

CREDITABLE SERVICE CHEAT SHEET

This sheet is being provided to assist you in determining whether you have included all creditable service when preparing the service schedule of the new pension application or creditable service of employee. When in doubt as to the creditability of a service period, please contact the Pension Office for advice or a determination.

- **REVIEW P-1 (EMPLOYEE ACTUARIAL FORM)**

The data on this form may contain information on an employee's prior State of Delaware service of which you may not be aware of or have documentation on. This way, you can request verification from the agency/school district, prior to submitting the pension application. The employee may also have provided information regarding military service as well as employment for another State or Federal Government; a county or municipality of the State of Delaware or a political subdivision of another State; or in an accredited private school or college. If no information is provided on this form, please make it a point to check with the employee.

- **MILITARY SERVICE
(Need DD form 214 for Verification)**

If the employee was hired prior to 7/1/76 and came into State service within 5 years after his completion of his full-time active-duty, or within 5 years after his completion of a course of professional or vocational training, if such course was begun within 5 years after his completion of his tour of duty, he can receive up to 5 years free military service. Free military service should be listed as the first line under pension creditable service on the application, if it was prior to their employment, otherwise it should be listed chronologically.

NOTE: Free military service can only be used to establish eligibility towards a 30-year retirement. It may not be used towards establishing service eligibility for a reduced service pension; however, after the employee has at least 25 years of creditable service; it will be applied in determining the reduction factor.

If the employee was hired after 7/1/76, active military service is purchasable at an actuarial rate. It does not matter if they started State employment within 5 years after their discharge. This military service should be listed under buy-in service on the pension application.

Employees called to active duty while employed by the State, and are out on a Military Leave of Absence, may receive free service credit (interrupting military), as long as the employee enters active duty within one month of leaving State employment or within one month of exhausting accumulated leave and returns to State employment within 3 months of discharge from active duty.

- **OTHER PROFESSIONAL EDUCATIONAL EMPLOYMENT
(Need OPEE Verification Form)**

An employee hired prior to 7/1/76, who has full-time other professional educational employment for another State, a municipality in another State, the Federal government or an accredited private school or college anywhere in the world and subsequently became an employee as a schoolteacher, professional administrative or supervisory employee or school nurse employed in a public school, the State Department of Public Instruction, the University of Delaware, Delaware State University or Delaware Technical and Community College, may purchase up to 4 years of their OPEE service at the time of their retirement. The cost is an amount equal to 5% of the final average compensation for each month being purchased (4 years = 48 months). The rate of recoupment is usually 3 years. Any additional service beyond the 4 years and up to a maximum of 10 years may be purchased at an actuarial rate. The rate of recoupment is approximately 11 years.

Employees hired after 7/1/76 with other professional educational employment may purchase up to 10 years at an actuarial rate. Again, the rate of recoupment is approximately 11 years.

NOTE: The purchase of other professional educational employment (OPEE) may only be used for eligibility when establishing a 30-year retirement. It may not be used towards establishing service eligibility for a reduced service pension; however, after the employee has at least 25 years of creditable service for a reduced service pension, purchased OPEE service will be applied in determining the reduction factor.

- **STATE SERVICE**

Prior to 1/1/99, creditable service is determined on a semi-monthly paycycle basis. If an employee's hire date was 1/3/70, the service schedule should reflect credit as of 1/1/70. After 1/1/1999 use exact date of hire, except for 10-month school employees and this should still remain September 1st of each school year. This office is no longer rounding days into months. Exact total years of service should be listed on the application. Do not round days, in the amount of 15 or more, into another month. Example 29 years 11 months and 17 days is no longer rounded to 30 years.

A Leave of Absence is determined on a paycycle basis. Prior to 7/1/01 use semi-monthly dates and after that date use current bi-weekly paycycle dates.

If an employee is entitled to pay in a paycycle, credit will be given for the paycycle. Leaves of absence should be listed only if there is no entitlement to pay for a whole paycycle. LOA's are purchasable service and should be listed under "Eligible for credit under buy-in provisions". LOA documentation (to show that it was approved, what type of leave, and the dates of the LOA) should be forwarded with the pension application or creditable service of employee.

Workers' Compensation periods are listed with exact dates as long as the employee has sufficient leave to justify receiving a supplement from the State. Once all accrued leave is exhausted, it is then treated as a Leave of Absence period due to workers' compensation, on a paycycle basis. Again, only whole paycycles missed are listed. This period is also purchasable. W.C. documentation (Agreement as to Compensation, Check Advices, Final Receipt of Compensation, and Salary Adjustment Sheets) should be forwarded with the pension application if the W.C. period occurs within the last 5 years of employment. The Pension Office will request additional periods of W.C. documentation if necessary. This information will be used to ensure that the W.C. adjustments are applied to the proper paycycles in determining the applicant's highest 36 months of salary.

CETA employment is not creditable service if the employee was a participant in the CETA program. Only employment in an administrative capacity of the program is creditable service. This time may be purchased at retirement at an actuarial rate.

Suspensions without pay are also determined on a paycycle. This is non-purchasable service.

Casual/Seasonal employment is non-creditable. It also is non-purchasable service.

Part-Time employment – a position where the employee worked less than 2 ½ hours per day (50 hours per month) and earned less than \$200.00 per month is non-creditable service. This is also non-purchasable service.

Temporary employment – may be considered pension creditable for an AGENCY if:

- it is an authorized & budgeted position,
- the position is vacant and employee occupied the position on a temporary or limited term basis,
- the original occupant of the position is on a leave of absence WITHOUT PAY,
- dual incumbency approval has been authorized.

For a SCHOOL DISTRICT, if occupant is employed with a temporary contract and/or as a long term substitute.

- **BREAK IN SERVICE**

If you leave State service before you have acquired 5 years of creditable service, your service credits will be cancelled. They will be restored if:

- your discontinuance of employment is due to absence on account of military service, disability, or approved leave, and you again become an employee within 4 months following the completion of such military service, disability, or approved leave, or
- you again become an employee within 4 months after you leave State employment, or
- you again become an employee within 2 years after you are involuntarily terminated from State employment, or
- you subsequently acquire 5 years of credited service, provided that you repay any contributions you have withdrawn plus interest.

If you cease to be an employee after you have acquired 5 years of credited service, you are fully vested and qualify for a pension at retirement age unless you withdraw your accumulated contributions. Upon termination, a vested pension application or a withdrawal form must be filed by your school or agency human resources office.

If you receive a refund of your contributions and subsequently return to State employment, you should contact the Pension Office for information relative to the options available to you regarding prior service credit.

- **TERMINATIONS**

If the termination is other than an official retirement date prior to 1/1/99, the ending date listed on the service schedule should be the end of the paycycle in which they were entitled to receive pay, after 1/1/99 use exact date of termination. A PCC-1 form should be forwarded to the Pension Office advising of any terminal leave payoffs for possible options to extend for any and all terminations. If there was a withdrawal of pension contributions, credit will not be restored unless a repayment is made and the employee was vested at the time they left, otherwise the service cannot be restored until they are vested in their current period of employment.

If the termination is a last official retirement (including vested pensions), the ending date should be the exact month/day/year of termination.

(Revised 03/05)

If an employee was first hired prior to 7/1/1976 and had at least 20 years of service when they left state employment (and were not eligible to retire at that point in time), they can draw their vested benefit the month after they turn 60 instead of 62.