

5 N 5th Street
Harrisburg PA 17101-1905
Toll-free: 1.888.773.7748
www.psers.pa.gov
Fax: 717.772.3860
PSRS-278 (10/2020)

Guidelines For Completing Your Purchase of Out-of-State Service



To purchase service with the Public School Employees' Retirement System (PSERS), you cannot be receiving, have received, or be eligible to receive a benefit from the out-of-state system. If you have not received a benefit, you will be required to withdraw from the out-of-state pension system. Such withdrawal may include only your employee contributions and the interest on your employee contributions. **Warning: Any withdrawal that included or includes employer contributions, interest on employer contributions, an employer match of employee contributions, or any employer match of interest earned on employee contributions will make you ineligible to purchase out-of-state service with PSERS.**

What is Out-of-State Service?

Out-of-state service is defined as service rendered in a public school in another state in the United States where at least one year of service credit was rendered.

Who is Eligible to Apply?

- Active contributing members of the Public School Employees' Retirement System (PSERS).
- Multiple service members who are active members of the State Employees' Retirement System (SERS).

How Do I Apply?

Have the employer and retirement system, where you rendered the out-of-state service, complete their portion of a *Purchase of Out-of-State Service* form. **If your out-of-state service was with more than one employer, have each employer complete a separate application. It is important that you provide the employer with these instructions for accurate completion. Your application must be received by PSERS while you are an active contributing member of PSERS or an active multiple service member of SERS.**

What are the Limitations?

To purchase service with PSERS you cannot be receiving, have received, or be eligible to receive a retirement benefit from any other private or public pension fund based on your out-of-state service that you are requesting to purchase. When you withdraw your contributions and interest to close the out-of-state account, you must ensure that you did not receive **any** portion of contributions or interest attributable to the employer.

To be eligible, you must have at least one full year of Pennsylvania school service following your out-of-state service. Your purchase for out-of-state service may not exceed your years of credited Pennsylvania school/state service. Credit may be purchased on a year-by-year basis as you accumulate Pennsylvania school/state service. You may purchase a maximum of 12 years of out-of-state service **or** 12 years of government service **or** any combination of the two. **The total out-of-state and government service purchased may not exceed 12 years.**

How is The Cost Calculated?

Your membership class determines how the cost is calculated.

Class T-C and Class T-D members: The cost reflects your first full school year salary in Pennsylvania following your out-of-state service, multiplied by a combination of both the member and employer contribution rates, multiplied by years of service, plus statutory interest. This interest is compounded annually from the date you became a member or returned to active school/state membership to the date your application is received at PSERS.

Class T-E, Class T-F, Class T-G, and Class T-H members: The cost reflects the present value of the full actuarial cost of the increase in the projected superannuation annuity caused by the purchased service. In other words, the cost equals the projected value this purchase would add to your retirement upon superannuation, discounted by today's dollars.

Who is Responsible For Payment?

You are responsible for both the member's share and the employer's share.

What If I Need Assistance?

Call our toll-free number at 1.888.773.7748 (1.888.PSERS4U) between the hours of 8:00 a.m. and 5:00 p.m. to speak with a retirement representative. Harrisburg local callers may call 717.787.8540.

Where Should My Completed Application Be Sent?

Send To: PSERS
5 N 5th Street
Harrisburg, PA 17101-1905

What Will PSERS Do If I Am Eligible?

A *Statement of Amount Due* will be sent providing you with the cost and payment options available.

All sections of the form must be completed to be accepted by PSERS for review and processing. Sections A, B, and C must be completed by the member. Sections D and E need to be completed by the out-of-state employer. Sections F and G need to be completed by the out-of-state retirement system.

A - Member Information

Prefilled information in this section was provided to PSERS through your employer. Contact your current employer directly if any information appears to be incorrect.

If you are currently an active member of SERS, contact PSERS immediately if any information appears to be incorrect.

B - Member Eligibility

Answer the questions to determine your eligibility to purchase out-of-state service with PSERS.

C - Member Certification

By signing this form, you are certifying that all statements made on this application are true and correct. Any falsifications of this certification may subject you to criminal liability under 18 Pa. C.S. Section 4904 (Unsworn Falsifications to Authorities).

Your signature and the date you signed this form are required for the application to be processed.

After Section A, "Member Information," Section B, "Member Eligibility," and Section C, "Member Certification," are completed, please forward this form to your previous employer where you rendered your out-of-state service.

D - Employment Information

The employer where the member rendered the out-of-state service must complete this section.

To correctly complete this section, each school year (July 1 – June 30) must be listed separately.

Employer Name. Enter the employer name where the out-of-state service was rendered for each period of service requested.

Terms of Service During Each School Year. In the "From" column, enter the beginning school year for each period of service requested. In the "To" column, enter the ending school year for each period of service requested.

Full-Time Service. Complete this information if the applicant worked full-time in the school year for each period of service requested. In the "Number of Months Served" column, enter the total number of months worked for each period of service requested. In the "Length of School Year" column, enter how many months equals a full school year.

Part-Time Service. Complete this information if the applicant worked part-time in the school year for each period of service requested. In the "Days" column, enter the number of days (if applicable) the applicant rendered for each period of service requested. In the "Hours" column, enter the number of hours (if applicable) the applicant rendered for each period of service requested.

Check the appropriate boxes regarding the retirement system in which the employee may have participated.

E - Employer Certification

By signing this form, the out-of-state employer is certifying that all information provided in Section D, "Employment Information," is true and correct. Any falsifications of this certification may subject you to criminal liability under 18 Pa. C.S. Section 4904 (Unsworn Falsifications to Authorities). **The signature of the out-of-state employer and the date this form was signed are required.**

After Section D, "Employment Information," and Section E, "Employer Certification," are completed, please forward this form to the applicable retirement system in which the member participated, if applicable.

F - Retirement Information

Pennsylvania law does not permit the purchase of out-of-state service credit by members who are receiving, have a vested right to receive, or have already received a retirement benefit or a distribution that includes employer contributions and interest from another state, including employer match of member contributions or an employer match of interest earned on member contributions.

Please answer the questions in Section F indicating the member's eligibility for a retirement benefit from your system. Section F must be completed by the out-of-state retirement system where the service was rendered.

G - Retirement System Certification

By signing this form, the out-of-state retirement system is certifying that all sections are complete and accurate, and all statements made on this application are true and correct. Any falsifications of this certification may subject the signatory to criminal liability under 18 Pa. C.S. Section 4904 (Unsworn falsifications to Authorities). **An authorized signature from the out-of-state retirement system and the date this form was signed are required.**

After Section G, "Retirement System Certification," is completed, please return this form to PSERS, 5 N 5th Street, Harrisburg, PA 17101-1905.

5 N 5th Street
 Harrisburg PA 17101-1905
 Toll-free: 1.888.773.7748
 www.psers.pa.gov
 Fax: 717.772.3860
 PSRS- 278 (10/2020)

Purchase of Out-of-State Service



Mail Center

TO PURCHASE SERVICE WITH PSERS, YOU CANNOT BE RECEIVING, HAVE RECEIVED, OR BE ELIGIBLE TO RECEIVE A BENEFIT FROM THE OUT-OF-STATE RETIREMENT SYSTEM. IF YOU HAVE NOT RECEIVED A BENEFIT, YOU WILL BE REQUIRED TO WITHDRAW FROM THE OUT-OF-STATE SYSTEM. SUCH WITHDRAWAL MAY INCLUDE ONLY YOUR EMPLOYEE CONTRIBUTIONS AND THE INTEREST ON YOUR EMPLOYEE CONTRIBUTIONS. WARNING: ANY WITHDRAWAL THAT INCLUDED OR INCLUDES EMPLOYER CONTRIBUTIONS, INTEREST ON EMPLOYER CONTRIBUTIONS, AN EMPLOYER MATCH OF EMPLOYEE CONTRIBUTIONS, OR ANY EMPLOYER MATCH OF INTEREST EARNED ON EMPLOYEE CONTRIBUTIONS WILL MAKE YOU INELIGIBLE TO PURCHASE OUT-OF-STATE SERVICE WITH PSERS.

A - Member Information

Member Name	
Social Security Number	
Gender	
Date of Birth	
Former Last Name	

Member Address		<input type="checkbox"/> Check here if new address
Apt# or Suite		
Mailing Address		
City		
State & Zip Code		
Daytime Phone		
Evening Phone		
Email Address (Optional)		

B - Member Eligibility

Please Check the Appropriate Box	Yes	No
1. Did you participate in an out-of-state retirement system?		
2. Are you currently receiving or eligible to receive a retirement benefit based on out-of-state service? ▶ If you answered yes to question 2, you are not eligible to purchase out-of-state service.		
3. Are you currently receiving or did you previously receive a lump sum distribution, installment payment, or any other similar payment from a defined benefit plan, defined contribution plan, deferred compensation plan, or similar type plan based on the out-of-state service?		
4. If you answered "yes" to question 3, did you receive employer contributions, interest on the employer contributions, an employer match of employee contributions, or an employer match of interest earned on employee contributions? ▶ If you answered "yes" to question 4, you are not eligible to purchase out-of-state service.		

C - Member Certification

After completing this section, please forward this form to your previous employer where you rendered your out-of-state service.

I certify that all statements made on this application are true and correct. Any falsifications of this certification may subject me to criminal liability under 18 Pa. C.S.A. Section 4904 (Unsworn Falsifications to Authorities).

Member Signature	Date Signed
------------------	-------------

D - Employment Information

The employer where you rendered the out-of-state service must complete this section. **Each school year (July 1 – June 30) must be listed separately.**

Employer Name	Employer Address

Term of Service During Each School Year (school year runs from July 1 to June 30)						Full-Time Service		Part-Time Service	
From			To			Number of Months Served	Length of School Year (Months)	Days	Hours
Month	Day	Year	Month	Day	Year				

Please Check the Appropriate Box	Yes	No
Was this employee required to contribute to a public or private retirement system?		
Did the employee make employee contributions to a retirement system?		
Did you, the employer, make employer contributions on behalf of this employee to a retirement system, e.g. defined benefit plan, defined contribution plan, deferred compensation plan, or similar type plan?		

E - Employer Certification

After completing this section, please forward this form to the to the appropriate retirement system in which the member participated.

I certify that the information provided under Section D, "Employment Information", is true and correct to the best of my knowledge. Any falsifications of this certification may subject me to criminal liability under 18 Pa. C.S.A. Section 4904 (Unsworn falsifications to Authorities).

Authorized Signature	Position	Date Signed	Phone Number ()
Employer Name		Employer Address	

F - Retirement Information

Pennsylvania law does not permit the purchase of out-of-state service credit by members who are receiving, have a vested right to receive, or who have already received a retirement benefit or a distribution that includes employer contributions and interest from another state, including an employer match of member contributions or an employer match of interest earned on member contributions.

The person named on the front of this form is requesting to purchase credit with PSERS for his or her out-of-state service as listed in Section C of this form.

To determine eligibility for the purchase of the listed service, please answer the questions below. Your assistance is greatly appreciated.

Please Check the Appropriate Box		Yes	No
1. Did the applicant receive service credit in your plan for the years of service claimed in Section D? <i>If Yes, please complete the following questions. If No, please skip to Section G.</i>			
2. Is the applicant receiving, or has the applicant received, an annuity from the retirement system based on the service listed?			
<i>If Yes to Question 2</i>	Is the annuity funded in whole or in part using any employer contributions, interest on employer contributions, employer match of member contributions, or any employer match of interest earned on member contributions?		
3. Has the applicant received any type of distribution or withdrawal from the retirement system based on the service listed?			
<i>If Yes to Question 3</i>	Did the distribution or withdrawal include employer contributions, interest on employer contributions, employer match of member contributions, or any employer match of interest earned on member contributions?		
4. Is the applicant eligible to vest or receive any retirement benefit or distribution from the retirement system in the future?			

G - Retirement System Certification

I certify that all sections are complete and accurate, and all statements made on this application are true and correct. Any falsifications of this certification may subject me to criminal liability under 18 Pa. C.S.A. Section 4904 (Unsworn falsifications to Authorities).

Authorized Signature	Name	Position	Phone Number ()
Retirement System Name	Retirement System Address		Date Signed