

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 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 Employee Actuarial Form (Form P-1)

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 for which you may not have documentation. You can request verification from the previous employer(s) 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/her completion of his full-time active-duty, or within 5 years after his/her completion of a course of professional or vocational training, if such course was begun within 5 years after his/her completion of his tour of duty, he/she 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 the 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 established eligibility for a reduced service pension 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 his/her 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 30 days of leaving State employment or within 30 days of exhausting accumulated leave and returns to State employment within 90 days of discharge from active duty.

Note: Refer to Uniformed Services Employment and Reemployment Rights Act (USERRA), as guidelines differ on re-entering employment based on length of tour of 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 OPEE service at the time of his/her 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 actuarial buy-in 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 established eligibility for a reduced service pension, purchased OPEE service will be applied in determining the reduction factor.

State Service

Effective 1/1/2011 Creditable service for date of hire and date of termination is determined using exact dates. (Unless an employee received a letter notifying him/her of a creditable service audit completed by the Office of Pensions, which used entire paycycle dates prior to the implementation of the use of exact dates.) Also, until further notice: Exception is for 9 month, 10 month, or 11 month employees. These should be reflected as their contract dates: 9/1 – 5/31, 9/1 – 6/30, and 8/1 – 6/30.

Leave of Absence

A leave of absence is determined on a paycycle basis.

Prior to 7/1/01

Use semi-monthly dates. (1st – 15th, 16th – 30th/31st)

After 7/1/01

Use 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 at time of retirement. 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 schedule of the employee.

Workers' Compensation (W.C.)

Workers' Compensation periods are listed with exact dates as long as the employee is receiving a supplement from the State or using accrued paid leave. Once all accrued leave and/or supplement is exhausted, it is then treated as a Leave of Absence without pay 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.

Comprehensive Employment & Training Act (CETA)

CETA employment is not creditable service if the employee was only a participant in the CETA program. Employment in an administrative capacity of the program is creditable service. CETA periods are listed with exact dates. Any other participation may be purchased at retirement at an actuarial rate.

Suspensions without pay

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

Casual/Seasonal/Durational

Casual/Seasonal/Durational 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.

Regular, Part-Time employment

An authorized, budgeted position which requires at least 2 ½ hours per day (50 hours per month) or where the part-time rate is at least \$200 per month for at least 9 months during a period of 12 consecutive months.

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 with a contract.

Break in Service

If an employee leaves State service before acquiring 5 years of consecutive creditable service, pension service credits will be forfeited. They will be restored if:

- the employee's discontinuance of employment is due to absence on account of military service, disability, or approved leave, and he/she again becomes an employee within 4 months following the completion of such military service, disability, or approved leave, or
- the employee again becomes an employee within 4 months after leaving State employment, or
- the employee again becomes an employee within 2 years after being involuntarily terminated (layoff, rified) from State employment, or
- the employee subsequently acquires 5 years of credited service, provided he/she repays any contributions withdrawn plus interest.

If Hired Prior to 1/1/2012:

If an employee ceases to be employed after acquiring 5 years of consecutive credited service, he/she is fully vested and qualifies for a pension at retirement age unless he/she withdrew the accumulated contributions. Upon termination, a vested pension application or a withdrawal form must be completed.

If an employee receives a refund of the contributions and subsequently returns to State employment, he/she should contact the Pension Office for information relative to the options available in regard to prior service credit.

If Hired On or After 1/1/2012:

If an employee ceases to be employed after acquiring 10 years of credited service and 5 of the 10 years are consecutive, he/she is fully vested and qualifies for a pension at retirement age unless he/she withdrew the accumulated contributions. Upon termination, a vested pension application or a withdrawal form must be completed.

If an employee receives a refund of the contributions and subsequently returns to State employment, he/she should contact the Pension Office for information relative to the options available in regard to prior service credit.

Terminations

Effective 1/1/2011

The ending date listed on the service schedule should be the exact date of termination. This includes an official retirement date (as well as vested pensions).

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 he/she is vested in his/her current period of employment.