



PURCHASING PREVIOUS SERVICE CREDIT INFORMATION & APPLICATION

What is service credit?

Service credit is retirement credit for time worked. Contributory members earn service credit for each payroll period in which they work, and a retirement contribution is made. Non-contributory Plan E members earn service credit for each payroll period in which they receive earnings. Service credit is one of the factors used to calculate the allowance you will receive when you retire. The other factors are your retirement plan, age at retirement, and final compensation.

The advantages of purchasing service credit

Since years of service credit are one of the factors that determine the monthly allowance you receive when you retire, **the more years of service credit you have, the higher your monthly retirement allowance may be.** Please note the purchase or conversion of service credit does not always yield an increase in retirement benefits. For example, if you retire under a service-connected or nonservice-connected disability, this additional credit may not increase your retirement allowance.

Service credit also affects the cost of your LACERA-administered retiree healthcare benefits. The County subsidizes retiree medical/dental insurance based on a member's years of service credit; **the more service credit you have, the more the County pays toward your premiums.***

Are you eligible to purchase service credit?

Contributory members in Plans A, B, C, D, and G may purchase service credit for certain types of County and non-County government service.**

County service may include:

- Temporary Los Angeles County service
- Permanent Los Angeles County time prior to LACERA membership
- Redeposit of withdrawn contributions
- Sick Without Pay (SWOP)
- Conversion of prior general service to safety service

Non-County service may include employment with:

- United States of America (federal government), State of California, or any Public Agency located within the State of California
- Military

Other service credit:

- Non-Vested, County service in Plan E
- Los Angeles County service prior to Plan E membership

Purchasing non-County service and other service credit may increase your total years of service credit but will not count toward meeting the minimum service credit requirement to retire, to qualify for a non-service connected disability retirement or pre-retirement survivor benefits, or to defer your retirement.

Plan E non-contributory members are not eligible to purchase service credit but may receive service credit for free under certain eligibility requirements. For details on purchasable service, eligibility, contract terms, and calculation methods, visit the Benefits/Active Member section of lacera.com.

**Certain exceptions apply.*

***Eligibility requirements apply.*

PURCHASING SERVICE CREDIT PROCESS

- You complete and submit the Purchasing Service Credit application to LACERA.
- Depending on type of service credit requested, LACERA may need to request employment verification from outside agencies. LACERA reviews your application and mails you a Cost Notification Letter and Service Credit Contract, which includes payment options.
- You review, select your payment option, sign, and return the contract along with payment and/or rollover form to LACERA.
- LACERA will mail you a confirmation notice for your payment election.
- You may check the status of your service credit purchase by going to lacera.com, My LACERA, and reviewing your LACERA interactions.

APPLICATION TO PURCHASE SERVICE CREDIT

First Name	Middle Initial	Last Name	Employee No.
Address			Last four of SSN
City		State	ZIP Code
Cell Phone	Work Phone		Email
Currently in: <input type="checkbox"/> General Plan: _____ <input type="checkbox"/> Safety Plan: _____			Birth Date (MM/DD/YYYY)

*S-SINGLE, M-MARRIED, P-DOMESTIC PARTNERSHIP, D-DIVORCED, W-WIDOWED

PURCHASING RETIREMENT SERVICE CREDIT

If you are a contributory plan member, you may apply to purchase service credit for county, state, and/or federal service (including military) you performed prior to becoming a LACERA member. You may also apply to purchase credit for service in which you were Sick Without Pay (SWOP) due to illness (including maternity leave) during your LACERA membership. You may also apply to purchase credit for service without pay due to involuntary military duty during your LACERA membership. Or, if you are a safety member, you may apply to convert your prior general service to safety service credit. **All service credit purchases are subject to eligibility regulations.**

If you are currently entitled to a pension, retirement allowance, or reciprocal benefits from any other retirement system or will be in the future, you may not purchase that service credit. However, there is an exception if you are entitled to a military pension.

LEGAL AND BINDING LIMITATIONS

Irrevocable Contracts

Retirement contributions made by you through payroll deductions using before-tax dollars are considered tax-deferred contributions. You will be taxed on these contributions when you receive them at retirement, if you withdraw them upon termination of County service, or when they are paid to your beneficiary upon your death. **Contracts paid using before-tax dollars are irrevocable;** they cannot be changed or revoked, regardless of personal or financial hardships.

Revisable Contracts

If you pay for your contract **entirely** with after-tax dollars, you will be permitted to revise your contract; however, your payments for this contract will not be tax deferred – meaning they are considered part of your current income and will be included in determining your taxable income for the year. You may wish to consult with a tax advisor to determine whether this is a beneficial option for you or not. The revisions permitted are limited as you may only shorten or extend the payment term, based on the type of purchase. Permitted changes do not include revocation or refund of the contract. Under certain conditions, if the contract is not paid in full, LACERA may prorate and credit your account with the paid months/years of service.

Funds Accepted for Purchases

Under the Pension Protection Act, service credit may be purchased with **any** of these types of funds:

- Payroll deductions (using before or after-tax dollars)
- Qualified plans: 401(k)/401(a)/KEOGH
- 457 fund plan transfers: in-service or after termination
- IRAs: non-Roth/non-after tax
- 403(b)
- After-tax dollars



SERVICE CREDIT YOU WANT TO PURCHASE

Eligible County service may include: temporary service (non-permanent, seasonal, intermittent, or part-time); permanent part-time service (less than 3/4 time); redeposit of withdrawn contributions for prior Los Angeles County service; general to safety service conversion; or Sick Without Pay (SWOP) during contributory plan membership.

Eligible non-County service may include: U.S. Government and military service; employment by the State of California; or service with any county or public agency/entity in California.

Eligible other service credit may include: Non-Vested County service in Plan E or Los Angeles County service prior to Plan E membership.

Please attach documentation that will verify the service you are requesting to purchase.

IMPORTANT: If you have previous public service work experience, you may have additional retirement plan options.

Previous Service:

- I worked for the County of Los Angeles as a **temporary employee**.
Start Date: _____ End Date: _____
- I worked for the County of Los Angeles as a **permanent employee**.
Start Date: _____ End Date: _____
- I have missing service credit due to **Sick Without Pay (SWOP)**. Attached is medical verification and/or a birth certificate for maternity leave. Start Date: _____ End Date: _____
- I am a Safety member and I would like to **convert my general service credit to safety service credit**.
Start Date: _____ End Date: _____
- I worked for the **United States government (including military service), the State of California, or a public entity in California**.
- | | |
|---------------------------------|---------------------------------|
| Start Date: _____ | Start Date: _____ |
| End Date: _____ | End Date: _____ |
| Agency/Retirement System: _____ | Agency/Retirement System: _____ |
| Position Title: _____ | Position Title: _____ |

If requesting to purchase military time please submit an undeleted copy of DD-214.

Other name(s) used for employment if different from name on application: _____

Previous employee number(s) if different from number on application: _____

Previous Service Verification Process:

If you indicated you have previous service with L.A. County, the U.S. Government, the State of California, or other public entity in California, LACERA will attempt to verify the information through appropriate contacts to determine purchase eligibility and amount of service credit. Please note, retrieving information from outside sources may take six months or longer.

ACKNOWLEDGMENT AND SIGNATURE

By my signature on this application, I acknowledge and understand:

- This application is only a request for a Cost Notification and does not obligate me to sign a Payment Contract or purchase service credit.
- I cannot receive credit from LACERA for service with another retirement system if I am or will be entitled to receive a pension (with exception of military pension), retirement allowance, or reciprocal benefits from that system.
- The non-county service I purchase (in some cases, county service) will increase my total years of service credit but may not count toward meeting the requirements for certain types of retirement benefits.

Signature: **X** _____ Date: _____

..... LACERA DATE STAMP

LACERA DATE STAMP

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