
SERVICE CREDIT BUYBACK PROCESS (PAY-W070)

Sacramento City Unified School District

1.0 SCOPE:

- 1.1 This work instruction is applied to help member purchase service credit for prior years when contributions were not made on their behalf.

2.0 RESPONSIBILITY:

- 2.1 Lead Payroll Technician
- 2.2 Fiscal Services Technician I

3.0 APPROVAL AUTHORITY:

- 3.1 Supervisor IV, Payroll Services

Signature

Date

4.0 DEFINITIONS:

- 4.1 Repurchase prior years' service credit when no contributions were made by the employee/member or the employer on behalf of the employee.
- 4.2 STRS – State Teachers' Retirement System

5.0 WORK INSTRUCTION:

- 5.1 Initially, member/employee contacts STRS' for the purchase of service credit.
- 5.2 Retirement Desk must research the period for buyback by requesting employee's personnel file, accessing Pay History or microfiche for earnings history or ESCAPE for earnings after 1998.
- 5.3 Personnel file is retrieved by the Personnel Services Department by providing the name(s), social security number and indicate whether certificated or non-certificated at time of employment for buyback
- 5.4 Information is compiled and rechecked for accuracy.
- 5.5 Earnings are listed as accurately as possible for the time period and the year for which it covers along with the number of days of service.
- 5.6 The compiled information is submitted to STRS for the calculation of the buyback for the cost to the employee/member.
- 5.7 Employee/member chooses the option of buyback, i.e., payroll deduction, 403B rollover or cash repayment.
- 5.8 Employee/member must sign a Irrevocable Payroll Authorization prior to buyback occurring and the original must be mailed to STRS.
- 5.9 If a payroll deduction is selected, a retirement deduction is created with specifying STRSBUY, amount of each monthly payment, goal amount and a notation of end date.

6.0 ASSOCIATED DOCUMENTS:

- 6.1 STRS buyback letter to employee/member.

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6.2 Irrevocable Payroll Authorization (AC 0194).

7.0 RECORD RETENTION TABLE:

<u>Identification</u>	<u>Storage</u>	<u>Retention</u>	<u>Disposition</u>	<u>Protection</u>
Check and Backup	File cabinet in office	Two years, current and previous fiscal year. After two years, sent to warehouse.	None. Must keep all payroll records per Internal Audit Department.	Access with approval of Payroll Services Department.

8.0 REVISION HISTORY:

<u>Date:</u>	<u>Rev.</u>	<u>Description of Revision:</u>
11/03/04	A	Initial Release

***** End of procedure *****