

Purchasing Retirement Credit for a Period of Service Not Credited by the Former LEORS



Please print or type in black ink.
Please do not staple pages

Section A. Tell us about yourself.

FIRST NAME	MI	LAST NAME		SUFFIX
MAILING ADDRESS				SSN
CITY	STATE	ZIP CODE	TELEPHONE NO.	MEMBER ID
E-MAIL ADDRESS				DATE OF BIRTH

Section B. Please tell us the last Retirement System into which you contributed.

This purchase type is available to you if you are not retired but have maintained credit in one of the following systems:

- ☐ Teachers' and State Employees' Retirement System (TSERS)
- ☐ Local Governmental Employees' Retirement System (LGERS)

LAST EMPLOYER IN THIS SYSTEM

Section C. Please review the eligibility requirements specified by law for this purchase.

The following requirements must be met to purchase retirement credit for law enforcement officer service that was not credited in the former Law Enforcement Officers' Retirement System (LEORS):

- (1) Your employer was participating or eligible to participate in LEORS.
- (2) You had an account in the LEORS which was either transferred to TSERS on January 1, 1985 or transferred to LGERS on January 1, 1986, but not ever withdrawn (see Form 461).

- (3) You performed service as a permanent, full-time law enforcement officer, but this period of service is not already credited in any North Carolina retirement system.
- (4) This period of service was not service performed as an officer trainee or cadet prior to September 1, 1982.
- (5) You have ten years of contributing membership service since the end of the eligible period. (Service transferred from the LEORS may be counted.)

You are not required to be a currently contributing member of the System in Section B, but you cannot be retired.

Section D. Please list any periods which meet the requirements in Section C.

1	For what employer did you serve as a law enforcement officer? A separate form is required for each employer.	EMPLOYER	
2	What is the start date and end date of the period that meets the eligibility requirements given in Section C? What was your position title and last name?	START DATE	END DATE
	POSITION TITLE	LAST NAME DURING THIS PERIOD	
3	Is there an additional period with this employer that meets the requirements in Section C?	START DATE	END DATE
	POSITION TITLE	LAST NAME DURING THIS PERIOD	

Section E. Please authorize with your signature the preparation of a cost statement.

I certify that I have read the Guides. I certify that the period(s) I gave in Section D meets the eligibility requirements given in Section C. I certify that the information I have provided herein is accurate to the best of my knowledge and belief.

Signature _____ Date _____

Please give this form to the employer for whom you worked during your eligible period. This employer will complete Sections F and G and submit it to the Retirement Systems Division (RSD). After RSD has received a properly completed form from the employer, RSD will calculate your cost to purchase this service and will mail you a cost statement with further instructions.

Please submit this form to your employer for whom you worked during your eligible period.

Section F. Employer, please verify the employee's period of service.

Employer, review the periods given in Section D and the requirements in Section C. What is the start date and end date of the period(s) that meet the eligibility requirements given in Section C? For each, give the rate of compensation.

4	START DATE	END DATE	BASE PAY RATE	<input type="checkbox"/> per hr
				<input type="checkbox"/> per yr
POSITION TITLE				

5	START DATE	END DATE	BASE PAY RATE	<input type="checkbox"/> per hr
				<input type="checkbox"/> per yr
POSITION TITLE				

6 What were the hire and the termination dates of this employee?

HIRE	TERMINATION
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Section G. Employer, please certify the information you have provided.

I have examined the personnel records of this unit, and I hereby certify that the information provided in Section F about the employee named in Section A is true and correct to the best of my knowledge. If any of this information changes, I will notify the Retirement Systems Division.

Employer Contact's Signature _____		Date _____	
CONTACT FIRST NAME	CONTACT LAST NAME	POSITION TITLE	
EMPLOYER/AGENCY		UNIT NO.	
E-MAIL ADDRESS	TELEPHONE NO.	FAX NO.	

Section H. Please submit this form by mail or fax.

This form is also available online in [ORBIT](#).

- You may mail the completed form to the address below, or
- You may fax the completed form to (919) 855-5800

Thank you.

N.C. Department of State Treasurer, Retirement Systems Division
3200 Atlantic Avenue, Raleigh, North Carolina 27604
1-877-NCSECURE (1-877-627-3287) toll-free
www.myncretirement.com

MEMBER LAST NAME	MEMBER SSN
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Guide A. Why should I purchase retirement credit?

The amount of your retirement benefit is directly related to how much retirement credit you have. Most retirement credit is earned by making contributions to the Retirement System while working and receiving pay from an employer covered by the Retirement System, but some circumstances exist where a purchase of credit is allowed by North Carolina retirement law and may be to your advantage. Form 481 addresses the purchase which may be allowable if you served as a law enforcement officer with a unit that was eligible to participate in the former Law Enforcement Officers' Retirement System (LEORS), but did not, or your service as a law officer was not granted credit in this former system (see 20 NCAC 2K.0502 (c)). For other circumstances, see Guide D.

If this period of service meets the requirements given in Section C of this form, you may be interested in purchasing this retirement service credit. In some cases, the increase in

retirement credit from a purchase will result in an increase to your retirement benefit. In other cases, a purchase of additional service will allow you to retire at an earlier age. It could also eliminate or reduce reduction factors that cause your retirement benefit to be reduced because of retirement at too young an age.

If you make a purchase, you are guaranteed that the cost of the purchase (less the \$25 administrative fee for making the purchase) may be refunded to you if you decide to withdraw all of your service and contributions from the Retirement System at a later date. Similarly, if you die before retiring, or you die in retirement but before receiving benefits equaling the contributions and purchases you made, your beneficiary (ies) will be entitled to the undistributed contributions and purchases. (No contributions or purchase amounts provided by your employer will be refunded to you.)

Guide B. How do I get a cost statement? What will it say?

First, you must complete Sections A through E of this form. Next, route it to the applicable employer to complete Sections F and G. This employer should submit the form to the Retirement Systems Division to verify your eligibility to purchase and then prepare a cost statement. The cost statement gives the cost of the purchase, how much credit it represents, and whether the law permits you to purchase part or all of the eligible period.

Amount of Cost

North Carolina law specifies the methods for determining the cost of credit for an eligible period. The cost of a purchase depends on when the purchase is made after becoming eligible to purchase the service credit.

(1) Within the first three years of becoming eligible to purchase. The first part of the cost is your monthly compensation at the time your most current membership in the Law Enforcement Officers' System began, times 5%, times the number of months of service for which credit is to be purchased, plus the interest rate of 6.5%, compounded annually from the date of membership to the date of payment. The second part of the cost, which represents your employer's contribution, is the first part of the cost times 135%. Separate employee and employer costs will be calculated; however, if the employer chooses not to pay the employer cost, the entire cost will be your responsibility.

(2) After the first three years of becoming eligible. To get a quick estimate of the cost, use the Service Purchase Estimator available at www.myncretirement.com. The cost

of this purchase is the actuarial cost, which is calculated under the same assumptions

of interest rates and salary progression as used in the actuarial valuation of the System's liabilities, also taking into account the larger retirement benefit as a result of the purchase starting at the earliest age a member could retire on an unreduced retirement benefit. The entire cost is your responsibility.

Possibility of Employer Sharing the Cost. Retirement law does allow the employer to provide the funds representing the employer's typical contribution or some other part, but it is your responsibility to approach the employer about this possibility with the cost statement. Employers must avoid discriminating against other employees in providing funds for a particular employee's purchase.

Administrative Fee. Additionally, this purchase requires a \$25 administrative fee, which is itemized on the cost statement.

Amount of Credit

You will be awarded the same amount of credit you would have earned had your service been creditable.

For category (2), you may choose to purchase all of your eligible credit or you may purchase a portion of it in increments.

Expiration Date of Statement

All cost statements have an expiration date. If you do not make the purchase by that date, the cost of the purchase will have to be recalculated based on the cost method specified by law for the purchase.

Please continue to the next page.

Guide C. After I receive my cost statement, how do I make a purchase?

Next you will study the impact this purchase may have on your retirement benefit. You will not be able to make this type of purchase after you retire. You may request the Retirement Systems Division to prepare an estimate of retirement benefits for you with and without the purchase. Or, you may visit www.myncretirement.com to use a web benefits estimator and/or refer to your online member handbook.

If you choose to make the purchase, you may use pre-tax money from an eligible retirement plan or IRA to make the pur-

chase (see and prepare Form 398 available at www.myncretirement.com). In that case, your plan administrator will give you a check to forward to the Retirement Systems Division. Otherwise, you will provide a check to the Retirement Systems Division. All checks for one purchase must be received together.

Under certain and limited circumstances, your beneficiary(ies) may complete the purchase process if your death occurs while you are waiting for or evaluating a cost statement.

Guide D. What other types of purchases may be available?

North Carolina retirement law recognizes that you, a participant in the one of North Carolina's Retirement Systems, may not have had the opportunity to make contributions and receive credit for certain periods in your public service career. The following list generally describes other circumstances for which a purchase may be allowed.

- Your employer was not eligible to participate in a Retirement System, but you have public service (federal, federally-funded, military, or out-of-state service) that you may be eligible to purchase.
- Your employer did not participate in a System, although it was eligible.
- Your employer did participate in a Retirement System, but your position was not eligible for participation at the time.

- You are or were participating in the Retirement System with your employer, but a life or career event caused your service to be interrupted over a period during which you do not work and make contributions.
- You withdrew your service credit and contributions from the Retirement System, but you wish to restore that credit following a return to contributing service for five years.

Not all purchase types are available in all systems.

Visit [ORBIT](#) to download the appropriate form, or contact us at the address or telephone number below for further guidance.

These guides are subject to and governed by the General Statutes of the State of North Carolina.