



## ◆ REPAYING A SEPARATION BENEFIT, WAITING PERIOD, OR DELINQUENT CONTRIBUTIONS

### ARE YOU LOOKING TO BUY BACK PREVIOUSLY SEPARATED SERVICE?

#### WHAT IS A BUY BACK?

A buy back is a way to reinstate or add service credit. A member who has left PERSI-covered employment, takes a separation benefit, and later returns to work for another PERSI employer, may pay back the withdrawn funds (plus interest) to reinstate service credit for their previous employment period.

#### INITIATING A BUY BACK

Contact PERSI to initiate a buy back. If you are found to be eligible, PERSI will provide you with an estimate of the cost and a comparison of your retirement benefit with and without the buy back and any necessary forms. All forms, including the rollover verification, must be returned to PERSI before any funds are posted to the invoice. Once an invoice has been opened, interest will apply monthly.

#### HOW IS INTEREST DETERMINED?

The interest rate for a buy back changes annually. It is based on the income earned on PERSI investments and is set at the beginning of each year. Interest accrues on any unpaid balance.

### DO YOU WANT TO PAY FOR A WAITING PERIOD?

#### WAITING PERIOD

From July 1, 1965, to June 30, 1971, PERSI members had a one-year waiting period before they were eligible to earn service credit. If you worked during this time, you may be eligible to pay the contributions that would have been paid, plus interest, to add up to one year of additional service credit.

### DO YOU OWE DELINQUENT CONTRIBUTIONS?

#### DELINQUENT CONTRIBUTIONS

When contributions were due, but not paid to PERSI. Reasons for a delinquency may include a payroll reporting error, clerical error, or even misinterpretation of PERSI law by employers. Before you can begin collecting retirement benefits, the delinquent contributions must be paid.

#### PAYMENT OPTIONS

PERSI can help you determine which payment option applies to your situation.

- 1) Rollover funds from an eligible plan such as a 401(k), another former employer's retirement plan, or from an Individual Retirement Account;
- 2) An in-service transfer of funds from a 401(k), 457, or 403 plan to your Base Plan account; or
- 3) A lump-sum or a series of taxed payments. These payments can be made to PERSI by personal or cashier's check along with a signed payment agreement.



#### CONTACT PERSI

If you have any questions, contact PERSI toll-free at 1-800-451-8228 or at 208-334-3365 from the Boise area.

**If there is any discrepancy between this publication and the law, the provisions of the law will prevail.**