



Purchases & Transfers of Service Credit

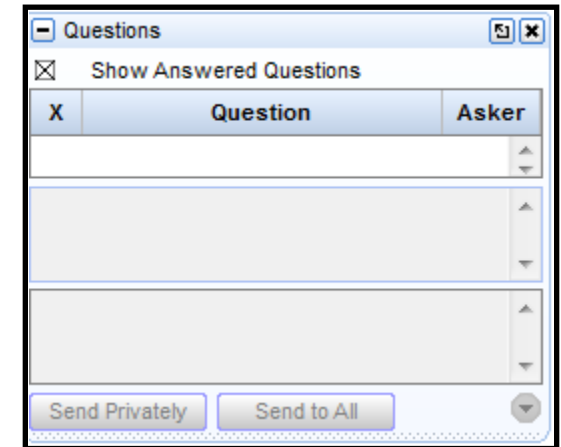
Friendly reminders

- This presentation contains general information.
- It is meant to be used as a guide during the webinar.
- All participants are muted during the webinar.
- Have a question?
 - » Type your question in the **Questions** area during the webinar. The moderator will see it and respond.
- There will be a question-and-answer period at the end of the webinar.
- Please maximize your screen size to have full use of the webinar's features.

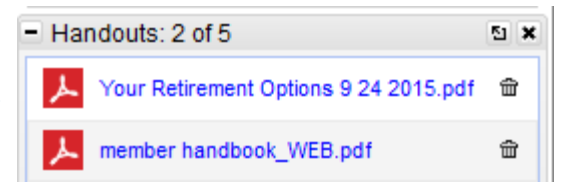
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Type your question here.



Download handouts from today's webinar here.



Agenda

Types of TRSL retirement plans

How your benefit is calculated

Service credit

Types of purchases

Refunded service credit

Actuarial purchases

Actuarial transfers

Reciprocal recognition of service credit

Transfers vs. reciprocals

About TRSL



- Established in 1936
 - » Public trust fund
 - » Defined benefit plan
 - » Largest public retirement system in Louisiana
- Benefits guaranteed by the state constitution

TRSL retirement plans

Regular Plan

- Most TRSL members, including: teachers, administrators, support staff, university personnel, etc.

Plan A

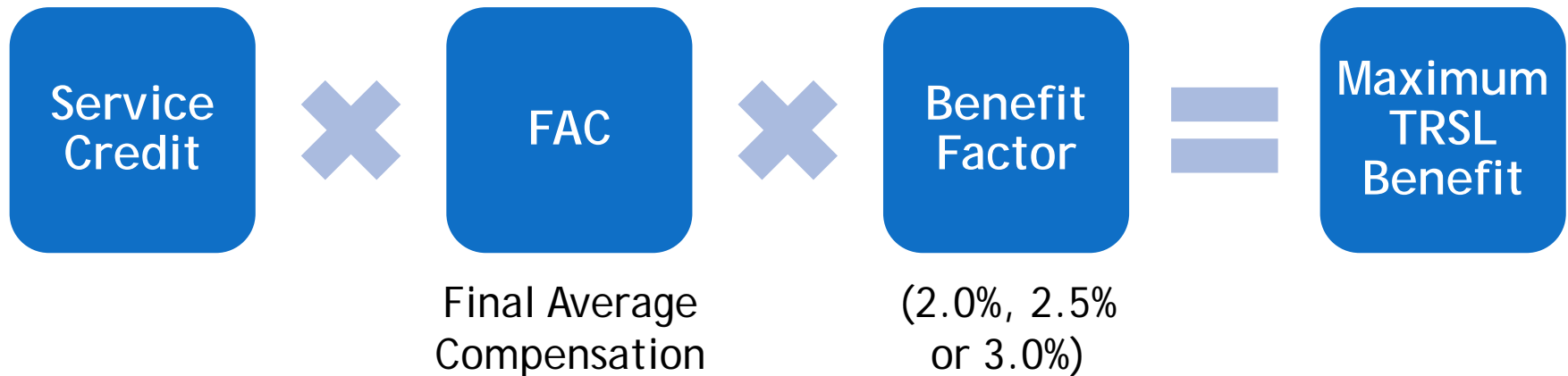
- School food service employees

Plan B

- School food service employees in 20 parishes

How your benefit is calculated

State law defines the benefit formula used to calculate the maximum TRSL benefit for which you are eligible:



How you earn service credit

- Service credit is based on the amount of time you work and contribute to TRSL.
- You earn 100% of a year for each full contract year worked.
- You cannot earn more than 1.00 service credit in a 12-month period (July 1-June 30).
- Members can earn credit for part-time employment.
- It is rounded to the closest one-tenth of a year, not to exceed 100% of a year, at the time of retirement or entering DROP.

Purchases & transfers of service credit

- Service credit can be purchased for eligible periods of service for which you do not already have TRSL service credit:

Refunded
service credit

Military service
(USERRA)

Actuarial
purchases


Actuarial
transfers

Reciprocal
recognition of
service credit

NOTE: Any purchases, transfers, or reciprocals must be completed before the effective date of your retirement or DROP participation.

Refunded service credit

- Withdrawn TRSL contributions (all or a portion) can be restored.
- There is no actuarial fee (cost calculated by TRSL staff)
- Cost to restore = amount withdrawn + interest (annual rate of 7.75%, compounded daily)

		Teachers' Retirement System of Louisiana 8401 United Plaza Boulevard • Baton Rouge, LA 70809-7017 P.O. Box 94123 • Baton Rouge, LA 70804-9123 Telephone: (225) 925-6446 • Fax: (225) 922-2522 www.trsl.org	Form 9D (08/02) 03-9D
Application for Purchase of Refunded Service			
<small>Print in ink or type all entries except signatures. Application should be received by the Teachers' Retirement System of Louisiana (TRSL) at least six months in advance of applying for retirement or DROP. Complete this form in its entirety to allow a thorough microfilm search for refunded records to be made. The time frame for which service is to be purchased must be provided so that the employer can certify employment. TRSL will request certification from each employer.</small>			
<small>DO NOT use this form if you are now a member of another Louisiana public retirement system. Use Form 8BR or 8BT.</small>			
Incomplete forms are not acceptable for evaluation by TRSL and will be returned directly to the applicant.			
Member information			
Name: Last, first, MI, suffix (Jr., III, etc.)		Social Security number	
Street / P.O. Box		Date of birth	
City, state, zip		mm-dd-yyyy	
Daytime telephone	Evening telephone	E-mail address	
()	()		

PLEASE NOTE:
If you plan to purchase service credit, it must be certified by your employer before you retire.

Uniformed Services Employment & Re-employment Rights Act of 1994 (USERRA)

- Actuarial fee does not apply (calculated in-house)
- Requirements:
 - » Return to TRSL-covered employment within 90 days after you were honorably discharged from military duties
 - » Did not change TRSL employers immediately before and after your military service
 - » Must purchase within 4 years of honorable discharge
 - » Can purchase up to 5 years of service credit
- A member will automatically get service credit for eligibility purposes for USERRA even if they choose not to purchase the service credit for computation purposes

Eligible actuarial purchases

Legal leaves of absence	Sabbatical leave
Substitute teaching service	Involuntary furlough
Local/state public employment	Out-of-state public school service
* Nonpublic/private school service (in-state only)	* Non-TRSL participating charter school service
* Military service (non USERRA)	* U.S. dependent school teaching service

Must include salary at the time of employment for an actuarial purchase estimate and it also must be first certified by your employer.

*These purchases require a non-refundable fee of \$150 payable to TRSL (actuarial cost)

Ineligible actuarial purchases

- Any type of student employment (including graduate assistant or student teaching)
- Worker's compensation time - if member chose to pay contributions on worker's comp pay instead of full salary rate
- Any type of federal employment
- Most types of contracted work
- Employment in private industry
- Employment outside the U.S. (unless U.S. dependent school or military base teaching)

Actuarial transfers

- Members holding credit in more than one Louisiana public retirement system can transfer the service credit to their current retirement system.
- Member must initiate the process with TRSL; it is not automatic
- Benefit based on transferred credit calculated using the retirement benefit factor of the transferring system
- Both service credit and funds are transferred.
- If you have service in multiple systems, it is beneficial to transfer your service all at one time.
- There is a \$150 nonrefundable calculation fee for transferring service into TRSL.

Reciprocal recognition

- Members holding credit in more than one Louisiana public retirement system can combine years of service credit to determine eligibility for retirement.
- No transfer of funds/service credit takes place. There is also no actuarial fee.
- Each system recognizes credit in other system to meet retirement eligibility.
- Member must meet highest minimum requirements of each system to retire.
- Receive a retirement benefit from each system.
- Based on highest average compensation and service credit in respective system.
- There are 20 recognized Louisiana public retirement systems.

Transfers vs. reciprocals

Actuarial transfer	Reciprocal recognition
Funds and service credit transferred	No funds or service credit transferred
Eligibility based on current system	Meet highest minimum eligibility of each system
Receive retirement benefit from current system	Receive retirement benefit from each system
Possible actuarial cost to transfer service credit; \$150 nonrefundable calculation fee	No cost to establish a reciprocal
All refunded service credit must be restored	Must have service credit in order to be recognized
Irrevocable once funds have been transferred from the other system	May be canceled at any time before retirement or DROP

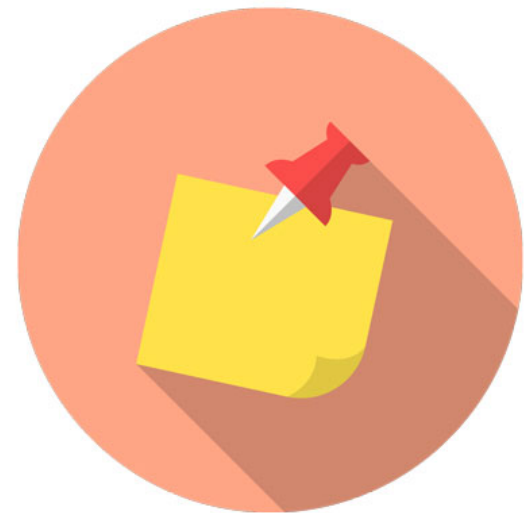
Rollovers accepted as payment

Rollover eligible
401(a)
401(k)
403(a)
403(b)
408(a)
408(b)
457(b)

- Rollover funds must be in member's name
- Cannot use rollover funds from accounts in spouse's, child's, or parent's name

Things to do now

- Register for **Member Access**.
- Submit copies of important documents:
 - » Social security cards (member and beneficiary/ies)
 - » Birth certificates (member and beneficiary)
 - » Legal documents (including divorce decrees, judgment of separation, and/or community property settlements)
- Update address.
- Update beneficiary/ies.
- Get a retirement estimate...
submit Form 10 or on Member Access



Summary

- TRSL members can purchase or transfer credit for eligible service.
- Purchases must be completed prior to retirement or entering DROP.
- Rollovers can be used to purchase service credit.
- Investigate all your options as early as possible to decide what is best for you.



What's coming up?

Register online at *www.TRSL.org*:

Feb. 16 SSA Offsets

March 9 Understanding ILSB

March 16 Retirement Eligibility

April 6 Understanding DROP

Questions?



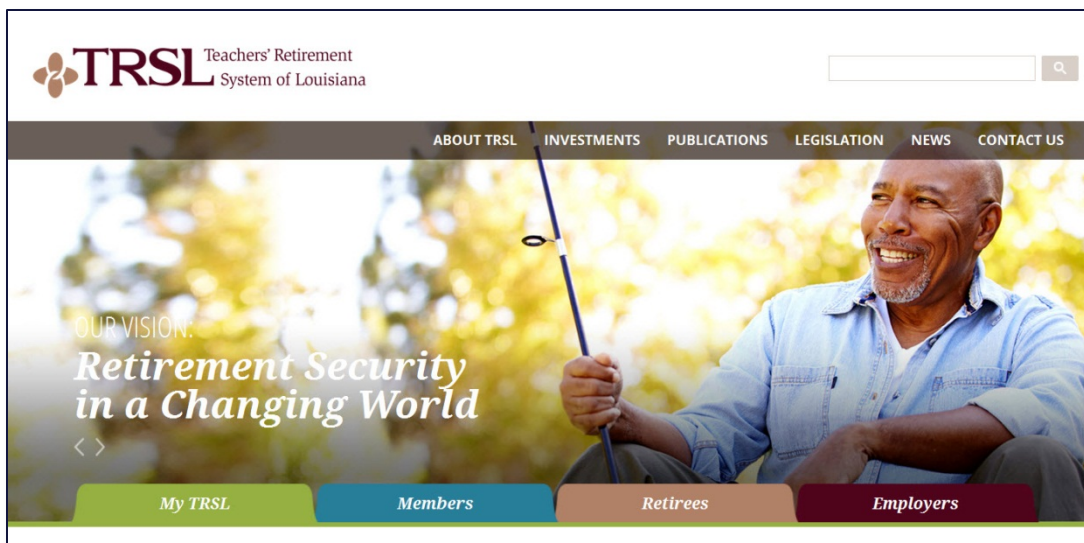
Online access to your TRSL account

Member Access is a secure website where you have all the tools you need to plan for retirement:



- View service credit, contributions and beneficiary designations
- Create a benefit estimate
- Update your name or address
- Apply for retirement

Create your account today!



Find it online...

- Forms
- Brochures
- Newsletters
- & More!

We are here for you!



Local phone: (225) 925-6446

Toll free (outside Baton Rouge):
1-877-ASK-TRSL (1-877-275-8775)

Website: *www.TRSL.org*

Email: *web.master@trsl.org*



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