

## COMPLETING THE APPLICATION FOR PURCHASE OF PRIOR SERVICE CREDIT

Purchasing prior service credit increases your total years of service and counts toward the five years needed to become vested, your eligibility for retirement and the retiree health insurance credit. You may purchase prior service credit if you have ever received a VRS refund and returned to covered employment, or if you have other types of service, such as public service, that you are eligible to purchase. You may purchase all or part of your eligible service as long as it does not overlap with other VRS service or qualify you for benefits under another retirement plan.

**NOTE: If you apply for and are approved to purchase multiple service periods, you must purchase the most recent period first. For Plan 2 members, the cost to purchase the most recent period may be higher.**

### WHEN TO APPLY AND COST OF PURCHASE

You must apply for and pay for prior service credit while you are an active member.

**VRS Plan 1 Members:** If you begin your purchase of prior service credit within three years of becoming eligible, the cost is five percent of your salary at the time of your purchase (or five percent of your average final compensation, if higher than your current salary and you make a lump-sum payment). After three years, the cost is based on an actuarial equivalent rate in most cases. See "Types of Service" for more information.

**VRS Plan 2 Members:** If you begin your purchase of prior service credit within the first year of becoming eligible, the cost will be an amount equal to the approximate average cost of one year of VRS service credit. After one year, the cost will be at an actuarial equivalent rate in most cases. See "Types of Service" for more information.

VRS must receive your completed and certified application at least 90 days before your effective date of termination or retirement to allow adequate processing time.

### HOW TO APPLY

1. Complete Part A of the application and enter your Social Security number at the top of each page. Be sure to select all type(s) of service you are requesting from your prior employer. If you request a purchase of service credit from more than one employer, complete separate applications for each.
2. If you are purchasing a type of service that requires certification, forward the application to the employer where the service was earned. Your employer will complete Part B. (For VRS refunded service or active duty military service, employer certification is not required; forward the application to VRS.)
3. Have the employer where the service was earned certify the prior service in Part B and forward the completed application to VRS at the address shown on the form. If you are purchasing federal or public service, have the employer forward the application to the retirement system in which you participated. The retirement system must complete Part C.

**Note:** Your application including your certification in Part A (and that of your former employer in Part B and the former retirement system or plan in which you participated, if required, in Part C) must be complete or it will be returned to you for the additional information.

### NOTIFICATION OF ELIGIBILITY

VRS will review your application and notify you of your eligibility to purchase the requested service. If you are eligible, VRS will send you a cost letter. The cost letter explains the cost, the months of service you may purchase, and the payment methods available to you. If you do not formally arrange to purchase your service within 90 days of receiving the cost letter and a salary increase is reported to VRS, you must request an updated cost letter. Please allow approximately four weeks for your application to be processed.

**Note:** Do not send your payment to VRS until you receive the cost letter.

### METHODS OF PAYMENT

You may choose to pay for prior service credit by pre-tax or post-tax payroll deduction, by lump-sum payment or a combination of these methods. Lump-sum payment options include a personal check, a rollover from a qualified plan, or a trustee-to-trustee transfer. Detailed information about each type of payment is available on the VRS Web site at [www.varetire.org](http://www.varetire.org) under "Purchase of Prior Service" and will be sent with your cost letter.

## TYPES OF PRIOR SERVICE CREDIT YOU MAY PURCHASE

**Note:** Purchased service, in certain circumstances, may be counted toward eligibility for the hazardous duty supplement. The service must have been provided in a position defined by VRS as hazardous and it must be certified by your employer as eligible hazardous service. Active duty military service or hazardous duty service with an employer that does not participate in VRS, such as public service or federal service with another government agency, cannot be counted toward eligibility for the supplement. Learn more at [www.varetire.org](http://www.varetire.org).

### You may purchase up to 48 months of the following types of service or leave:

**Active Duty Military Service** – You may purchase this service credit if the service is not used in the calculation of an active duty retirement pension (except retirement from the Armed Forces Reserves or National Guard). A copy of Page 4 of your DD214 (Certificate of Release or Discharge from Active Duty) must be submitted with your purchase application for each active duty period. Please see the National Personnel Records Center's Website at [www.archives.gov](http://www.archives.gov) to obtain a copy of your DD214.

**Leave of Absence for Births or Adoptions** – You may purchase up to one year of approved leave of absence per occurrence, up to a maximum of four years, and you must have returned to work between occurrences. Both parents are eligible for this type of purchase.

**Educational Leave of Absence** – Your educational leave(s) must have been approved by your employer.

**Non-Covered Service with a VRS-Participating Employer**– If you were employed by a VRS-participating employer, but you were not eligible for VRS coverage at that time, you may purchase this service. Your service will be calculated as one month of service for each 173 hours as certified by your employer. Qualifying types of service include: part-time or wage service, probationary service, Job Partnership Training Act (JPTA) service, Comprehensive Employment Training Act (CETA) service, and grant-funded service with a VRS-participating employer. Your employer during this period of employment must certify your initial hire and termination dates, and the total number of hours you worked. The period(s) of service must fall within the employer's retirement coverage dates in VRS. During this time, your employer must not have contributed to an optional retirement plan or another retirement plan on your behalf; you may not receive a pension from any of the plans.

**Public or Federal Service in Other Government Agencies** – You can purchase this service if the service does not entitle you to a benefit with the employer's retirement system or any other public retirement benefit including benefits paid from a defined contribution plan. Public service is permanent, full-time, salaried service with another state agency, public school system, public institution of higher learning, or political subdivision in this or another state or territory of the United States. Federal service is permanent, full-time, salaried service with a federal agency. Service with a private employer is *not* eligible.

### Other types of service you may purchase:

**VRS Refunded Service** – If you held a VRS-covered position and took a refund of the contributions in your account, your refund cancelled the service credit you had with VRS. If you are now employed by a VRS-participating employer, you can purchase up to the full amount of service represented by the refund. There is no limit on the amount of eligible refunded service you may purchase. The cost is five percent regardless of plan provisions under which you are covered. **Note:** You must arrange to purchase refunded service within the first three years of rejoining VRS or it must be purchased in a lump-sum payment.

**Leave of Absence for Active Military Service (No-Cost)** – You may receive credit at no cost for each occurrence of approved leave for active duty service in the U.S. Armed Forces if you were employed in a VRS-covered position at the time and you were not dishonorably discharged and returned to a VRS-participating employer within one year of discharge. If you withdrew your contributions and interest from VRS, you may receive this service at no cost after you have purchased the refunded period.

**VSDP Work-Related Short-Term Disability Period** – You may purchase up to six months of VSDP work-related short-term disability per occurrence if no creditable compensation is reported to VRS by your employer for that period. The cost for this service is five percent regardless of the plan provisions under which you are covered and you are eligible to purchase this service at any time prior to termination, retirement or the closing of the VSDP long-term disability claim. Plan 1 members may purchase periods that began on or after July 1, 2011; Plan 2 members may purchase periods that began on or after July 1, 2010. If you are on long-term disability at the time of the purchase, you may make a lump-sum payment only.

# APPLICATION FOR PURCHASE OF PRIOR SERVICE CREDIT



**VIRGINIA RETIREMENT SYSTEM**  
 P.O. Box 2500 ♦ Richmond, Virginia 23218-2500  
 Toll Free 1-888-VARETIR (827-3847)

1. Social Security Number
2. Daytime Phone Number

If you choose to purchase service from *more* than one employer, you must complete a separate application for each employer. Include all service being requested from one employer on the same application.

**PART A. MEMBER INFORMATION**

3. <b>Name</b> (First, MI, Last)	
4. <b>Mailing Address</b> (Street, City, State, Zip+4)	
5. <b>Previous Name(s) Used</b>	6. <b>Birth Date</b>
<p>7. <b>Type of Service Requested</b></p> <p>See "Types of Prior Service Credit You May Purchase" to review the types of service eligible for purchase. Check the appropriate box(es) below.</p> <p><b>Types of service/leave requiring employer certification</b></p> <p><input type="checkbox"/> Leave of Absence for Active Military Service (No-Cost)</p> <p><input type="checkbox"/> Leave of Absence for Births or Adoptions</p> <p><input type="checkbox"/> Educational Leave of Absence</p> <p><input type="checkbox"/> Non-Covered Service with a VRS-Participating Employer</p> <p><input type="checkbox"/> VSDP Work-Related Short-Term Disability Period(s)</p> <p><input type="checkbox"/> Public or Federal Service in Other Government Agencies</p> <p>If you choose to purchase service requiring certification, forward this form to the Employer for certification.</p> <p><b>Types of service not requiring certification</b></p> <p><input type="checkbox"/> VRS Refunded Service</p> <p><input type="checkbox"/> Active Duty Military Service (Attach Page 4 of your DD214 form for each active duty period)</p> <p>If you choose to purchase service not requiring certification, sign below and submit this form to VRS.</p>	
8. <b>Employer at Time of Service</b>	9. <b>Dates of Service</b> From: _____ Through: _____
10. Are you entitled to a retirement benefit from a former retirement system as a result of the service listed above? <input type="checkbox"/> Yes <input type="checkbox"/> No	
<p>11. <b>Member Certification:</b></p> <p>I certify the following: 1) the requested prior service credit shall not be used in the calculation of any retirement benefit received or to be received from any other retirement system including those from a defined contribution plan, with the exception of Armed Services Reserve or National Guard pensions; 2) I am neither now receiving, nor entitled to receive, a benefit from any retirement system based on the service indicated above; and 3) all statements made by me, the undersigned member, are true and correct.</p> <p>I understand: 1) that any person who knowingly makes false statement or falsifies or permits the falsification of any record related to eligibility for membership in the Fund in any attempt to defraud the Fund shall be guilty of a Class 1 misdemeanor; 2) that if the employer is unable to certify the requested service, the purchase will not be allowed; 3) that if an error or misrepresentation is discovered, any adjustments to my account may affect my retirement benefits; and 4) that by signing below, I give permission for my previous employer and/or retirement system to release information about the requested service.</p> <p style="text-align: center;">_____</p> <p>Member's Signature <span style="float: right;">_____</span> Date</p>	

12. Social Security Number
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**PART B. EMPLOYER CERTIFICATION OF SERVICE**  
 (Human Resources Representative: Complete this section.)

Type of Service/Leave Credit to be Purchased	From (Month/Year)	Through (Month/Year)												
<b>13. Leave of Absence for Active Military Service (No cost)</b> from a VRS-covered position <input type="checkbox"/> I certify discharge was not dishonorable. (Reference Page 4 of DD214.) <input type="checkbox"/> I certify the employee returned to work within one year of discharge.														
<b>14. Leave of Absence for Births or Adoptions</b> from a VRS-covered position (per occurrence)														
<b>15. Educational Leave of Absence</b> from a VRS-Covered Position														
<b>16. Non-Covered Service with a VRS-Participating Employer</b> Total Hours: _____														
<b>17. VSDP Work-Related Short-Term Disability Period(s)</b> (Enter periods for which no creditable compensation was reported to VRS.)														
<b>18. Federal Service</b> (Permanent, full-time, salaried. Identify any breaks in service in the section below.)														
<b>19. Public Service</b> (Permanent, full-time, salaried. Identify any breaks in service in the section below.)														
<b>20. Explanation of breaks in service (for federal or public service)</b> _____ _____														
<b>21. Name of retirement system or plan in which member participated (for federal or public service)</b>														
<b>22. Certification</b> <p>I hereby certify that the service/leave period listed above is true and correct based on official records. For federal or public service, I hereby certify that this individual was engaged in public or federal employment in a permanent, full-time, salaried position with a state agency, public school system, public institution of higher learning, political subdivision in this or another state or territory of the United States, or with a federal agency during the above stated time period. Service with a private employer is not eligible. Further, to my knowledge, the service/leave period listed above is not used in the calculation of any retirement benefit received or to be received from any other retirement system including those from a defined contribution plan, with the exception of reserve or national guard pensions.</p> <p>The Code of Virginia §51.1-124.10 states that any person who knowingly makes false statement or falsifies or permits the falsification of any record related to eligibility for membership in the Fund in any attempt to defraud the Fund shall be guilty of a Class 1 misdemeanor.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;">_____ Signature</td> <td style="width: 20%; border: none;">_____ Phone</td> <td style="width: 30%; border: none;">_____ Date</td> </tr> <tr> <td style="border: none;">_____ Printed Name</td> <td style="border: none;">_____ Title</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">_____ Employing Agency Name</td> <td style="border: none;">_____ Address</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">_____ VRS 5-digit Employer Code (if it applies)</td> <td style="border: none;">_____ City/State/Zip</td> <td style="border: none;"></td> </tr> </table>			_____ Signature	_____ Phone	_____ Date	_____ Printed Name	_____ Title		_____ Employing Agency Name	_____ Address		_____ VRS 5-digit Employer Code (if it applies)	_____ City/State/Zip	
_____ Signature	_____ Phone	_____ Date												
_____ Printed Name	_____ Title													
_____ Employing Agency Name	_____ Address													
_____ VRS 5-digit Employer Code (if it applies)	_____ City/State/Zip													

23. Social Security Number

**PART C. FORMER RETIREMENT SYSTEM CERTIFICATION**

The individual identified in Part A would like to establish credit for federal or public (out-of-state or in-state) service with the Virginia Retirement System. This service may include employment with a federal agency, state agency, school board or political subdivision in this or another state or territory of the United States. Virginia law does not permit the purchase of this credit if the individual is eligible to receive a benefit under another retirement system/plan as a result of such employment.

24. Does the service listed in Part B accurately reflect the service in your system?  Yes  No

If no, enter dates of service: From: \_\_\_\_\_ To: \_\_\_\_\_

25. Has this individual withdrawn all eligible contributions from your retirement system?  Yes  No

**26. Certification** (Choose the appropriate statement)

- On the basis of official records, I hereby certify the service listed in Part B of this application is **not** used in the calculation of any retirement benefit the applicant is receiving or is entitled to receive from this retirement system including those from a defined contribution plan with the exception of reserve or national guard pensions.
- On the basis of official records, I hereby certify the service listed in Part B of this application is used in the calculation of a retirement benefit the applicant is receiving or is entitled to receive from this retirement system including those from a defined contribution plan with the exception of reserve or national guard pensions.

Comments: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature Phone Date

\_\_\_\_\_  
Preparer's Printed Name Title

\_\_\_\_\_  
Retirement System/Plan Name Address

\_\_\_\_\_  
City/State/Zip

**Return this application to:**  
Virginia Retirement System  
P.O. Box 2500  
Richmond, Virginia 23218-2500