are available on the CalSTRS website.
https://www.calstrs.com/contributions

Please review the report posted on Share Point. The Individual's listed with a **negative** amount are eligible for the employee's share of the refund. Use process below for refunding individuals.

| INSTRUCTIONS FOR REFUNDING INDIVIDUALS THE EMPLOYEE SHARE OF STRS EXCESS CONTRIBUTIONS | | |
|---|---|---|
| INDIVIDUAL TYPE | PROCEDURE | SUBJECT TO FIT & SIT |
| **Current Employee** | 1. Pay employee using STRSEXC Deduction<br>2. Use acct 01- - - - -9588- - | Yes |
| **"Separated" Status Individual** | 1. "Un-separate" individual in "Employee Management"<br>The employee will need an active pay cycle.<br>2. Verify there is no active direct deposit set-up in "ACH"<br>**3.** Pay employee through payroll using the **STRSEXC Deduction.** Use acct 01- - - - -9588- -<br>**4. Separate employee after processing payment** | Yes |
| **Deceased Individual** | 1. Pay beneficiary/estate through accounts payable<br>2. **Issue IRS Form 1099 at calendar year-end** | No |

For individual listed on the report with a **positive** amount STRS transferred earnings from the individual's DBS retirement account into their CalSTRS DB retirement account. The DB rate is higher than the DBS rate, which resulted in contributions due. District is responsible for collecting the employees' share. Call your assigned payroll-retirement auditor if the refund is positive and you need assistance.

Here are some Frontline Learning Center links for reference.

- https://caerp-help.frontlineeducation.com/hc/en-us/articles/360050641434-Additional-Contrib-Deduct-Activity
- https://caerp-help.frontlineeducation.com/hc/en-us/articles/360050717013-Import-Templates
- https://help.frontlinek12.com/Documents/ERPCA/ImportTemplates/ContribDeductImport.xls

Revised 11/4/2026

# Frontline CA ERP Steps

- Download the employee detail for the refund is located on Share Point identified as CalSTRS Excess Contributions in the Payroll Document Sharing Folder. This will be your source document for refunding the employees.
- You can either use ***HR/Payroll – Employment – Additional Contrib/Deduct*** Activity or manually refund the employees in ***Adjust Payroll - Deductions***.
- If using Additional Contrib/Deduct Activity:
    - Please refer to the following Learning Center Activity and use the ContribDed of STRSEXC and use the account 01- - - - -9588- - .
    - https://caerp-help.frontlineeducation.com/hc/en-us/articles/360050641434-Additional-Contrib-Deduct-Activity
      In Adjust Payroll, search for your posting by pay date and deduction ID STRSEXC. Verify the amount matches the employee refund amounts you are expecting.
- If using ***Adjust Payroll*** method, you can add the deduction amount in Adjust Payroll – Deductions tab.
- Run Pay34 - Payroll Deduction and Contribution Detail and verify the amounts.
    - Enter the payroll date you are refunding the employees in “Starting Pay Date” and “Ending Pay Date”
    - Deduction Id(s) = STRSEXC
    - Type “all” for Exclude Contribution Group(s)
    - “Go” button

If you have any questions, please feel free to contact your school district’s assigned Payroll/Retirement Auditor.