

The Classified Substitute's Guide to Obtaining Service Credit

SERS Plan 3

As a classified substitute in a Washington State public school district or educational service district (ESD), you may qualify to participate in the School Employees' Retirement System (SERS). Membership in SERS is optional for classified substitutes.

HOW DO I ESTABLISH OR REESTABLISH MEMBERSHIP?

You can establish membership in SERS Plan 3 by:

- working as a classified substitute for 70 or more hours in at least five months during a school year; and
- completing the attached *Classified Substitute's Application for Service Credit* and purchasing service credit for that year.

To learn more about SERS Plan 3, refer to the *SERS Plan 3 Member Handbook* available on the Department of Retirement Systems (DRS) Web site at www.drs.wa.gov.

Note: If you have prior membership in SERS Plan 2 or PERS Plan 2 and have not transferred to Plan 3, you will establish membership in SERS Plan 2 when you purchase service credit as a classified substitute. Please ask your employer for a copy of the SERS Plan 2 version of this guide.

WHAT IF I'M ALREADY A MEMBER?

If you are already a member of SERS Plan 3, complete the *Classified Substitute's Application for Service Credit* on page 3.

HOW DO I EARN SERVICE CREDIT?

For SERS Plan 3, the school year is from September 1 through August 31. Service credit is based on the number of hours worked as reported by your employer.

Hours Worked	Service Credit Earned
Less than 630 hours or less than nine months of employment in the school year	1.0 service credit month for each month you work 90 or more hours
	0.5 service credit month for each month you work at least 70 but less than 90 hours
	0.25 service credit month for each month you work less than 70 hours
At least 630 but less than 810 hours beginning in September but less than nine months of employment in the school year	Six service credit months per school year (September 1 through August 31)
810 hours or more and begin working in September and work at least nine months of the school year	12 service credit months per school year (September 1 through August 31)



HOW DO I APPLY FOR SERVICE CREDIT?

Submit the following documents to DRS at the address indicated on the application form:

- A completed *Classified Substitute's Application for Service Credit*, and
- A completed *Member Information Form*; and
- A copy of a quarterly report if you are purchasing service credit for the 2003-2004 school year. (See below.)

Note: The effective date for the purchase of SERS substitute service credit was July 27, 2003. You may not purchase service credit for time worked prior to this date.

WHEN DO I APPLY FOR SERVICE CREDIT?

You can apply for service credit beginning September 1 following the school year in which service was rendered.

Upon receipt of your application materials, DRS will determine the amount of service credit you are eligible to purchase and will send you a bill. If you choose to purchase the service credit, DRS will apply the service credit to your account after you make payment and will bill your employer for the employer contributions due.

HOW DO I PAY FOR SERVICE CREDIT?

Payment must be made in full in a lump sum payment. DRS accepts rollover funds directly from an eligible retirement account or IRA. For rollover information, contact DRS.

Interest Free Deadline: You have up to six months to make payment before interest is applied. If payment is made before the end of February immediately following the school year in which the service was rendered, you pay only your contributions. If payment is made after the last day of February, you will be charged interest on both member and employer contributions.

AM I REQUIRED TO SUBMIT A QUARTERLY REPORT?

You are required to submit a quarterly report to DRS if you are purchasing service credit for the 2003-2004 school year. A quarterly report is not required if you are purchasing service credit for any school year thereafter.

WHAT MUST BE INCLUDED ON THE QUARTERLY REPORT?

DRS only accepts quarterly reports issued by your employer(s) and signed by an authorized person. Many districts issue the report on a monthly basis so it is important to maintain a copy of your reports as you may need to include them with your application for service credit.

Each quarterly report must include:

- Your name, your Social Security number and your employer's name; and
- The school year in which you worked; and
- The number of hours you worked each month, totaled by month; and
- The amount of compensation you earned each month, totaled by month; and
- The signature of the payroll officer or person authorized to verify the report.

If you were employed by more than one school district or ESD during the school year, be sure to submit all quarterly reports with your application to DRS.

MORE INFORMATION?

If you have questions regarding your service credit, write to DRS at PO Box 48380, Olympia, WA 98504-8380.

Telephone

1-800-547-6657 (toll-free)
(360) 664-7000 (in Olympia area)

E-Mail

recep@drs.wa.gov

DRS Web site

www.drs.wa.gov

All SERS publications are available on the DRS Web site.

School Employees' Retirement System (SERS) Plan 3

Classified Substitute's Application for Service Credit

Instructions:

When to apply –

- Applications are accepted beginning September 1 following the school year in which the service was rendered.

What to include –

- A completed, signed application for service credit. (Please type or print using dark ink.)
- A completed, signed *Member Information Form*. (Please type or print using dark ink.)
- Copies of any quarterly reports if required. (See the explanation on page 2.)

Where to send the application –

Department of Retirement Systems
PO Box 48380
Olympia, WA 98504-8380

Interest Free Deadline: You must pay your contributions within six months of the end of the school year in which service was rendered or you will be charged interest on both member and employer contributions.

Beneficiary Designation: If you wish to update your designated beneficiaries, contact your employer or visit the DRS Web site to obtain a *Beneficiary Designation* form.

Section A: Applicant information

Applicant Name (Last, First, Middle)	Social Security Number
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Mailing Address	City	State	Zip Code	Telephone Number
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Section B: Applicant signature and affidavit

I swear that the information provided in this application and any attached Quarterly Reports is an accurate representation of my classified substitute activities for a Washington State school district, or ESD, during the _____ - _____ school year. Note: Information submitted with this application will be verified by the named employers following receipt of your application.

Signature of Applicant

Date Signed

This form requests that you provide your Social Security number. Internal Revenue Code Sections 6041 (A), and 6109 authorize the Department of Retirement Systems (DRS) to solicit your Social Security number.

- The disclosure of your Social Security number to DRS is mandatory.
- DRS will use your Social Security number to ensure that any amounts disbursed under your account are properly reported to the Internal Revenue Service and as a reference number for tracking all data with regard to your retirement account.
- DRS will not disclose your Social Security number to any party unless required by law.

Section C: Work log for school year (Please make additional copies if necessary.)

Example: This example assumes a salary of \$20/hr and a contribution rate of 5%.

Employer Name Sample School District School Year 2006 - 2007

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned	\$800	\$1400	\$1400	\$600	\$1400	\$1400	\$1400	\$1000	\$1000	\$400	\$0	\$0	\$10,800
Hours Worked	40	70	70	30	70	70	70	50	50	20	0	0	

Estimated Billing Amount: $\frac{\$10,800.00}{\text{(Total Compensation)}} \times 0.05 = \540.00
(Contribution Rate) (Billing Amount)

1. Employer Name _____ School Year _____ - _____

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

Estimated Billing Amount: _____ X _____ = _____
(Total Compensation) (Contribution Rate) (Billing Amount)

2. Employer Name _____ School Year _____ - _____

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

Estimated Billing Amount: _____ X _____ = _____
(Total Compensation) (Contribution Rate) (Billing Amount)

3. Employer Name _____ School Year _____ - _____

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

Estimated Billing Amount: _____ X _____ = _____
(Total Compensation) (Contribution Rate) (Billing Amount)

4. Employer Name _____ School Year _____ - _____

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

Estimated Billing Amount: _____ X _____ = _____
(Total Compensation) (Contribution Rate) (Billing Amount)

Total Estimated Billing Amount: _____



Department of Retirement Systems

Plan 3 Member Information

INSTRUCTIONS: To ensure timely processing of your application for Substitute Service Credit, complete this form as instructed below.

- All applicants complete Sections 1, 2, and 3.
- If you are transferring from Plan 2 to Plan 3, complete Section 4.
- Please print clearly and use a ball point pen.

Section 1: Personal Data

Name (Last, First, Middle)		Gender M <input type="checkbox"/> F <input type="checkbox"/>	Social Security Number	
Address		City	State	Zip Code
Date of Birth (Mo/Day/Yr)	Phone Number ())			

Section 2: Selection of Contribution Rate

The Contribution Rate Option that you choose will determine the billing amount for the school year(s) for which you are currently applying. Place a check mark in the box next to the contribution rate option you choose. Use the rate you select to estimate your billing amount in Section B of the Substitute's Application for Service Credit.

- OPTION A:** 5 percent of pay at all ages
- OPTION B:** 5 percent of pay until age 35; 6 percent from age 35 until 45; 7.5 percent age 45 and above
- OPTION C:** 6 percent of pay until age 35; 7.5 percent from age 35 until 45; and 8.5 percent age 45 and above
- OPTION D:** 7 percent of pay at all ages
- OPTION E:** 10 percent of pay at all ages
- OPTION F:** 15 percent of pay at all ages

SIGNATURE OF EMPLOYEE_____
DATE (Month/Day/Year)**Section 3: Selection of Investment Program**

You can obtain information about both investment programs by contacting ICMA Retirement Corporation (RC) toll-free at 1-888-711-8773. If you select the Self-Directed Investment Program, you must direct the allocation of your contributions among the fund choices by completing a *Plan 3 Self-Directed Investment Allocation and Balance Transfer* form (available from your employer or by calling ICMA RC).

Place a check mark in the box next to the investment program you choose.

- Direct my contributions to the **Washington State Investment Board (WSIB) Investment Program**.
- Direct my contributions to the **Self-Directed Investment Program**. Call 1-888-711-8773 or complete the *Plan 3 Self-Directed Investment Allocation and Balance Transfer* form to record your investment allocation choices.

SIGNATURE OF EMPLOYEE_____
DATE (Month/Day/Year)**Section 4: Request for Transfer to Plan 3**

I understand that my transfer to Plan 3 is irrevocable. I request that I be transferred from Plan 2 to Plan 3.

Please sign and date this form on the day you submit it to the Department of Retirement Systems.

SIGNATURE OF EMPLOYEE_____
DATE (Month/Day/Year)

This form requests that you provide your Social Security number. DRS is authorized to solicit your Social Security number under 26 United States Code, Sections 6047(D), 6041(A), and 6109(A)(3).

- DRS uses your Social Security number to ensure that any amounts disbursed under your account are properly reported to the Internal Revenue Service and as a reference number for tracking all data with regard to your retirement account.
- Routinely, DRS uses the Social Security number as the identifying number for the member file.
- If you do not provide your Social Security number, DRS cannot guarantee that the information you are providing on this form will be properly matched with your member records. This is a particular risk if your name is a fairly common one. Failure to provide your Social Security number may also result in misreporting to the Internal Revenue Service of any disbursements you receive, which may result in adverse tax consequences for you.
- Because DRS uses your Social Security number in order to report disbursements to the IRS as required under federal law, the disclosure of your Social Security number is mandatory.