

SERVICE CREDIT PURCHASES

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Rev. 08-17-07

Service Credit Purchases

Types of Purchases

1. Leave of Absence
2. Prior Service
3. Military
4. Other Public Employment
5. Repayment of Refund

Eligibility

If an employee believes he or she has service credit that can be purchased, the employee should contact SURS to determine what steps should be taken to verify the service. SURS will review all pertinent information and qualifications needed for processing the request. SURS will then request verification of time and annual full-time salary rate from the employer if applicable.

If the service credit in question is prior service or a leave of absence with your agency, you can proactively send SURS a verification of the prior service or a report of status for the leave. This can take the place of the employee calling SURS and begin the process for the employee's purchase, perhaps shortening the overall processing time.

Once SURS receives all verifications, we will calculate the eligible service credit and notify the employee of the purchase price and method of payment. SURS will also notify the employee if they are ineligible or if additional documentation is needed.

Consult the member guides for qualifying information for all service credit types.

Employer Responsibility

SURS does **not** require formal documentation from our employers for all purchase types. Outlined below are the only events that SURS will create on the Employer Website requesting information needed from employers when employees request the cost to purchase service credit. Employers may also pro-actively create these events.

Events:

1. Leave of Absence
2. Prior Service
3. Salary Verification (Not required if SURS has already received this information.)

If the employee elects to purchase service credit through payroll deductions the Installment Purchase Contract signed by the authorized representative is required.

1. Leave of Absence

A Leave Of Absence event must be completed (or created if one does not already exist) on the Employer Website. When an employee’s status changes (sabbatical, non-sabbatical, leave without pay, disability leave, workers compensation, etc.), this must be completed and submitted. (Fig 1)

When SURS receives an event reporting a qualified leave of absence, SURS will send the employee a letter asking if he or she wants to purchase the leave, if it is qualified. *Leaves that do not qualify for purchase are disability leaves with SURS or Workers Compensation being paid or paid leaves.*

Fig. 1

ULEC SURS STATE UNIVERSITIES RETIREMENT SYSTEM OF ILLINOIS

Process New Event Event Inquiry Member Information Payroll
 Contact Us Maintain User Profiles Employer Preferences Change Password
 Home Employer Manual Sign Out

Event Id: 113697

Print | Update Help

Leave of Absence--Leave Information

If the member was not on leave, check this box and then click the UPDATE button.

Member Type Academic Staff Other Police/Firefighter

Type of Leave

If the type of leave is medical, is the medical leave for the employee? Yes No

Date Leave of Absence Began (MM/DD/YYYY)
 Estimated Return Date (MM/DD/YYYY)
 Percent Current Status (Enter amount as a whole number.)
 Percent of Leave (Enter amount as a whole number.)
 Monthly Rate at Start of Leave
 Number of Months Worked
 Months Paid Over
 Earnings Forfeited

Ignore the fields below unless the Type of Leave is Workers Comp or Insurance.

Last Day Worked (MM/DD/YYYY) Optional
 Last Day Paid (MM/DD/YYYY) Optional

Validate Section

Notes | Print | Update

- 1) Verify and update the Member Information screen (Fig.1/ page 6/ Membership).
- 2) Select the Type of Leave from the drop down menu.
- 3) If the leave type is medical, indicate it is by checking yes or no.
- 4) Date Leave of Absence Began is the first date of the leave.
- 5) Estimated Return Date is the date that it is anticipated the employee will return from leave.
- 6) Percent of Current Status reflects the employee's status on the date the leave began.
- 7) Percent of Leave reflects the percent of time the employee will be on leave.
- 8) The Monthly Rate at Start of Leave is the monthly pay the employee was receiving at the time the leave began.
- 9) Number of Months Worked is exact number of months the employee worked.
- 10) Number of Months Paid Over is the number of months the employee was paid.
- 11) Earnings Forfeited is the total dollar amount of earnings the employee will be forfeiting if leave is at no pay or partial pay.
- 12) If Workers Comp or Insurance the Last Day Worked is the last day employee physically worked.
- 13) If Workers Comp or Insurance the Last Day Paid is the day the employee was last paid for.

If the Leave of Absence is being created by the employer for the first time and the employee has returned to work, a Return From Leave must also be created and completed on the website (Fig. 2 and 3).

Fig. 2

The screenshot displays the SURS website interface for creating a 'Return from Leave' event. The page title is 'STATE UNIVERSITIES RETIREMENT SYSTEM OF ILLINOIS'. The main content area is titled 'Return from Leave--Certification Information'. The form includes the following fields and options:

- Event Id:** 500002143
- Member Name:** Richman, Juan (DOB: 12/04/5678)
- Member Type:** Academic Staff Unknown Police/Firefighter
- Status Effective Date:** 07/12/2002 (MM/DD/YYYY)
- Monthly Pay Rate:** 2000
- Pay Duration (in months):** 12
- Percent Current Status:** 100 (Enter amount as a whole number)
- Validate Section:**

Navigation buttons include 'Print', 'Update', and 'Help'. A footer box contains contact information: 'Main Office 1-800-ASK-SURS' and 'Fax 1-217-378-8800'. A left sidebar contains a navigation menu with options like 'Event Notes', 'Submit event', and 'Delete event'.

- 1) Verify and update the Member Information Screen (Fig. 1, pg. 6, Membership).
- 2) Status Effective Date is the date that the employee returned from leave.
- 3) Monthly Pay Rate is the monthly amount received by the employee upon return from leave.
- 4) Pay Duration is the number of months over which the employee is paid.
- 5) Percent of Current Status is the actual percent of time worked upon returning from leave.

- 6) On the Return Information screen, enter the Percent Current Status as the same percentage in step 5, in figure 2. *This identical information is entered on two separate screens because it is a two step process to change the member's status to active and to return the member from leave.*

Fig. 3

ULEC SURS
STATE UNIVERSITIES RETIREMENT SYSTEM OF ILLINOIS

Process New Event Event Inquiry Member Inquiry
Contact Us Maintain User Profiles Employer Preferences Change Password
Home Employer Manual Sign Out

Event Id: 500002845 [Print](#) | [Update](#) [Help](#)

Richman, Juan

Status
Return from Pending Leave

Member Info Certification Return from LOA
Ok Ok No Data

[Event Notes](#)
[Submit event](#)
[Delete event](#)

Return from Leave--Return Information

Member Type Academic Staff Other Police/Firefighter

Status Effective Date (MM/DD/YYYY)

Percent Current Status (Enter amount as a whole number.)

Validate Section

[Notes](#) | [Print](#) | [Update](#)

Main Office Fax
1-800-ASK-SURS 1-217-378-9800

Prior Service

A Prior Service event is created on the Employer Website when an employee calls to request the cost to purchase prior service that has not been previously verified (Fig. 4). The employer may also create a Prior Service event should the employee contact the employer rather than SURS. Before SURS can calculate the cost to purchase prior service, we need the employer to provide the dates of employment and percent of time worked. This event might also require the full-time salary equivalent on the employee's certification date.

Fig. 4

ULEC SURS
STATE UNIVERSITIES RETIREMENT SYSTEM OF ILLINOIS

Process New Event | Event Inquiry | Member Inquiry
Contact Us | Maintain User Profiles | Employer Preferences | Change Password
Home | Employer Manual | Sign Out

Event Id: 500002848 Print Update Help

Prior Service--Verification of Prior Service Credit

Name Alias: Richman, Juan Birth Date: 08/20/1945
 Status: No Data Certification Date: 01/01/0001
 Prior Service: No Data Full-time Monthly Salary Rate on Certification Date: 2000.00
 Member Info: No Data Pay Duration in months: 12.00
 Employer: No Data Was Employee paid from federal or Trust funds? Yes No
 Verification: No Data

Event Notes
 Submit event
 Delete event

Period of Employment Information from SURS will be displayed here. (If Applicable)

If no prior service information exists for the member, check this box and then click the UPDATE button.

| Effective Date MM/DD/YYYY | Ending Date MM/DD/YYYY | % of Time |
|------------------------------|---------------------------|-----------|
| 08011996 | 03011997 | 100.00 |
| 05011997 | 09281997 | 30.00 |
| 01151998 | 07301998 | 80.00 |
| | | 0.00 |
| | | 0.00 |
| | | 0.00 |
| | | 0.00 |
| | | 0.00 |
| | | 0.00 |
| | | 0.00 |

Validate Section
 Next

Notes Print Update

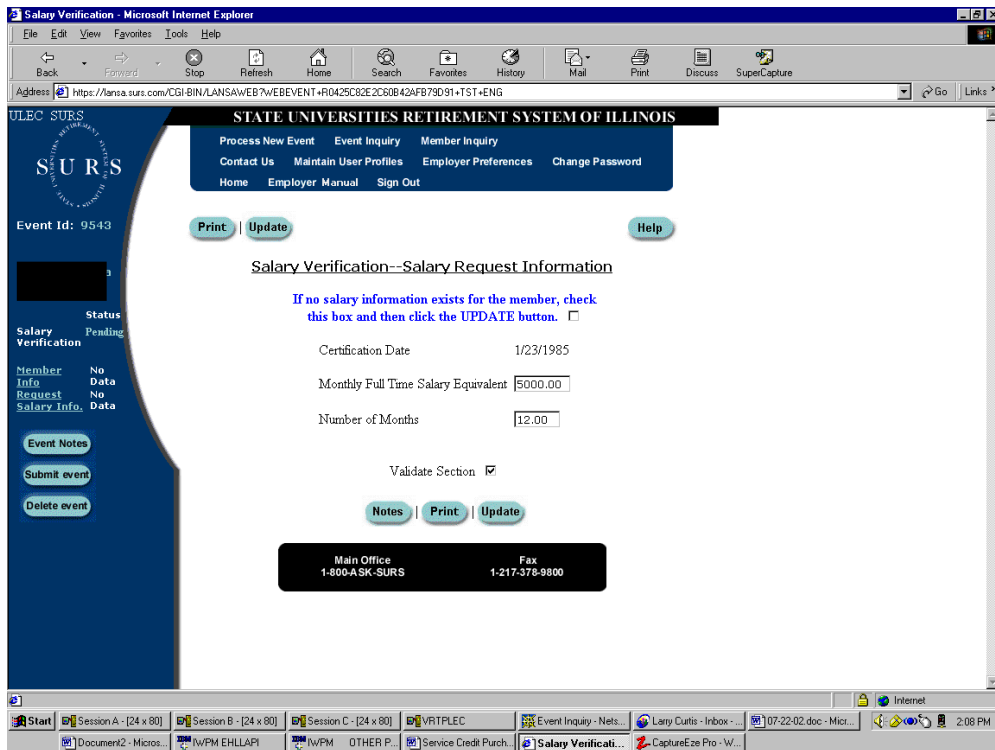
Main Office: 1-800-ASK-SURS Fax: 1-217-378-9800

- 1) Verify and update the Member Information Screen (Fig. 1,pg. 6,Membership).
- 2) Enter the full-time or full-time equivalent monthly salary on the employee's certification date.
- 3) Effective Date is the month, day, and year in which the employee began work, in the period of time for which verification is being requested. If employment was intermittent there could be multiple Effective Dates.
- 4) Ending Date is the last month, day, and year that the employee worked in the period for which verification is being requested. (If employment was intermittent, there could be multiple Ending Dates).
- 5) Percent of Time is the actual percent of time worked during the period of time indicated.

Salary Verification

The formulas used to calculate service credit purchase costs are based on the FTE salary. This rate is necessary for all purchase types, except Repayment of Refunds and Leaves. If we do not have this figure on file for the employee, we will create a Salary Verification event to verify the FTE salary and length of contract on the employee's date of certification (Fig. 5).

Fig. 5



- 1) Verify and update the Member Information Screen (Fig. 1, pg.. 6, Membership).
- 2) Monthly Full Time Salary Equivalent is the salary on the date shown as the Certification Date. This must be the full-time or full-time equivalent amount.
- 3) Number Of Months is the number of months over which the employee is paid.

Installment Purchases

Service Credit may be purchased in installments through payroll deduction if:

- The Employer's board has adopted a resolution agreeing to offer payroll deductions.
- Employee anticipates remaining actively employed for a period of time that is at least equal to the duration of the agreed upon contract.
- Service credit to be purchased is prior service, other public employment, military, deferred leave, or refund repayment.
- Employee has at least 9 months earnings in the previous 12 months.
- Employee's minimum monthly salary must accommodate a deduction of at least \$50 per month.
- Signed contract must be received at SURS by the specified deadline.

The Employers Board must adopt a resolution that will establish employee's right to purchase SURS service credit using payroll deductions. A minimum of two "Authorized Representatives" must be designated and their names submitted to SURS.

The period of service, percent of employment, and salary verification must be submitted to SURS when requested. (Figures 2, 3. 4. and 5)

The Employer's Authorized Representative must sign the Irrevocable Payroll Deductions Authorization Form (Figure 6a & b) agreeing to process the payroll deduction from the employee's compensation beginning on the start date specified in the Irrevocable Payroll Deductions Authorization Form and continuing for the duration of the contract.

It is the employer's responsibility to verify that the employee's compensation is sufficient enough to support the payroll deductions.


The employer should not agree to a contract that specifies a payroll deduction period that exceeds an employee's expected length of employment.

It is possible that SURS may have to make adjustments to the amount of the payroll deduction. The employer agrees to make these changes upon request.

It is the employer's responsibility to verify the number of times an employee is paid throughout the year.

Note: If either the Summary of Installment Options to Purchase Service Credit form or the Irrevocable Payroll Deductions Authorizations form are not received at SURS by the required date specified on these forms, the member will be responsible for repeating all of the steps of the installment purchase process for the next quarterly contract starting date.

Fig. 6a



STATE UNIVERSITIES RETIREMENT SYSTEM
1901 Fox Drive
Champaign, IL 61820
1-800-ASK SURS 217/378-8800

June 22, 2001

Member Name
Street Address
La Grange, IL 60525-3825

RE: S.S. 000-00-0000
AR Key: 020277323
For Credit Ending: 12/07/1980

Employer: University of Illinois - Chicago

IRREVOCABLE PAYROLL DEDUCTION AUTHORIZATION FORM
(Pickup of Contributions for Purchase of Service Credit)

A State Universities Retirement System ("SURS" or "System") member ("Member"), pursuant to the terms of the Illinois Pension Code, is permitted to redeposit Member contributions previously withdrawn and/or to elect to purchase additional service credit through additional contributions to the System. Any additional amounts due may generally be paid by the Member directly to the System in a lump sum, or the Member may request, and the employer may permit, deductions through payroll.

I understand that my employer has adopted a resolution under the "pickup" tax deferral provisions of the Internal Revenue Code Section 414(h)(2). I also understand that tax deferral of my additional contributions due to the System requires this irrevocable payroll deduction authorization.

As provided under Sections 15-113.1 through 15-113.7 (excluding Section 15-113.4) of the Illinois Pension Code (the "Code"), or under Section 15-154 of the Code, I will purchase **1.0000** year(s) of service credit for **Prior Service**. By my signature below I certify that, based on the employment I am purchasing, I cannot qualify for a retirement annuity from another retirement system, exclusive of Federal Social Security, based in whole or in part upon such employment.

For the purpose of purchasing this service, I hereby direct my Employer to make deductions from my salary beginning on **10/01/2001**, over a period of **48** months, for an annual total of **2,388.00** in the first three years and **2,382.58** for the fourth year.

With respect to this payroll deduction I understand the following:
This is an irrevocable deduction authorization.

These contributions are being picked up by my Employer; as a result, although designated as employee contributions, they are being paid directly to the System in lieu of contributions by me.

After the execution of this irrevocable deduction authorization, I do not have the option of receiving the deduction amounts directly instead of having them paid by my Employer to the System.

The required deduction amounts must be applied evenly against my salary over all pay

PS12 Page 3

Fig. 6b

periods occurring from 10/01/2001 through 09/30/2005. I cannot alter the payment schedule.

I will be permitted to make separate payroll deduction authorizations to purchase service credit relating to different types of service or different periods of time. However, any further irrevocable payroll deduction authorizations for employer pickup contributions will not alter, amend, or revoke the amount of pickup contributions to be made to SURS under any irrevocable elections then in effect.

While this agreement is in effect, I understand that with respect to the specific service credit being purchased by the contributions designated herein, the System will only accept payment from my Employer and not directly from me.

If I terminate employment with my Employer, die, or become disabled prior to completion of the installment payments, this binding, irrevocable payroll deduction authorization shall expire and the System shall prorate the service credit purchase, subject to the following:

In the case of termination or disability, I will have 60 days to make an after-tax lump-sum contribution for the balance of the service credit subject to the limitations of Section 415 of the Internal Revenue Code of 1986.

In the case of death, service credit shall be based on payments made through the date of death.

The payroll deduction authorization is not effective until signed by me and an authorized representative of my Employer, and then returned to SURS by 08/13/2001. The pickup is only applicable to contributions to the extent the contribution is deducted from compensation earned for services after 10/01/2001.

Signatures

Member's Signature

Date

Signature of Employer's Authorized Representative

Date

Name of Authorized Representative (Please Print)

Title of Authorized Representative (Please Print)

Employee Responsibility

To initiate a Service Credit purchase, SURS strongly recommends that the employee begin the process by calling or writing SURS. At this point SURS will go over all necessary information and qualifications with the employee.

Forms Required:

1. DD 214, or Active Duty Military Papers (Military)
2. Summary Letter (if Installment Purchase is being used) Irrevocable Payroll Deduction Authorization Form (if Installment Purchase is being used)
(Fig. 7a, 7b, 7c, 7d)
3. Affidavit of Public Employment (Other Public Employment) (Fig. 8a, 8b, 8c, and 8d)

1. DD 214, or Active Duty Military Papers

An estimate for Military Time requires that the employee send SURS a copy of his/her military separation papers. In many cases this is Federal Form DD 214. If the employee does not have copies of this documentation, he/she should contact the local Veterans Affairs office.

When SURS receives the DD214, we will determine the eligibility and mail the information about the cost to the employee.

2. Affidavit of Public Employment

When an employee calls SURS to discuss Other Public Employment, we will send him or her an affidavit to be forwarded to the proper authorities affiliated with the other system(s). It will be the employee's responsibility to see that this affidavit is returned to SURS. (Fig. 9a, 9b, 9c)

When SURS receives this affidavit and it is determined that the time of other public employment qualifies to be purchased, we will determine the eligibility and mail the information about the cost to the employee.

3. Summary Letter and Irrevocable Payroll Deduction Authorization Form see pages 8 and 9.

NOTE TO ALL EMPLOYERS

- The Affidavit of Public Employment is a form that the employee must request directly from SURS. Do **NOT** pass this form out even if you have a blank one in your office.
- The employee needs to contact SURS if they are interested in a Repayment of Refund.

▪ Fig. 7a



STATE UNIVERSITIES RETIREMENT SYSTEM
1901 Fox Drive
Champaign, IL 61820
1-800-ASK SURS 217/378-8800

June 22, 2001

Member Name
Street Address
La Grange, IL 60525-3825

RE: S.S. 000-00-0000
AR Key: 020277323
Type: Prior Service
For Credit Ending: 12/07/1980

SUMMARY OF INSTALLMENT OPTIONS TO PURCHASE SERVICE CREDIT

Dear Member

As an actively-employed SURS member, you may have the option to purchase service credit using "picked-up" (before tax) contributions deducted from your paycheck. Contributions are deducted regularly for the period of time you select from the choices shown below. After one year the contributions you have made will accrue interest. In this way SURS helps you contribute to the overall cost of your purchase.

***PLEASE NOTE** that to make these payroll deductions, an installment contract must be made. Due to Internal Revenue Service regulations, installment contracts for these picked-up contributions are **irrevocable**. Once started, payroll deductions can be stopped **only** by your loss of employment, disability, or death. Therefore it is very important that if you choose installment payments, they must be appropriate for you.*

If you decide to request installment payments, please read and follow the instructions at the end of this letter. Please note that simply requesting a Payroll Deduction Authorization Form does not commit you to payroll deductions, nor does it start them. You are not bound by any installment payment contract until the Payroll Deduction Authorization Form has been signed by you and returned to SURS.

Calculation Explanation.

The amounts shown are valid only for deductions starting 10/01/2001. The **installment payment start date** is the next available time you can begin installment purchase payroll deductions, which can only be started at the beginning of a calendar quarter.

The **cost amount** is what your purchase cost would be if paid as a lump sum on the **installment payment start date**. The **future value** is what that payment would be worth in your SURS account after the time period shown, due to SURS accruing interest on an annual basis at the **effective interest rate** shown.

The total of your installment payroll deductions, plus interest credited by SURS on those deductions, will equal that **future value** amount. The amount of interest credited by SURS is determined by an anticipated annual total of payroll deductions. The **approximate deduction amount** is that annual total, divided by **sample deductions per year**, to show approximately what your installment payment amount would be per pay period.

If you are paid more or less often than 12 times per calendar year, you can estimate your installment payment deduction as follows: multiply the **approximate deduction amount** by

Fig. 7b

June 22, 2001
Page 2

12 to get the annual payment amount, and then divide that by your number of pay periods per calendar year.

In many cases, for contract terms greater than one year, your deduction amount will be slightly lower during the final year.

Here are the options calculated for your purchase. Your response to this letter is due by 08/03/2001 for the amounts shown to be valid. Delaying until a later start date will affect the cost of your purchase.

Fig. 7c

June 22, 2001
Page 3

Member Name _____

RE: S.S. 000-00-0000
AR Key: 020277323
Type: Prior Service
For Credit Ending: 12/07/1980

Installment Payment Start Date: 10/01/2001
Employer: University of Illinois - Chicago
Sample Deductions Per Year: 12 Effective Interest Rate: 10.0000

| Service Credit | | 12 Months | 24 Months | 36 Months | 48 Months |
|----------------|--------------------------------|-----------|-----------|-----------|-----------|
| 1.0000 | Approximate deduction amount | 693.54 | 364.00 | 254.00 | 199.00 |
| | Cost 8,253.75 Future value | 8,322.53 | 9,154.79 | 10,070.27 | 11,077.29 |
| 2.0000 | Approximate deduction amount | 1,387.08 | 727.00 | 508.00 | 398.00 |
| | Cost 16,507.50 Future value | 16,645.06 | 18,309.58 | 20,140.54 | 22,154.58 |

INSTRUCTIONS.
If you are interested in setting up payroll deductions for your purchase, you must do the following:

- Decide how much service credit you want to buy, and enter the amount here. Service credit must be purchased in whole-year increments, with any fractions being purchased last. Enter the amount of service credit here:
I wish to purchase _____ years of service credit.
- Decide what contract term (number of months) you wish to use. Be sure that the number of months you select will allow the purchase to be completed before you retire. Only 12-, 24-, 36-, or 48-month options are available. Select the number of months here:
I request a contract term of 12 24 36 48 (circle one) months.
- For SURS to provide more accurate deduction information, please tell us how often you expect to be paid during the year. If you have multiple SURS employers, please show the SURS employer from whom you want the deductions to be taken.
I expect to be paid _____ times during a calendar year by
University of Illinois - Chicago .

Member's Signature _____ Date _____

- Sign and return this form to SURS at the following address to request an Installment Option Letter and Payroll Deduction Authorization Form from SURS. The Installment Option Letter will contain more detailed information about your deductions. SURS must receive this request by 08/03/2001.

State Universities Retirement System
1901 Fox Drive
Champaign, IL 61825 - 2710


Fig. 7d

June 22, 2001
Page 4

- When you receive your Installment Option Letter and Payroll Deduction Authorization Form, review them carefully. If you wish to proceed, you must sign the Payroll Deduction Authorization Form, obtain your employer's signature, and return it to SURS by 08/13/2001 for your deductions to start on time.

SURS Member Services Division

Fig 8a



STATE UNIVERSITIES RETIREMENT SYSTEM
1901 Fox Drive
Champaign, IL 61820

AFFIDAVIT OF PUBLIC EMPLOYMENT

Name: _____

| | |
|---|--|
| INSTRUCTIONS: | Please print or type in black ink. |
| Part 1 - Member's Certification | To be completed by the member and then forwarded to the former public employer. If more than one former employer, a separate form should be completed and forwarded to each. |
| Part 2 - Employer's Certification | To be completed by the former public employer and then forwarded to the retirement system affiliated with this employment. Your assistance is appreciated. |
| Part 3 - Retirement System's Certification | To be completed by the public retirement system and then returned to the State Universities Retirement System. Your assistance is appreciated. |

PART 1 - MEMBER'S CERTIFICATION

| | |
|--|--------------------------|
| Name (first, middle, last) | Social Security Number |
| Full name at that time, if different from above. | |
| Street Address | Date of Birth |
| City, State, Zip Code | Daytime Telephone Number |
| 1. List the public employer's name, location, and dates of employment in the spaces provided below. | |
| Employer's Name | |
| Employer Street Address | |
| City, State, Zip Code | |
| Dates (From): | Dates (To): |
| 2. Will you be entitled to a retirement allowance from a pension fund which covers the above public agency, other than Social Security? / / YES / / NO If YES, other conditions may apply. Contact a SURS Member Service Representative at 1-800-275-7877. | |
| I hereby request and authorize the release of the information requested on this form and any additional information necessary to establish this claim for public service. | |
| Signature | Date |

PLEASE FORWARD THIS FORM TO YOUR FORMER PUBLIC EMPLOYER TO COMPLETE PART 2.

PART 2 - EMPLOYER'S CERTIFICATION OF PUBLIC EMPLOYMENT

| | | |
|--|---|--------------------------|
| On the basis of official records, I (we) certify that the individual identified on this form was engaged in public employment and that said individual received pay for this service as documented by the following information. | | |
| 1. Name of former employee as shown on records. | | |
| 2. Above named was employed during the following periods: | | |
| Beginning Date of Employment (Exact Month, Day, Year) | Ending Date of Employment (Exact Month, Day, Year) | Percentage of Employment |
| _____ | _____ | _____ % |

Fig. 8b
Affidavit of Public Employment (Page 2)

| | | | |
|---|--|------------------|--|
| <p>3A. Was this individual eligible to participate in an employer sponsored pension fund other than Social Security? / /YES / /NO</p> | | | |
| <p>3B. If YES to 3A, then did this individual participate in an employer sponsored pension fund other than Social Security? / /YES / /NO / /Unknown</p> <p>If YES or UNKNOWN, please forward this Affidavit to the appropriate retirement system to complete Part 3. If NO, please return the Affidavit to the State Universities Retirement System, P.O. Box 2710, Champaign, Illinois 61825-2710.</p> | | | |
| <p>4. Additional comments, if any.</p> | | | |
| Prepared By (Please Print) | | Date | |
| Signature of Preparer | | | |
| Title | | Telephone Number | |
| Agency/Employer Name | | | |
| Street Address | | | |
| City, State, Zip Code | | | |

PLEASE FORWARD THIS FORM TO THE APPROPRIATE RETIREMENT SYSTEM TO COMPLETE PART 3.


PART 3 - RETIREMENT SYSTEM'S CERTIFICATION

| | | | |
|--|--|------------------|--|
| <p>The individual identified in Part 1 of this form wishes to establish credit for public service with the State Universities Retirement System. This service may include employment for a state agency or political subdivision in another state or territory of the United States. SURS law does not permit the purchase of this credit, if the individual/member is eligible to receive a benefit in another public retirement system as a result of such employment. Please complete the information below, indicating this individual's eligibility for retirement benefits from your system.</p> | | | |
| <p>1. Has this individual withdrawn contributions from your retirement system? / /YES / /NO If YES, give date of withdrawal:</p> | | | |
| <p>2. Is this individual receiving, or entitled to receive, a benefit from your system based on the service shown in Part 2? / /YES / /NO</p> | | | |
| <p>3. IMPORTANT: If contributions were refunded, did this individual receive any employer contributions? / /YES / /NO</p> | | | |
| Prepared By (Please Print) | | Date | |
| Signature of Preparer | | | |
| Title | | Telephone Number | |
| Retirement System Name | | | |
| Street Address | | | |
| City, State, Zip Code | | | |

**PLEASE RETURN COMPLETED FORM TO:
STATE UNIVERSITIES RETIREMENT SYSTEM
P.O. BOX 2710
CHAMPAIGN, IL 61825-2710**

Southwest Regional Team

Fig. 9
Affidavit of Public Employment (Page 3)

| | |
|---|--|
|  | <p>STATE UNIVERSITIES RETIREMENT SYSTEM 1901 Fox Drive Champaign, IL 61820</p> |
| <p><u>PUBLIC EMPLOYMENT FACT SHEET</u></p> | |
| <p><i>Eligibility Requirements</i></p> | |
| <ul style="list-style-type: none">• Please note that you will not be eligible to purchase credit for other public employment until you have contributed to the State Universities Retirement System (SURS) for at least five years following the public employment. The 5 years may include service with the State Teachers' Retirement System (STRS) or the Chicago Teachers' Retirement Fund (CTRF).• Prior employment must be with a United States public school, college, or university. If you entered SURS on or before 9/1/74, you may also purchase employment with the US government, the government of a state, a political subdivision of a state, or any agency or instrumentality of the foregoing.• You can purchase up to 10 years of service, but not more than two-thirds of your SURS service credit granted under Sections 15-113.1 through 15-113.5 and 15-113.8 through 15-113.10 of SURS law. The maximum of 10 years shall be reduced for any out-of-state employment purchased with STRS or CTRF.• If you entered SURS on or after September 5, 1975, the public employment <u>must be full-time</u>, except under the following conditions:<ul style="list-style-type: none">♦ If participation in SURS terminated prior to August 18, 1965, you are not eligible to purchase other public employment.♦ If participation in SURS terminated between August 18, 1965 and June 30, 1967, the public employment must be full-time.♦ If you entered SURS between July 1, 1967 and September 4, 1975, the public employment must be at least 50 percent.• You cannot qualify for a retirement pension or other benefit based upon employer contributions from another retirement system (excluding Social Security).• Military service may be purchased as other public employment only if you entered SURS on or before September 1, 1974. If you entered SURS after September 1, 1974, contact SURS for information on other purchase options to establish military service.• Other public employment may not be used to meet SURS' minimum vesting requirements. | |
| <p><i>Cost</i></p> | |
| <ul style="list-style-type: none">• Method 1 - To determine the cost for each year of service purchased, multiply the full-time annual salary rate at the date SURS participation began by an 8% contribution rate*. Multiply this product by the following interest rates.<ul style="list-style-type: none">♦ Interest Rate - 6% compounding annually from date of certification through 8/31/82. Beginning 9/1/82, the interest compounds annually based on the <u>effective</u> rates. Interest compounds through the month in which the payment is made, regardless of the day of the month payment is received. | |
| <p>*Contribution Rate</p> | |
| <ul style="list-style-type: none">-If SURS Termination date before 7/31/72 - 12%-If SURS Termination date between 7/31/72 and 8/27/73 - 10%-If SURS Termination date on or after 8/28/73 - 8%• Method 2 - One-half the actuarial value of the increase in the retirement annuity provided by this service, <u>whichever provides the lowest cost</u>. This cost cannot be determined until shortly before the actual date of retirement. Projections have shown that this method rarely provides the cheapest cost. | |

SURS RESPONSIBILITY

SURS will request verification from the employer for the starting and ending date of the period of time being considered for the purchase of prior service or leave of absence (See pages 1 though 8 of this section).

When SURS receives all the completed documentation, the employee's file will be directed to the Member Service Representative who will calculate the cost of the Service Credit purchase. If any information is missing, or if we require additional documentation to process the Service Credit purchase, we will contact either the employee or the employer.

Once all information is received, the Member Service Representative will review it to determine the eligibility. If ineligible, SURS will let the employee know that he or she cannot make the purchase. If eligible, SURS will calculate the cost of the purchase and send the employee the Summary Letter (Fig. 8a, 8b, 8c, and 8d) with details on how to make the purchase.

It is SURS responsibility to implement, process, calculate, and inform the employee about information concerning his or her Service Credit purchase on a timely basis.

If the employee has elected to use installments to purchase service credit on the Summary Letter, SURS will mail the employee the Irrevocable Payroll Deductions Authorization form.

Assuming that these forms are completed and returned to SURS by the required dates, SURS will mail a confirmation letter to the member verifying that payments will be deducted from their payroll and provide the employer with an Employer Action Report (Fig. 10) notifying the employer to begin payroll deductions.

Fig. 10

| SDBJR | State Univ. Retirement System | 12/01/01 | Page | 1 | | |
|--|---------------------------------------|---------------------|--------------|-------------------|-------------------------|---------------|
| LC EA02S | Tax-Deferred Deductions For Purchases | 3:30:16 | | | | |
| Quarterly Action Report for 1/01/2002 | | | | | | |
| Attention: Cheryl L. Cummings Coordinator of Personnel Services Personnel Carl Sandburg College 2232 S Lake Storey Road PO Box 1407 Galesburg IL 61402 - 1407 | | | | | | |
| These changes apply to the member's first pay period ending on or after 1/01/2002 . | | | | | | |
| If the member's pay frequency (nbr/year) is not correct, please contact Shelley Porter at (217)378-8864. | | | | | | |
| SSN/ Name | Action | Deduction Amount | Nbr/ Year | Required Total | Start Date End Date | Purch Type |
| Mat | -13 ADD Dennis | 205.00 | 24 | 4,920.00 | 1/01/2002 12/31/2005 | PS |
| Arc | ADD tz W | 161.50 | 24 | 3,876.00 | 1/01/2002 12/31/2005 | PS |
| Sch | 6 ADD S | 331.36 | 24 | 7,952.65 | 1/01/2002 12/31/2002 | PS |
| ** END OF REPORT ** | | | | | | |

Additional Information

1. Most purchases may be made by using payroll deductions or by a rollover from other qualified plans including IRAs, 403(b)s, and 457 plans. However, payroll deductions may not be made to purchase service credit with one of the state reciprocal systems and employees may not roll over money from an “in service” plan to purchase service credit if they are enrolled in the Self Managed Plan.
2. All purchase types, except Repay Refund and Leaves, require a full-time salary equivalent. All calculations are based on the full-time salary equivalent on the date the employee was first certified with SURS.

SURS does not have a formula or calculation to determine the full-time salary equivalent.

3. The “Affidavit of Public Employment” form is the employee’s responsibility to complete and return to SURS. This form must be forwarded to the proper authorities affiliated with the other retirement system(s).
4. All purchases must be made **prior** to the employee’s retirement date.
 - Prior Service, OPE, and Military Time can be purchased in a lump sum or in 1-year increments.
 - Repay Refunds must be paid in a lump sum.
 - Leaves can be paid on a payment plan if the payments are made during the leave, or paid in a lump sum if the payment is made after the leave.
5. Once the employee receives the letter outlining the cost and how to purchase it, he/she will receive instructions on where to send the money. If the payment is a lump sum cash payment, they must send it in the self addressed envelope to our bank in Chicago at State Universities Retirement System, P.O. Box 92424, Chicago, IL 60675-2424. If the payment is a direct rollover, they must send it directly to SURS.
6. The employee has the right to purchase any eligible service up to the date of retirement. Costs to purchase service credit increase each month due to additional interest. SURS will supply current costs for unpaid service when the employee requests an update.

