

Service purchase application
Peace Corps service

Instructions to member

You may be eligible to purchase up to three years of creditable service for your Peace Corps service. If you are interested in purchasing this credit, please:

- 1) **Complete** Parts 1 through 4, below. Be sure to obtain your *Certification of Peace Corps Volunteer Service* document from the Peace Corps; this document certifies the dates of your Peace Corps service.
- 2) **Contact** the payroll or business office of the Massachusetts public school district or government agency for which you worked after your Peace Corps service and when you most recently established continuous membership service in a Massachusetts contributory retirement system. Ask him or her to complete Part 5 and return the form to you.
- 3) **Send** your completed form—along with a copy of your *Certification*—to our main office. Please be sure to read the attached cover letter as well as the Q&A. If you have any questions, do not hesitate to contact a Member Services representative in our main or Springfield office.

M T R S U S E O N L Y

MS

1 Member information

Social Security number _____ MTRS Member number, if known _____

Name First _____ MI _____ Last _____

Sex Male Female Former/maiden name, if applicable _____

Home address _____

..... City _____ State _____ ZIP _____

Home phone (_____) _____

2 Your Peace Corps service

Period of your training and/or volunteer service From _____ To _____

M T R S U S E O N L Y

MANDATORY..... I have attached a copy of my *Certification of Peace Corps Volunteer Service* documenting my service.

3 Your Massachusetts contributory retirement system membership after your Peace Corps service

After your Peace Corps service, which Massachusetts public school district or government unit did you work for when you most recently established continuous membership service in a MA contributory retirement system? _____

On what date did you begin your membership service with the above-named employer?..... _____

What was your position title at that time (e.g., teacher)? _____

Your employment status? Full-time Part-time

4 Your statement and signature

Please confirm my eligibility to purchase my Peace Corps service. I understand that if I wish to purchase this service, I will have to pay the total amount due by my date of retirement from the MTRS. I hereby certify under the penalties of perjury that the information I have provided here is true to the best of my knowledge.

Signature _____ Date _____

If you anticipate retiring **within the next six months**, please indicate the approximate date:

SEE BACK FOR PART 5, WHICH MUST BE COMPLETED!

5 Salary verification (to be completed by payroll officer)

Instructions to the current payroll officer of the Massachusetts public school district or government unit:

- **by which the applicant was employed after his or her Peace Corps service, and**
- **from which the applicant established his or her most recent continuous membership in a Massachusetts contributory retirement system.** (Generally, this will be the applicant’s first Massachusetts public employer, unless he or she left that employer and took a refund of his or her retirement account before working for another Massachusetts public employer.)

Please:

- 1) **Verify** that the applicant was employed in your school district or agency after the period of his or her volunteer service with the Peace Corps as indicated on the front of this form.
- 2) **Report** the annual salary paid to the applicant during his or her first year of membership service with your school district or agency.

NOTE: The applicant’s salary verification must be submitted on this form. Please do NOT submit contracts or additional documentation.

Thank you for your assistance!

Name of applicant.....	First <input style="width: 100%;" type="text"/>	MI <input style="width: 100%;" type="text"/>	Last <input style="width: 100%;" type="text"/>
Applicant’s Social Security number.....	<input style="width: 100%;" type="text"/>		
Start date of applicant’s membership service with your school district or agency	mm <input style="width: 30px;" type="text"/>	dd <input style="width: 30px;" type="text"/>	yyyy <input style="width: 30px;" type="text"/>
Applicant’s position title on above date	<input style="width: 100%;" type="text"/>		
Annual contract rate	<input style="width: 100%;" type="text"/>		Check one <input type="checkbox"/> Full-time <input type="checkbox"/> Part-time
If applicable, the school year (e.g., 1978–79).....	<input style="width: 100%;" type="text"/>		<input type="checkbox"/> Not applicable
I certify that the information I have provided above is true and accurate to the best of my knowledge.			
Signature	<input style="width: 100%;" type="text"/>		Date <input style="width: 100%;" type="text"/>
Name (please print)	<input style="width: 100%;" type="text"/>		
Title.....	<input style="width: 100%;" type="text"/>		
School district or agency	<input style="width: 100%;" type="text"/>		
Phone	<input style="width: 100%;" type="text"/>		Fax <input style="width: 100%;" type="text"/>

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Joan Schloss

Re: Purchasing Peace Corps Service Credit

Dear Member,

As of April 1, 2003, MTRS members may purchase up to three years of Peace Corps service as creditable service toward the calculation of retirement benefits (Chapter 468 of the Acts of 2002). To determine whether you may be eligible to purchase this type of service, please take our simple eligibility quiz:

- 1) **Did you ever serve as a Trainee or Volunteer with the Peace Corps?** Yes..... No
 Note: Service with VISTA or Americorps does not qualify.
- 2) **Do you have at least ten years of "membership" creditable service with either the Massachusetts Teachers' Retirement System or the Boston Retirement System as a teacher now, or will you have accumulated at least ten years of "membership" creditable service with the MTRS by the time you wish to purchase your Peace Corps service?** Yes..... No
 Note: "Membership" creditable service is that which required your membership in the MTRS or Boston Retirement System and during which you contributed to the MTRS or Boston Retirement System as a teacher via payroll deduction. Basically, this means your "regular" teaching service in Massachusetts public schools.
- 3) **Were you a "member in service" on or after April 1, 2003?** Yes..... No
 In general, a "member in service" is someone who is: actively teaching; receiving Workers' Compensation for total incapacity; on a sick leave; on a paid leave; or, on an authorized unpaid leave of less than one year. If you have any questions about whether you were a "member in service," please contact us.

If you answered...

- **"Yes"** to **ALL** of these questions, you may be eligible to purchase up to three years of creditable service for your Peace Corps service. Please review the information inside. If you wish to apply to purchase this creditable service, please be sure to complete and return your application at least six months before your date of retirement. Service cannot be purchased after the effective date of your retirement.
- **"No"** to question 1 or 2, we are sorry, but you are **NOT** eligible to purchase this type of creditable service.
- **"Yes"** to questions 1 and 2, and **"No"** to question 3, and you either:
 - retired between September 1, 2002 and March 31, 2003; or,
 - have been an inactive member since April 1, 2003,
 then you may be eligible to receive credit for your Peace Corps service. Please complete only **Parts 1, 2 and 4** of the attached form (disregard Parts 3 and 5) and submit the form to our main office. We will then notify you of any credit you may be eligible to receive.

If you have any questions, please contact a Member Services representative in either our main or Springfield office. We look forward to helping you through the service purchase process!

Sincerely,



JOAN SCHLOSS, *Executive Director*

Are there any other requirements or restrictions I should know about?

Yes, you should be aware of the following:

- This legislation applies only to training and volunteer service with the Peace Corps; it does **not** apply to service with either VISTA or Americorps.
- If you do not have ten years of “membership” service with the Massachusetts Teachers’ Retirement System or the Boston Retirement System as a teacher or guidance counselor now, you may apply to purchase this service in the future, when you do meet this requirement.

How can I determine if it makes financial sense for me to purchase all— or just a portion—of my Peace Corps time?

Depending on how much creditable service you will have at the time of retirement, purchasing your Peace Corps service credit may or may not make financial sense for you. Please be aware that a retirement allowance can be no higher than 80% of the average of your three highest consecutive years’ salaries, and a service purchase, once made, cannot be refunded. So, before you decide to purchase this service, or decide how much to purchase, please consider whether you expect to be at or near the 80% maximum at the time of your retirement *without* this purchase.

I have determined that I am eligible to apply for credit for my Peace Corps service. What do I need to do now?

The process is simple. You need to:

- 1) **Complete** the front of the attached application form.
- 2) **Obtain** a copy of your *Certification of Peace Corps Volunteer Service* if you don’t already have one. This is a document issued by the Peace Corps that certifies that you were a

volunteer and indicates the specific period of your service. You may request your form from the Peace Corps (phone 1-800-424-8580, or online at www.peacecorps.gov).

- 3) **Contact** the payroll or business office of the Massachusetts public school district or government unit:
 - by which you were employed after your Peace Corps service, and
 - from which you established your most recent membership in a Massachusetts contributory retirement system. (Generally, this will be your first Massachusetts public employer, unless you left that employer and took a refund of your retirement account before working for another Massachusetts public employer. Please see the shaded box, below.)

Explain that, for purposes of potentially purchasing your Peace Corps service credit, you need confirmation of your starting date and salary, and that you would like to have the payroll or business officer complete Part 5 of your application. As this person to complete Part 5 and then return the form to you.

- 4) **Make** a copy of your completed application and *Certification* for your records.
- 5) **Submit** your completed application and *Certification* to: MTRS, One Charles Park, Cambridge, MA 02142-1206.

What happens after I return my completed application?

Within approximately 60 days after we receive your completed application, we will review your application, verify your eligibility, determine how much service you may purchase, calculate your cost and send you an invoice. Along with your invoice, you will receive information regarding how you may pay for your purchase.

How is the cost of my service purchase calculated?

For each year purchased, you must pay an amount equal to the yearly contributions that otherwise would have been submitted to the MTRS, plus buyback interest. The amount of your contributions is based on the annual salary you received after your Peace Corps service, in the year in which you most recently established continuous membership in a Massachusetts contributory retirement system. Your contribution rate will be 5, 7, 8, 9 or 11 percent, plus the additional “30 plus” 2 percent amount, if applicable.

Contribution rates for purposes of calculating the cost of Peace Corps service purchases

If, after your Peace Corps service, the date **on which** you became a member of a MA contributory retirement system and **from which** you continuously maintained your funds on account is... The contribution rate that will be applied is...

- Before January 1, 1975 5%
- January 1, 1975 through December 31, 1983* 7%
- January 1, 1984 through June 30, 1996* 8%
- July 1, 1996 through June 30, 2001* 9%
- July 1, 2001 or after 11%

* If your membership date is January 1, 1979–June 30, 2001, an additional 2% on any salary over \$30,000 (the “30-plus” deduction) will be applied.

Example

Mary Educator began her Peace Corps training and volunteer service in March 1975. She continued her volunteer work until September 1978, when she began her teaching career in the Marblehead Public Schools, earning \$12,000 per year. Mary can now purchase up to three years of her Peace Corps time as creditable service. Her cost would be calculated as follows:

	Annual salary at MTRS membership	\$	12,000
x	Contribution rate for 9/78 (7%)	x	0.07
	Annual contributions	\$	840
x	Period of Peace Corps service (maximum of 3 years)	x	3.00
	Subtotal	\$	2,520
+	Buyback interest (from March 1975 to date of purchase in November 2008)	+	6,580.90
	Total cost for Mary to purchase 3 years of Peace Corps service	\$	9,100.90

However, if Mary had a break in service and took a refund of her contributions, the cost of her purchase would be based on the year in which she last established membership in a Massachusetts contributory retirement system (after any refund or break in service). For example, if Mary had left the Marblehead schools in 1980 and taken a refund, and then returned to teaching and re-enrolled in the MTRS in 1985 with an annual salary of \$20,000, her cost would be based on her contribution rate and salary in 1985, or \$4,800 (\$20,000 x 0.08 = \$1,600; \$1,600 x 3 = \$4,800) plus buyback interest.