

# ***Employer's Guide to Enrollment***

**IN THE NEW JERSEY**

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**PUBLIC EMPLOYEES'  
RETIREMENT SYSTEM**

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**TEACHERS' PENSION  
AND ANNUITY FUND**

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**POLICE AND FIREMEN'S  
RETIREMENT SYSTEM**



*Prepared by:*

**STATE OF NEW JERSEY  
DEPARTMENT OF THE TREASURY  
DIVISION OF PENSIONS AND BENEFITS  
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# ENROLLMENT PROCEDURES

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# GENERAL INFORMATION THAT APPLIES TO ALL FUNDS

## **FORCED ENROLLMENT**

The employer has the statutory responsibility for enrolling employees on a timely basis (N.J.S.A. 43:15A-7). If an employee refuses to sign or complete an *Enrollment Application*, the employer should complete the application and indicate in the space for the employee signature, "Employee refused to sign." Once the application is received, the employee's membership will be based on a "forced" enrollment.

Unless the member is required to prove insurability, the member's estate will be the designated beneficiary until such time that a *Designation of Beneficiary* form is completed and received in the Division of Pensions and Benefits.

## **LATE ENROLLMENT**

Again, the employer has a statutory responsibility for enrolling and transferring employees on a timely basis. For members of PERS, the New Jersey Statutes Annotated (N.J.S.A.) 43:15A-7.1 provides that if more than one year has elapsed from the time that contributions would have been required from such person, one-half of the employee's cost will be required of the employer plus any additional employer costs as appropriate. Similar statutes are in force for TPAF (N.J.S.A. 18A:66-6.1) and PFRS (N.J.S.A. 43:16A-15.1).

In order to ensure the timely enrollment of eligible employees, employers are encouraged to maintain adequate systems and procedures for the periodic review of employees working but not enrolled.

Employers are encouraged to ascertain if an individual has an existing active membership which would require immediate enrollment if all other eligibility criteria are met.

## **PROOF OF AGE**

All members of the State-administered retirement systems must provide proof of age prior to retirement. It is recommended that this be submitted along with the completed *Enrollment Application*. Acceptable proofs of age include a copy of any of the following:

- Birth Certificate

- Baptismal Certificate

- Passport

- Naturalization or Immigration papers, or

- Other records including military records, census records, school or business records, age recorded on marriage licenses and insurance, or children's birth records.

## **PROOF OF INSURABILITY (PERS & TPAF)**

Any employee age 60 or older at the time the *Enrollment Application* is received will be required to prove insurability in order to obtain group life insurance coverage. In addition, if a member's date of birth is not given on the *Enrollment Application*, he or she will be required to prove insurability through a medical examination.

Also, optional enrollees must prove insurability if the *Enrollment Application* is received more than one year after their date of compulsory enrollment. Disability retirees who return to active employment, and those who converted their group life insurance to private coverage upon termination of employment, must also prove insurability. The Division of Pensions and Benefits will notify the member in writing regarding this process.

## **TAXABILITY OF EMPLOYER-PAID GROUP LIFE INSURANCE PREMIUMS**

The Internal Revenue Service classifies all employer-paid group life insurance premiums for coverage over

\$50,000 as a fringe benefit subject to taxation. The amount of the life insurance coverage is not taxable, but the premium required to pay for the life insurance coverage is taxable. Members may elect to waive non-contributory group life insurance coverage over \$50,000 at anytime. *For further information on this topic, contact the Division of Pensions and Benefits Benefit Information Library, 609-777-1931, to request Fact Sheet #22.*

### **PAYROLL DEDUCTIONS IN ADVANCE**

Employers are **not** authorized to take pension contributions, contributory insurance, back deductions, arrears, or loan payments in anticipation of receiving a *Certification of Payroll Deductions* from the Division of Pensions and Benefits.

Two copies of the *Certification of Payroll Deductions* are mailed to the employer; one for the member and one for the employer's records.

### **ENROLLMENT APPLICATION**

There is information that is required from the member on every *Enrollment Application*, regardless of the retirement system the employee is joining. All applications require the member's biographical information. (*i.e.*, name, address, date of birth, Social Security number, etc.)

All applications require members to designate a beneficiary (or beneficiaries) for the return of pension contributions and life insurance.

The Division also requires the employer to certify the member's date of hire, salary, and location. This information must be verified with the Certifying Officer's signature. *See page 7 for more information concerning the Certifying Officer.*

*For more information concerning completing the Enrollment Application, refer to the individual pension fund that applies.*

### **CHANGE OF BENEFICIARY DESIGNATION**

The *Designation of Beneficiary* form may be submitted by the member to the Division of Pensions and Benefits. This does not need to be submitted by the Certifying Officer.

A revised *Designation of Beneficiary* form should be completed any time there is a change in family status. Employers should advise members of the possible need to make beneficiary designation changes when they learn of changes in employees' family status (*e.g.*, marriage, divorce, death of a spouse, birth of a child, etc.).

### **MULTIPLE AND DUAL MEMBERSHIPS**

#### ***Multiple - (PERS and TPAF only)***

Any employee who has been or is enrolled in a covered position must also enroll immediately for any additional eligible positions acquired if the salary and Social Security requirements for enrollment are met; for TPAF, the position must require certification by the member. An employee who establishes "multiple" status will always be considered a "multiple" for the duration of his or her membership, even if at a later date the member is employed at only one location. For example, if a PERS member is a municipal Business Administrator and takes an additional position as a Tax Assessor at another municipality, "multiple" enrollment will be mandatory due to the acceptance of the second covered position.

### Required Form

A *Report of Transfer Form (Intrafund Transfer)* is required for each new employer, noting "multiple" on the top of the form.

### **Dual Membership**

Any employee who is enrolled and active in a covered position under one State-administered pension system, and who accepts an additional position covered under a different State-administered pension system, must be enrolled in the second system. The "dual" member's contributions and benefits are established on the basis of statutes pertaining to each system independently and are not related in any way to each other.

### Required Form

An *Enrollment Application* is required for membership in the second pension system, and the employee will be a member of both funds.

## **INTERFUND AND INTRAFUND TRANSFERS (TRANSFERS ARE OF TWO TYPES)**

### ***Interfund Transfer***

Statutes permit any member of a State-administered retirement system the option to transfer membership to another State-administered retirement system if there is a change in position that would make the member ineligible to continue contributing to the original retirement system. For example, if a teacher's aide (PERS) accepts a position in a neighboring school district as a regularly appointed classroom teacher (TPAF), and ceases to work as an aide, this member would be eligible to transfer membership from PERS to TPAF.

If an employee is an enrolled member of a State-administered retirement system and has applied for Deferred Retirement, has terminated employment from the first employer, and accepts employment in a position covered under a second retirement system, the member has the option to make an Interfund Transfer. To qualify for an Interfund Transfer, the member can have no more than two years concurrent service credit while covered under both funds.

Prior to the passage of Chapter 6, PL 2001, a member who had concurrent service in two retirement systems could not transfer service credit from one pension fund to another. Effective January 16, 2001, however, it is possible, under certain conditions, to transfer all service credit from one fund to another **excluding** any concurrent service credit.

Members who are actively contributing simultaneously to two separate State-administered retirement systems are not eligible for an interfund transfer because service is being accrued concurrently in each fund. They would be considered "dual" members for pension purposes.

### (PERS & TPAF Only)

Chapter 341, PL 2001, allows an Interfund Transfer to be processed if a period of less than three years of service is concurrent and the member is no longer actively contributing to the second account. In such a case, only the non-concurrent service — that is, service not credited under both accounts — may be transferred.

Interfund Transfers can be done at any time prior to an account expiring or being withdrawn.

Vested accounts are also eligible to be transferred provided they do not have more than two years of concurrent service.

### Required Forms

An *Enrollment Application* for the system to which the employee is transferring, and

An *Interfund Transfer Form*, which must be completed by the employee (Part 1) and the former employer (Part 2). Generally, the *Interfund Transfer Form* must be first filled out by the member, then sent to the former employer who is required to return it to the member. The *Interfund Transfer Form* should then be submitted along with the completed *Enrollment Application* to the Division of Pensions and Benefits. In situations where the employer remains the same but the member is transferring to a different retirement system due to a title change, **the employer should stop remitting contributions under the former system once the employee becomes eligible for membership in the second system, and wait for a *Certification of Payroll Deductions* for the new pension membership.**

**NOTE:** Interfund Transfers are optional. The Division often receives a new enrollment application but does not receive an *Interfund Transfer Form*. If the *Interfund Transfer Form* is not received within a reasonable time frame, the Division establishes the new enrollment without the Interfund Transfer and the member becomes a "dual member". An Interfund Transfer can occur at a later date so long as an application for Interfund Transfer has been received prior to the expiration or withdrawal of an account.

***Intrafund Transfer - (Report of Transfer)***

All members of a State-administered retirement system who change employers during the course of their memberships, but continue employment in positions covered by the same pension fund, are immediately eligible to continue their membership regardless of temporary or permanent status in the new position so long as salary and Social Security requirements are met.

The employees' memberships should be in good standing and the accounts cannot be withdrawn or expired. If the accounts have been withdrawn or has expired, new *Enrollment Applications* must be completed.

The Division of Pensions and Benefits will process the *Report of Transfer* and will send a *Certification of Payroll Deductions* to the new employer indicating the date pension deductions must begin for each transferring employee.

The new employer must wait for a *Certification of Payroll Deductions* from the Division of Pensions and Benefits before commencing pension deductions. Back deductions will be certified for the member to make up for any delay in normal pension contributions.

Required Form

A *Report of Transfer Form* must be completed by the new employer.

*Instructions for completing the form appear in the sections devoted to PERS, TPAF and PERS, respectively.*

**VETERAN STATUS: APPLIES ONLY TO PERS & TPAF**

The definition for those who qualify for Veteran status used here is based upon NJ Statutes for NJ State pension purposes only. A veteran is a person who holds an honorable discharge from the military service of the United States who served the required amount of active duty service during the following periods:

World War II .....	September 16, 1940 to December 31, 1946
Korean Conflict .....	June 23, 1950 to January 31, 1955
Lebanon Crisis .....	July 1, 1958 to November 1, 1958
Vietnam Conflict .....	December 31, 1960 to May 7, 1975
Lebanon Conflict .....	September 26, 1982 to December 1, 1987
Grenada Conflict .....	October 23, 1983 to November 21, 1983
Panama Peacekeeping Mission .....	December 20, 1989 to January 31, 1990
Operation Desert Shield/Storm .....	August 2, 1990 to present

Operation Restore Hope in Somalia ..... December 5, 1992 to March 31, 1994  
Operations Joint Endeavor/Joint Guard  
Republic of Bosnia and Hersegovina ..... November 20, 1995 to December 20, 1996

Veteran status for World War II, the Korean Conflict or the Vietnam Conflict can be granted as long as the member has at least 90 days of continuous active military service, of which at least one day falls within the dates listed above. Any honorably discharged member of the American Merchant Marine who served at least 90 days during World War II also qualifies for veteran status.

To qualify for veteran status for the Lebanon Conflict, the Grenada Conflict, the Panama Peacekeeping Mission or Operation Desert Shield/Storm, the member must have served at least 14 days in the country or region, or on ships patrolling in the territorial waters of these nations, as long as any one of the 14 days falls within the dates specified. If the member's service started prior to the beginning of the period of hostilities, then the member must have served all 14 days within the dates specified.

The 90- or 14-day requirement for service is waived if the veteran was discharged because of a service-incurred disability. Absent Without Leave (AWOL) periods must be deducted from active service and if this reduces the active service to less than the 90- or 14-day service requirement, veteran status will be denied.

Service with the Women's Army Auxiliary Corps (WAAC) and Women's Army Corps (WAC) qualifies for veteran status.

Veteran status cannot be granted if an individual received a dishonorable discharge, a discharge from the draft, disenrollment from the Coast Guard Reserve, or a discharge from the reserve with no evidence of active service in time of war.

Active Duty Training, Reserve, or National Guard Service do not qualify as active duty service.

Additional information is available on *Fact Sheet 17, Veteran Status (PERS & TPAF)*.

#### Required Form

With the signing of Chapter 127, PL 2000, effective March 1, 2001, the final arbiter of Veteran Status is the Adjutant General of the NJ Department of Military and Veteran's Affairs who will inform the Division of Pensions and Benefits of the determination of veteran status.

A copy of the member's military discharge document, *Form DD-214*, must be submitted to:

The Department of Military and Veterans' Affairs  
ATT: DVP-VBB  
PO Box 340  
Trenton, NJ 08625-0340

to be reviewed to determine eligibility for veteran's status for pension purposes. Be sure the member includes a note or letter indicating that *Form DD-214* is being submitted for the purpose of obtaining veteran status in the retirement system. The member should also include his or her Social Security number for identification purposes.

To obtain a copy of *Form DD-214*, write to:

Veteran's Administration  
9700 Page Boulevard  
St. Louis, MO 63132

To obtain discharge papers for the Merchant Marines, write to:

Maritime Administration (MAR-250)  
400 7th Street S.W., Room 7302  
Washington, DC 20590

# INSTRUCTIONS FOR COMPLETING THE *INTERFUND TRANSFER FORM*

## **PART 1: TO BE COMPLETED BY THE MEMBER**

Check the box of the pension fund to which the member will be transferring.

### ***Questions:***

Member's full name.

Membership number from previous account.

Complete mailing address.

The name of the pension fund for which they are currently enrolled.

The status of the member leaving the previous job; *i.e.*, resigned, dismissed, and the name of the former position.

The date of the termination.

The name of the new employer.

Member has to sign and date the form giving the Division the right to transfer their contributions from one fund to the other .

## **PART 2: TO BE COMPLETED BY THE FORMER EMPLOYER**

This form needs to be forwarded to the member's former employer for completing Part 2.

### ***The Certifying Officer indicates:***

The status of the member when they left their location.

The date of the last pension deduction taken from the member's salary\*.

The members base salary at the time of termination.

The lower portion of the form is for the employer to indicate the money that came in for the member for the last two quarters. This would include any loan payments and arrears.

It is ***imperative*** that the Certifying Officer or Board Secretary signs the form and returns it to the new employer immediately. See page 7 for more information concerning the Certifying Officer.

*\*Pension deductions and service credit must be reported for in full-month increments (or bi-weekly pay period for State bi-weekly only). If a member transfers part way through a month, report the date of termination as the end of the preceding month and refund the partial month's contributions to the member. This will help prevent errors in processing and save the extra work involved with potential shortages or overages.*

# THE ROLE OF THE CERTIFYING OFFICER

The Certifying Officer is the person at each employing location who certifies the accuracy and validity of all documents and forms sent to the Division of Pensions and Benefits. Appointed by resolution of the governing body or board, the Certifying officer is the "go to" person for pension correspondence and inquiry. The Division will often contact this person when seeking information about employer certifications, needed information about employee accounts, reporting processes and problems. Similarly, the Certifying Officer is responsible for checking and signing many forms and documents submitted to the Division (e.g., the *Quarterly Report of Contributions, Employer Certifications of Service and Final Salary*, etc.).\*

There is a form which each location is directed to use to inform the Division whenever there is a change in contact information, or when the Certifying Officer is changed. This form may be accessed through the Division of Pensions and Benefits' Home Page at <http://www.state.nj.us/treasury/pensions/epbam>

While the use of this form is strongly encouraged, a letter from the governing board may be used so long as the following information is included:

1. Name of Certifying Officer (usually the Chief Fiscal Officer).
2. Title of Certifying Officer.
3. Pension Fund for which the Certifying Officer serves at the location.
4. Mailing address of employer.
5. Mailing address of Certifying Officer, if different.
6. Phone number where Certifying Officer may be reached.
7. E-mail address (if available).
8. Fax number.
9. Name of Personnel Officer or Director (if different).
10. Phone and fax number of Personnel Officer.
11. The Certifying Officer must be identified for each State-administered retirement system (PERS, TPAF, PFRS, etc.) at the employing location. It is possible to name one Certifying Officer for more than one retirement system, or to name a different Certifying Officer for different pension funds.

Generally, it is good practice for the Certifying Officer to be someone other than the person who completes the pension reports and certifications. This will help ensure accuracy in reporting and decrease the number of mistakes.

The Certifying Officer's signature on the *Quarterly Report of Contributions* and other forms and documents submitted to the Division must match the signature on this form.

*\*The duties of the Certifying Officer are formally laid out in the New Jersey Administrative Code (N.J.A.C.) 17:2-1.5 for PERS, 17:3-1.5 for TPAF, and 17:4-1.5 for PFRS. See also, N.J.S.A. 43:15A-67, 80, etc.*

# ENROLLING IN THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

## GENERAL ELIGIBILITY CRITERIA

General rules for membership in the Public Employees' Retirement System are as follows:

1. The employee earns an annual salary of \$1,500 or more per year (\$125 per month for those employed 12 months per year; \$150 per month for those employed 10 months per year).
2. The employee's wages must be subject to Social Security taxes.
3. The employee must meet "continuous" service requirements: that is, the employee is in a permanent position or has had 12 months of continuous temporary or provisional service.

Eligibility determinations are then decided based on civil service versus non-civil service locations.

## CIVIL SERVICE VS. NON-CIVIL SERVICE

### ***Civil Service Employing Locations***

If an employee is regularly appointed to a **classified** position by a civil service employer, the PERS enrollment date will be the date of regular appointment.

If an employee does not receive a regular appointment after one year of continuous service, he or she must be enrolled in the PERS.

If an employee does not receive a regular appointment when assuming a position, but receives a regular appointment before 12 months have passed, the date of enrollment will be the date of regular appointment.

Employees in **unclassified** positions are eligible for enrollment as of the date of hire.

### ***Non-Civil Service Employing Locations***

Employees at non-civil service locations who are hired into regularly budgeted positions should be enrolled effective their date of hire. If hired into a non-budgeted position, the employee may be considered temporary within the first year of employment. If otherwise eligible and employment continues into the second year, the compulsory enrollment date will be the first of the month following the end of one year.

## PERS INELIGIBILITY

1. Persons who are retired from another NJ State-administered or local New Jersey retirement system (e.g., TPAF) are not eligible for PERS enrollment, but may assume a PERS-covered position and receive full salary without consequence to any existing retirement allowance. (See *"Employment After Retirement, PERS"*, page 42; *"PFRS"*, page 43.)
2. Certain students employed at the school, college or university in which they are enrolled and regularly attending classes may be ineligible for PERS membership effective June 30, 2000. Federal and State legislation excludes many of these students from FICA and Medicare taxes. Since PERS membership is dependent on wages being subject to Social Security withholding, these student employees are not eligible. Revenue Procedure 98-16, 1998-5 I.R.B., IRC Sec(s). 3121, available from the Internal Revenue Service, sets forth some generally applicable standards for determining if services performed by student employees are eligible for this exclusion.

3. Those employees hired under federal Job Training Partnership Act (JTPA), Workforce Investment Act (WIA), or any of their successors.
4. Intermittent employees.
5. Persons whose services are engaged as consultants, self-employed independent contractors, or other similar title, who do not qualify as "employees". The stringent guidelines published by the NJ Department of Labor and the Internal Revenue Service are used to determine if a person is considered an independent contractor, consultant, etc. The actual nature of the relationship between an employer and a person who provides paid service is of central importance.
6. Seasonal employees.
7. Retired PERS members who earn \$15,000 per year or less total from all PERS employment who work in a PERS-covered position.

### **OPTIONAL ENROLLMENTS**

Enrollment is optional for non-veteran elected officials, some part-time school crossing guards, and retired members of PERS elected to public office if the retirement is based solely on service credit earned in elected positions. (See *N.J.S.A. 43:15A-47.2*)

### **PART-TIME CROSSING GUARDS**

Part-time crossing guards are employees who work less than the normal hours in a work week at your location. Enrollment of part-time crossing guards depends on several factors.

Enrollment is **optional** if the part-time crossing guard is receiving retirement benefits through any other pension system including the federal government, whether military, civilian, or Social Security benefits.

Crossing guards who have previously retired from any public retirement system in New Jersey, other than PERS, are ineligible for enrollment, though they may be employed.

If a crossing guard is retired from PERS, and earns more than \$15,000 total from all PERS employment, then enrollment is mandatory. (*In which case, see "If A PERS Retiree Returns to Work in PERS Covered Position: Mandatory Re-enrollment, page 40."*)

### **ON-CALL EMPLOYEES**

#### **1. *Monitoring Employment***

Anyone who is employed on an "on-call" basis and works on average less than 10 days a month throughout the regular work year, their employment is considered temporary and not continuous, and therefore not eligible for enrollment. At employing locations that have 12-month per year positions, the minimum number of days an employee must work is 120 days to qualify for enrollment. For an employing location with 10-month per year positions (e.g., a Board of Education), the minimum number of days an employee must work to qualify is 100 days per year.

The employer must monitor the employment record of on-call employees during the first year of employment. If a 10- or 12-month employee works a total of 100 or 120 days or more, respectively, during the first year of employment, enrollment is mandatory at the start of the second year. If an on-call employee does not meet the criteria for membership in the first year, the employer must continue to monitor for eligibility until the conditions for membership are established.

#### **2. *Earliest Enrollment Date for On-Call Employees***

The earliest that on-call employees may be enrolled is at the beginning of the second year of employment. For example: an on-call, 10-month employee was hired on September 10, 2000 and

worked, on average, 20 days per month and reached 100 total days of service as of the end of January, 2001. Even though this employee has reached 100 days of on-call employment with one employer by January, the employee is not yet eligible for enrollment.

If the employee returns to work in September, 2001, the employee would be enrolled.

### **3. Use Estimated Salary for Enrollment**

When enrolling on-call employees, an estimated salary is required in order to calculate the back deduction schedule. (Only actual salary amounts will be used for the *Quarterly Report of Contributions*, however.)

### **4. Report Actual Salary After Enrollment**

Once the member has established his or her enrollment in the system, the employer should then report the member based on actual salary, *i.e.*, if the member earns 1/10th of their salary in a given month, the employer should deduct pension and credit the member for that month. All months of service and salary must be reported from the date that payroll deductions are certified to begin. If a member's salary falls below the minimum level for membership for a month, then that month's service and salary are not reported on the *Quarterly Report of Contributions*. The minimum monthly salary for monthly service credit is \$125 per month for 12-month per year employees, and \$150 per month for 10-month per year employees.

### **5. Monitoring After Enrollment**

Finally, once the member has established his or her enrollment in the retirement system, the employer does not need to monitor the number of days worked.

## **PART-TIME HOURLY EMPLOYEES**

All persons employed on a part-time hourly basis are eligible to belong and contribute to PERS provided the general eligibility requirements are met.

In the past, the salaries of part-time hourly employees were reported to the Division of Pensions and Benefits based upon estimates, made by the employer, of what the employees will earn in coming quarters.

The PERS Board of Trustees recently changed this rule. Effective January 1, 2000, employers are instructed to report actual earnings for all part-time, hourly employees beginning the 1st quarter of 2000. This rule change brought conformity to salary reporting for all public employees in the State-administered pension funds.

**When enrolling part-time hourly employees, an estimated salary is still required in order to calculate the back deduction schedule, if necessary.** (Only actual salary amounts will be used for the *Quarterly Report of Contributions*, however.)

## **LONG TERM SUBSTITUTES AND REPLACEMENT TEACHERS**

Replacement teachers are eligible for PERS enrollment after one year. If a replacement teacher is replacing a teacher on terminal leave, he or she is eligible for TPAF membership.

Permanent, long-term substitutes are eligible for PERS enrollment on the date of hire.

## **ELECTED OFFICIALS**

Membership for veteran elected officials is compulsory, whereas participation is optional for non-veteran elected officials.

Retired PERS members with "veteran status" who are subsequently elected to public office have the option to re-enroll only if the retirement is based solely on service and salary credit earned from prior elected



	Captain of County Detectives
	Chief of County Detectives
	County Investigator
Office of County Sheriff . . . . .	Sheriff's Officer
	Sergeant Sheriff's Officer
	Lieutenant Sheriff's Officer
	Captain Sheriff's Officer
	Chief Sheriff's Officer
	Sheriff's Investigator
Palisades Interstate Park Commission . . . .	Patrolman
	Police Officer

**PERS ELIGIBILITY WHEN EMPLOYED IN A PFRS TITLE**

Effective April 17, 2000, the following rule change became effective. (Prior to April 17, 2000, individuals could not participate in any pension system until they were permanently appointed to the PFRS position.) Any full-time employee hired on a provisional or temporary basis in an eligible PFRS title who is under the age of 35 must enroll in the PERS after completion of 12 months of continuous service.

Upon permanent appointment to a PFRS title, the individual may be required to cease membership in PERS and enroll in the PFRS. All PFRS eligibility criteria, including age, must be met. The individual may be eligible to interfund transfer the PERS membership to PFRS.

**Important Note:** At State and County locations, all individuals who are age 35 or over will continue membership in PERS upon permanent appointment to PFRS positions. At municipalities, all individuals who are one day or more past their 35th birthday upon permanent appointment cannot enroll in the PFRS. Individuals also cannot continue participation in the PERS. Therefore, those individuals cannot remain in the PFRS eligible position because participation in a State-administered pension system (PERS or PFRS) is a condition of employment.

**CONTRIBUTION RATE**

The **full** rate of employee contributions is 5% of base salary. The full rate of contribution is established by the legislature by enacting or amending pension law. The State Treasurer has the right to make temporary reductions in rate within the parameters of the law.

The Treasurer of the State of NJ reduced the deduction rate through the end of 1999 to 4.5% of base salary.

The provisions of Chapter 415, PL 1999 subsequently have changed the employee contribution rate to 3% of base salary effective January 1, 2000 for calendar years 2000 and 2001. Chapter 133, PL 2001 maintains the 3% contribution rate through 2002 and for as long as the State Treasurer continues to authorize it.

This reduction in the employee pension contribution rate is considered a temporary reduction. Therefore, the regular pension deduction certifications for new employees will continue to show a 5% deduction rate. The employer should actually deduct at the reduced rate of 3% that is specified on the Certification. The Division of Pensions and Benefits will advise all employers when a change in deduction rate occurs.

Since January 1, 1987, mandatory pension contributions have been federally tax deferred. Under the 414(h) provisions of the Internal Revenue Code 414(h), this reduces a members' gross wages subject to federal income tax. Payments for pension loans and purchases of service credit are **voluntary** pension contributions and are **not** tax deferred.

# **PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) INSTRUCTIONS FOR COMPLETING THE ENROLLMENT APPLICATION**

**Part I: To be completed by the employee.**

## **Question 1 — Name**

The employee should write his or her full legal name. Nicknames should not be used. If applicable, please indicate the member's maiden name in the space provided.

## **Question 2 — Address**

The employee should indicate the current home mailing address.

## **Question 3 — Security Number**

The employee's Social Security number should be included exactly as it appears on their Social Security card.

## **Question 4 — Sex**

Please check the appropriate box.

## **Question 5 — Date of Birth**

The employee should enter the month, day, and year of birth. A copy of a birth certificate, baptismal certificate, or any other acceptable form of proof of age should be submitted at the same time this application is filed.

Do not delay filing the application if the proof of age is not available.

## **Question 6 — Veteran's Status**

Effective March 1, 2001, State law (Chapter 127, P.L. 2000) makes the NJ Department of Military and Veterans' Affairs (NJDMAVA) responsible for determining veteran status for pension purposes and for civil service preference. Therefore, you should no longer send a military discharge to the Division of Pensions and Benefits.

A copy of the military discharge (*Form DD-214*) should be sent, instead, to the following address:

NJ Department of Military & Veterans Affairs  
ATT: DVP-VBB  
PO Box 340  
Trenton, NJ 08625

Since people apply for veteran status for more than one reason, a note should be attached to the discharge giving the employee's address and indicating that the discharge is being sent to obtain veteran status in the retirement system.

If you or the employee have questions about veteran status, you can call the NJDMAVA at 1-800-624-0508 or check their website at <http://www.state.nj.us/military/veterans/status.html>

*Form DD-214* may be submitted at any time during a member's career. Please do not delay in submitting the *Enrollment Application* if *Form DD-214* is not available.

In order to process a veteran enrollment both the front and reverse sides of the discharge, establishing

induction and discharge dates, must be furnished. If the member does not have a copy of *Form DD-214*, a copy can be obtained through written request to:

Military Personnel Records  
9700 Page Boulevard  
St. Louis, MO 63132

If an employee does not qualify for veteran's status for pension purposes, a letter will be sent notifying the member of the decision. The member will be enrolled as a non-veteran.

**Question 7a — Former Member of System**

The employee should check "Yes" or "No". An enrollment application should not be filed for any employee who is a former member and (1) did not terminate by withdrawal, or (2) has been inactive for less than two years.

**Question 7b** — If the employee checked "yes" to 7a, he or she should enter any other name under which the previous membership was established.

**Question 8a** — The employee should enter the name of any non-federal, public retirement system, in this or any other state, in which he or she is or was a member. Private employment should not be included in this section.

**Question 8b** — The employee should indicate if he or she is receiving any retirement benefits at this time from the public retirement system listed in 8a.

**PART II: TO BE COMPLETED BY THE EMPLOYEE.**

***Permanent Employees***

If employees are permanent in their positions, they must be enrolled as of their regular or permanent appointment date. They may apply for a cost quotation to purchase all temporary service, if any, that was rendered immediately preceding appointment. To do this they must check the appropriate box in this section.

***Temporary (Provisional) Employees Having 12 Consecutive Months of Service***

Employees who are temporary or provisional in their positions and have been employed for 12 consecutive months must be enrolled in the retirement system. They may apply for a cost quotation to purchase all prior temporary service. To do this they must check the appropriate box in this section.

***Note for Optional Enrollees***

If an employee's enrollment is optional and the decision is made to enroll in the retirement system, the enrollment will be effective on the first of the month following receipt of the application at the Division of Pensions and Benefits.

**PART III: TO BE COMPLETED BY THE EMPLOYEE.**

Completion of Part III does not constitute a request to purchase service credit. It is merely a listing of prior public employment. To make a request to purchase service credit an *Application to Purchase Service Credit* must be submitted.

Certain types of previous public employment may be purchased to increase a member's service credit in the retirement system.

## **PART IV: DESIGNATION OF BENEFICIARY - TO BE COMPLETED BY THE EMPLOYEE.**

### ***Primary Beneficiary***

A primary beneficiary is the person or persons who will receive benefits at the time of an employee's death.

### ***Contingent Beneficiary***

A contingent beneficiary is the person or persons who will receive the benefits at the time of the employees' death if the primary beneficiary has predeceased the employee.

***See Rules for Designation of Beneficiaries (see page 40)***

### ***The Signature of the Applicant***

An applicant's signature must be the person's full, legal name. For example, if the applicant's name is "Richard M. Jones", he should not sign "Dick Jones."

The signature in Part 1 must exactly match the signature in Part 4. Different signatures in Parts 1 and 4 will guarantee a delay in processing while clarification is sought by the Division.

## **PART V: CERTIFICATION OF EMPLOYING AGENCY TO BE COMPLETED BY THE EMPLOYER**

### ***Question 1a — Name of the Employer***

Please list the complete name of the employing location.

#### ***FOR BOARDS OF EDUCATION:***

Most school teachers and staff are employees of the presiding Board of Education, not the school in which they work. The Board of Education would then be the "employing agency" and must be listed as the employer of record on the *Enrollment Application*.

### ***Question 1b — County***

Please list the county in which the employing location resides.

### ***Question 2a — Location Number***

This is the number assigned to your employing location by the Division of Pensions and Benefits. The number you include in this line is specific to the retirement system into which the employee will be enrolled. It is very important that this number be included.

### ***Question 2b — Bureau Number***

For large locations, please include the Bureau number.

### ***Question 2c — Payroll Number***

This information is required for State agencies paid through Centralized Payroll only.

### ***Question 3 — Payroll Title of Applicant***

Please indicate the title under which the employee was hired.

***On-Call Employees*** — If the employee is "on-call", the title entered should reflect the employee's on-call status. For example: "On-call Substitute Teacher", "On-call Substitute Bus Driver," etc.

### ***Question 4 — Is applicant employed by more than one public employer?***

This should be answered either "yes" or "no".

**Question 5 — Is this individual still considered a temporary (provisional) employee?**

This should be answered either "yes" or "no".

**Question 6a — Date Employment Began**

You are asked to indicate the employee's date of hire. (See the notes below)

**Question 6b — Regular or Permanent Appointment Date**

This should be the date the employee was given permanent status in the title, or the first day of the 13th consecutive month of employment. (See the notes below)

**For Civil Service Employers on Question 6**

Is the individual still considered a temporary (provisional) employee?

*If the answer is yes, then only complete question 6a, "Date Employment Began", not 6b.*

Reason: The date employment began represents the date the employee began continuous service covered by the PERS provisions. (Continuous service is a key eligibility criterion for membership in PERS) This may be a later date than when the employee was first hired; if, for example, the employee had been intermittently or seasonally employed, or on-call too infrequently to become eligible for PERS membership.

If an employee is hired from a certified civil service list, or is hired in an unclassified title, the dates in Questions 6a and 6b would be the same.

If a person is hired provisionally and later certified through civil service to a position within one year from the date employment began, the date in Question 6a would be the date of hire and 6b would be the date of regular appointment (RA) status.

**For Non-Civil Service Employers on Question 6**

If the employee is working in a regularly budgeted position (you can count on the position being funded from year to year), then the answers to questions 6a and 6b would be identical.

If for some reason the date of hire and the date of permanent status are different, be sure to attach a letter of explanation to the *Enrollment Application* explaining why. This would avoid the need for the Enrollment Section to send a letter to you asking for clarification and thus avoid a delay in enrollment. For example: an employee began work on June 1 in a position that was only temporarily funded. On November 1 the job became a regularly budgeted position. The date of permanent appointment would be November 1 (Question 6b), and the date of hire would be June 1 (Question 6a).

**On-Call 10-Month Employees**

The minimum number of days a 10-month, on-call employee can work to qualify for membership in PERS is 100. If the employee works 100 days or more during the regular work year, then he or she becomes eligible when returning to work to begin the second year, not when the 100 day mark is reached.

*For example:* An on-call, 10-month employee is was hired on September 10, 2000 and worked, on average, 20 days per month (100 days total) as of the end of January, 2001. Even though this employee has reached 100 days of on-call employment with one employer by January, the employee is not yet eligible for enrollment.

If the employee returns to work in September, 2001, the employee would be enrolled.

In this example, Line 6a would show a date of September 10, 2000; Line 6b would show

September 1, 2001. The Enrollment Section at the Division would enroll the on-call employee as of September 1, 2001.

The Division would also offer the person the opportunity to buy the one year of temporary service if the employee checked the box requesting to purchase temporary service time.

**Question 7a — Current Base Annual Salary**

Be sure to use the current **annual** base salary only. Do not use hourly or per diem rates. For hourly employees, use the best estimate of current annual base salary.

**Again, the Division of Pensions and Benefits cannot enter hourly or per diem rates. Base salary must be entered as an annual figure.**

**Question 7b**

Indicate if the employee is employed on a ten or twelve month per year basis.

**Question 8 — Certifying Officer Signature**

Before the Certifying Officer signs the *Enrollment Application*, it is suggested that the application be reviewed for missing, erroneous or inconsistent information. A little effort at this juncture can prevent lengthy delays and more work later.

The signature by the Certifying Officer must be an original signature, not a stamped copy.

*See page 7 for more information concerning the Certifying Officer.*

# **PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) INSTRUCTIONS FOR COMPLETING THE *REPORT OF TRANSFER FORM***

The location number and the membership number that are boxed in at the top of the application are to be completed by the Division of Pensions and Benefits.

**Question 1** — The member should indicate his or her full legal name. Nicknames should not be used. If married please indicate your maiden name in the space provided.

**Question 2** — The member should indicate his or her current mailing address.

**Question 3** — The member's Social Security number.

**Question 4** — The member's membership number.

**Question 5** — The location that the member was employed with previously.

**Question 6** — The new employer should obtain the date of last deduction by contacting the old employer for the last date deductions were taken from the member's pay. Usually a phone call will enable you to get the information you need.

**Question 7** — The location that the member will now be employed with.

**Question 8** — The member's payroll title.

**Question 9** — The date that the member began employment with the new location.

**Question 10** — The member's current contractual base salary.

**Question 11** — Indicate whether the member is employed on a 10- or 12-month basis.

**Question 12** — Indicate if the member is employed at more than one location. If yes, please list.

**Question 13** — This line should only be completed for State employees paid through Centralized Payroll.

**Question 14** — The member must sign the form.

**Question 15** — The Certifying Officer of record must sign the form and include the name of the employing agency and the county in which it resides. *See page 7 for more information concerning the Certifying Officer.*

# ENROLLING IN THE TEACHERS' PENSION AND ANNUITY FUND (TPAF)

## ELIGIBILITY

Any permanent employee working as a teacher or member of the professional staff, certificated by the State Board of Examiners, serving in an eligible title and earning at least \$500 per year, is required to become a member of TPAF as a condition of employment.

As a general rule, if a job is a permanent, regularly budgeted position, and the employee possesses required State certification, the person will be eligible for enrollment in TPAF. Temporary and substitute teachers are not eligible for TPAF membership, nor are replacement teachers, except for replacement teachers who are replacing someone on terminal leave.

Chapter 24, PL 1986 eliminated the full time requirement for participation in the TPAF. As of 1986 part time teachers are enrolled in the TPAF.

Employees of the NJ Department of Education who have unclassified, professional titles, and are certificated, are eligible for TPAF membership (Chapter 189, PL 1989).

### ***Common TPAF Eligible Titles***

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Assistant City Superintendent	Subject Supervisor
School Administrator	General Elementary Supervisor
Assistant Commissioner of Education	Superintendent
School Business Administrator	General Supervisor of Instruction
Assistant Subject Supervisor	Supervising Principal
School Nurse <i>(if certification required)</i>	Guidance and Placement Counselor
Assistant Superintendent in Charge of Business	Supervisor
School Occupational Therapist	Guidance Director
Board Secretary	Teacher-Clerk
School Physical Therapist	Helping Teacher
City Superintendent	Teacher-Counselor
School Psychologist	Learning Disability Specialist
Coordinator	Vice Principal
School Social Worker	Librarian
Coordinator for Distributive Education	Vocational Administrator
Speech Therapist	Music Teacher
County Superintendent	Vocational Supervisor
Speech Teacher	Principal
Director	Vocational Trade and Industrial Supervisor
State Commissioner	Recreation Director
Director, Administrator or Supervisor of Guidance and Student Personnel Services	Vocational Trade and Industrial Teacher
	Regular Teacher

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### Required Form

The TPAF *Enrollment Application* must be completed and sent to the Division of Pensions and Benefits.

*Instructions for completing the Enrollment Application immediately follows this section on page 22.*

### **NON-ELIGIBLE TITLES**

Non-eligible titles for TPAF include replacement teachers (except those replacing teachers on terminal leave), substitute teachers, and long-term permanent substitutes. However, these titles are eligible for PERS membership.

- Replacement teachers are eligible for PERS enrollment after one year.
- Replacement teachers replacing teachers on terminal leave are eligible for TPAF membership.
- Long-term substitutes are eligible for PERS enrollment on the date of hire.

Generally, non-certificated professional personnel are not eligible for membership in TPAF.

Employees whose job titles focus on serving in supporting capacities to classroom teachers (e.g., teachers aides, classroom assistants), clerical and maintenance staff, and most non-certificated administrative positions are not eligible for membership in TPAF, but may be eligible for PERS membership if PERS eligibility requirements are met.

Seasonal employees are not eligible for membership in any NJ State-administered retirement system.

Temporary teachers are also not eligible for membership in TPAF, but may be eligible for PERS membership after one year.

### **INTERIM APPOINTMENTS FOR RETIRED TPAF MEMBERS — THE "SIX MONTH RULE"**

Any person retired from the TPAF who is temporarily appointed to a certificated position covered by the TPAF will be ineligible for enrollment in the retirement system if the total time for all interim appointments with the same Board of Education does not exceed six months. If the total time for all interim appointments with the same Board of Education exceeds six-months, the individual shall be considered an employee for pension purposes and must be re-enrolled in the retirement system effective the first day of the seventh month of employment.

**To restate:** a retiree who works as an interim appointment for an aggregate of six months with the same employer must either end employment or be re-enrolled in the pension system if employment continues.

Multiple interim appointments, even with breaks in service, with the same Board of Education would be combined when calculating the six months. Retirees may change Boards of Education and work for periods of no more than six months with each different employer.

Chapter 355, PL 2001 provides a one year exemption from enrollment after retirement for certificated superintendents and certificated administrators who are employed by the Commissioner of Education or school board in positions deemed to be of "critical need" for a contractually established period not to exceed one year. Exemptions can be extended for one additional year. There must be a break in service after retirement of at least 120 days for persons who wish to return to work in a position covered by Chapter 355 at the same employer from which he or she retired.

### **CONTRIBUTION RATE**

The full rate of employee contributions is 5% of base salary.

The full rate of contribution is established by the legislature by enacting or amending pension law. The State Treasurer has the right under the current law to make temporary reductions in rate.

The Treasurer of the State of NJ has reduced the deduction rate through the end of 2001 to 4.5% of base salary. Beginning January 1, 2002, TPAF members will be subject to a discounted contribution rate of 3%.

These reductions in the employee pension contribution rate are considered temporary reductions. The employer should actually deduct at the reduced rate of 4.5% through 2001 and 3% through 2002. Any changes in deduction rate must be certified by the Division of Pensions and Benefits.

All voluntary pension deductions (loan repayments, purchases) are based upon the full pension rate of 5%. This will not change regardless of any temporary discounts granted for normal pension and back deductions.

Since January 1, 1987, mandatory pension contributions have been federally tax deferred. Under the provisions of the Internal Revenue Code 414(h), this reduces a members' gross wages subject to federal income tax. Payments for pension loans and purchases of service credit are **voluntary** pension contributions and are **not** tax deferred.

# TEACHER'S PENSION AND ANNUITY FUND (TPAF) INSTRUCTIONS FOR COMPLETING THE *ENROLLMENT APPLICATION*

## PART I: TO BE COMPLETED BY THE EMPLOYEE.

### **Question 1 — Name**

Employee should indicate his or her full legal name. Nicknames should not be used. If applicable, please indicate the member's maiden name in the space provided.

### **Question 2 — Address**

Employee should indicate the current home mailing address.

### **Question 3 — Sex**

Please check the appropriate box.

### **Question 4 — Date of Birth**

The employee should enter the month, day, and year of birth. A copy of a birth certificate, baptismal certificate, or any other acceptable form of proof of age should be submitted at the same time this application is filed. Do not delay filing the application if the proof of age is not available.

### **Question 5 — Veteran's Status**

Effective March 1, 2001, State law (Chapter 127, P.L. 2000) makes the New Jersey Department of Military and Veterans' Affairs (NJDMAVA) responsible for determining veteran status for pension purposes and for civil service preference. Therefore, you should no longer send a military discharge to the Division of Pensions and Benefits.

A copy of the military discharge (*DD-214*) should be sent, instead, to the following address:

NJ Department of Military & Veterans Affairs  
ATT: DVP-VBB  
PO Box 340  
Trenton, NJ 08625

Since people apply for veteran status for more than one reason, a note should be attached to the discharge giving the employee's address and indicating that the discharge is being sent to obtain veteran status in the retirement system.

If you or the employee have questions about veteran status, you can call the NJDMAVA at 1-800-624-0508 or check their website at <http://www.state.nj.us/military/veterans/status.html>

*Form DD-214* may be submitted at any time during a member's career. (Do not delay submitting the Enrollment Application if Form DD-214 is not available.)

In order to process a veteran enrollment both the front and reverse sides of the discharge, establishing induction and discharge dates, must be furnished. If the member does not have a copy of *Form DD-214*, a copy can be obtained through written request to:

Military Personnel Records  
9700 Page Boulevard  
St. Louis, MO 63132

If an employee does not qualify for veteran's status for pension purposes, a letter will be sent notifying the member of the decision. The member will be enrolled as a non-veteran.

**Question 6 — Former Member of Fund**

Employee should check "Yes" or "No". An enrollment application should not be filed for any employee who is a former member and (1) did not terminate by withdrawal, or (2) has been inactive for less than two years.

**Question 7 — Membership in Public Retirement System**

The employee should enter the name of any non-federal public retirement system, in this or any other state, in which they are or were a member. Private employment should not be included in this section.

**Question 8 — Reminder**

This is just a reminder to the employee to request a handbook for the fund and information on the Supplemental Annuity Collective Trust, and additional investment program.

**Question 9 — Record of Public Employment Only**

Completion of this section does not constitute a request to purchase service credit. It is merely a listing of prior public employment. To make a request to purchase service credit an *Application to Purchase Service Credit* must be submitted.

Certain types of previous public employment may be purchased to increase your service credit in the retirement system.

**Question 10 — Designation of Beneficiary**

**Primary**

A primary beneficiary is the person (or persons) who will receive benefits at the time of employees death.

**Contingent**

A contingent beneficiary is the person (or persons) who will receive the benefits at the time of the employees' death if the primary beneficiary has predeceased the employee.

**RULES FOR DESIGNATION OF BENEFICIARY(IES) — SEE PAGE 38**

**PART II: CERTIFICATION OF EMPLOYING AGENCY  
TO BE COMPLETED BY THE EMPLOYER**

**Question 1 — Position**

The title under which the employee was hired should be listed here.

**Question 2 — Date Employment Began**

The employee's date of hire should be listed here.

**Question 3 — Current Monthly Salary**

This should be 1/10th or 1/12th of the employee's annual base, contractual salary. Then the appropriate number of months per contract year should be checked off.

Be sure to base your information on the current annual base salary only. Do not use hourly or per diem rates. For hourly employees, use the best estimate of current annual base salary.

The Division of Pensions and Benefits cannot enter hourly or per diem rates. Base salary must be entered as a monthly figure.

**Question 4 — Name of Employer**

The name of the employing agency should be listed here.

*For Boards of Education employees:*

Most school teachers and staff are employees of the presiding Board of Education, not the school in which they work. The Board of Education would then be the "employing agency" and must be listed as the employer of record on the Enrollment Application.

**Question 5 — Part-time Employee at Appointment Date?**

A "Yes" or "No" response required. If answered yes, the number of days per week and hours per day worked must be included.

**Question 6 — Check If Employed In More than One District**

If the employee is employed in more than one district it is requested that each location be listed in Part I, Line 9.

**Question 7 — Social Security Number**

The employee's Social Security number should be listed here exactly as it appears on their Social Security card.

For State employees paid through Centralized Payroll, please include the payroll number.

**Question 8 — Certifying Officer Signature**

Before the Certifying Officer signs the enrollment application, it is suggested that the application be reviewed for missing, erroneous or inconsistent information. A little effort at this juncture can prevent lengthy delays and more work later.

The signature by the Certifying Officer must be an original signature, not a stamped copy.

The Certifying Officer of record must sign the form and include the District and County that the location resides in.

*See page 7 for more information concerning the Certifying Officer.*

**PART III IS FOR DIVISION OF PENSIONS AND BENEFITS USE ONLY.**

# TEACHER'S PENSION AND ANNUITY FUND

## INSTRUCTIONS FOR COMPLETING THE

### *REPORT OF TRANSFER FORM*

#### LOCATION NUMBER AND MEMBERSHIP NUMBER

The location number and the membership number that are boxed in at the top of the application are to be completed by the Division of Pensions and Benefits.

**Question 1** — The member should indicate their full legal name. Nicknames should not be used. If married please indicate the member's maiden name in the space provided.

**Question 2** — The member should indicate the current mailing address to which correspondence may be sent.

**Question 3** — The member's social security number

**Question 4** — The member's membership number.

**Question 5** — The location that the member was employed with previously.

**Question 6** — The new employer should obtain the date of last deduction by calling the old employer for the last date deductions were taken from the member's pay. Usually a phone call will enable you to get the information you need.

For multiple members: Question 6 is not required.

**Question 7** — The location that the member will now be employed with.

**Question 8** — The member's payroll title.

**Question 9** — The date that the member began employment with the new location.

**Question 10** — The member's current contractual base salary.

**Question 11** — Indicate whether the member is employed on a ten or twelve month basis.

**Question 12** — Indicate if the member is employed at more than one location. If yes, please list.

**Question 13** — This Question should only be completed for State employees paid through Centralized Payroll.

**Question 14** — The member must sign the form.

**Question 15** — The Certifying Officer of record must sign the form and include the name of the employing agency and the county it resides in

# ENROLLING IN THE POLICE AND FIREMEN'S RETIREMENT SYSTEM (PFRS)

## ELIGIBILITY

Enrollment in PFRS is limited to full-time, permanent firefighters and police officers who hold an approved job title or whose position has been approved by the Board of Trustees of the Police and Firemen's Retirement System. See page 32 for a listing of generally approved PFRS job titles.

## AGE RESTRICTIONS ON MEMBERSHIP IN PFRS

Effective February 25, 1997, individuals qualified to enroll in PFRS in all other respects must comply with the maximum age restriction; that is, be appointed on or before the day of their 35th birthday. Also effective June 30, 1997, PFRS members must retire no later than the first of the month following their 65th birthday.

### ***Civil Service and Non-Civil Service Positions***

#### *Civil Service Positions*

Individuals hired in PFRS eligible titles at Civil Service (Title 11) locations, on or after February 25, 1997, cannot be older than the day of their 35th birthday as of the announced closing date of the Civil Service examination for that title in order to be eligible to establish membership in PFRS. Individuals meeting this age requirement can be hired at any time from an active Civil Service list prior to its expiration and be enrolled in PFRS. (N.J.S.A. 43:16A-3(1))

#### *Non-Civil Service Positions*

Individuals hired in a PFRS eligible title at a Non-Civil Service location, on or after February 25, 1997, can be no older than the day of their 35th birthday on the date of hire to be eligible for membership in PFRS. (N.J.S.A. 43:16A-3(1))

#### *Maximum Age Restrictions at State and County Locations*

Individuals employed by any State or County location who do not meet the maximum age requirement described above must establish membership in the Public Employees' Retirement System (PERS) one year after being provisionally employed in the title, or immediately after being permanently appointed in the title. (N.J.S.A. 43:16A-3(1))

**Note:** Those individuals enrolled under the PERS in Law Enforcement Officer (LEO) titles will be eligible for enhanced benefits under special LEO provisions. See *LEO section under PERS Enrollment Eligibility, page 11.*

#### *Maximum Age Restrictions at Municipal Locations*

Individuals hired by any municipality in an eligible PFRS title on or after February 25, 1997, who are one day or more past their 35th birthday on the date of hire, cannot establish membership in any State-administered retirement system (N.J.S.A. 43:16A-3(2)).

**For "Exceptions" to the 35-year old age limit, see "Reducing A Member's Age" below.**

## MEDICAL REQUIREMENTS

A physical examination must be completed by the employer's physician to prove medical readiness for a PFRS position.

The medical exam must occur within one year of the receipt of the medical form that accompanies the *Enrollment Application*.

## Required Forms

1. An *Enrollment Application*.

*Instructions for completing the PFRS Enrollment Application appear on page 28.*

2. A *Report of Examining Physician* form must be included. (Only the Division of Pensions and Benefits form is acceptable.)

*Civil Service Locations Only:* The closing date of the Civil Service examination for the position for which the individual is being hired. A copy of the list would be acceptable evidence.

## **HISTORY OF PFRS ENROLLMENT AGE LIMITS**

Many have commented on the confusing history of age limits as it relates to PFRS enrollment. Changes have resulted from legislative initiatives, court rulings, and changes in administrative code. It may be helpful, then, to review the history of maximum enrollment age limits.

New Jersey Statutes and the New Jersey Administrative Code establish the maximum enrollment age for the PFRS. These provisions were superseded in 1993 by the federal Age Discrimination in Employment Act (ADEA) so that the state statutes and code could not be enforced. In 1996, the federal government eliminated the ADEA restrictions which applied to the PFRS governing statutes, and in Formal Opinion No. 1, published on February 25, 1997, the State Attorney General stated that the age restrictions must be enforced. The following chart highlights these and other changes at a glance.

### ***Enrollment Age Limit History***

<u>Dates</u>	<u>Age</u>
6/30/1944 - 4/11/1945	35
4/12/1945 - 9/03/1968	30
9/04/1968 - 7/10/1984	35
7/11/1984 - 2/28/1997	no age limit
3/01/1997 - 12/31/1987	35
1/01/1987 - 2/24/1997	no age limit
2/25/1997 - present	35

Members who were enrolled in PFRS while the age 35 restriction was not in force will be allowed to retain membership in the system on the same basis as any other member.

## **"REDUCING" A MEMBER'S AGE**

There are situations in which age can be "reduced" for purposes of being eligible for enrollment in the PFRS.

### ***For All Employing Locations***

Members can "reduce" their age by calculating their present age and reducing it by the amount of active military service in the theater of operations during war time or time of conflict, as stipulated by N.J.A.C. 17:4-2.5 and N.J.S.A. 43:1-1.1, the definition of a veteran for pension purposes. This applies to cases involving state, county, and municipal locations.

### ***"Reductions" that Apply Only to Municipalities***

Members may also "reduce" their enrollment age for prior service as State trooper, sheriff's officer or deputy, county or municipal police officer (N.J.S.A. 40-14-127.1). Former municipal police officers can "reduce" their age for entry into the PFRS if their actual age, less the number of years of previous service as police officers, would reduce their age to 35 or less.

Service as a municipal police officer in another state may also qualify for use in "reducing" a member's age for entry into the PFRS.

An age reduction may also be granted for persons who have prior service with the police departments of the Delaware River Port Authority, Amtrak, the Burlington County Bridge Commission, or SEPTA.

Prior service in federal law enforcement agencies may also be used to "reduce" a member's age.

However, no person may be appointed who is over the age of 45 except for those who were involuntarily terminated previously from former PFRS eligible employment.

### **CANDIDATES WHO EXCEED THE AGE LIMIT**

Individuals employed by any **state** or **county** location, who cannot meet the maximum age requirement for membership in PFRS, must establish membership in Public Employees' Retirement System under the following conditions:

Immediately upon being permanently appointed to a position with a Civil Service employer.

After serving provisionally in an eligible title for one year with a Civil Service employer.

After being employed for one year in temporary position with a non-Civil Service employer.

Individuals hired by any **municipality** in an eligible PFRS title who are over age 35 on the date of hire, even after "reductions in age" have been taken into account, cannot establish membership in any State-administered retirement system. Since enrollment in the PFRS is a condition of employment (N.J.S.A. 43:16A-3(1)), these individuals are considered illegal hires.

### **CANDIDATES EMPLOYED PART-TIME, UNDER AGE 35**

Employees who are "part-time" officers should be enrolled into PERS if they are otherwise eligible for enrollment. Enrollment dates are set according to PERS rules of enrollment. They cannot be enrolled in PFRS.

### **CANDIDATES AWAITING PERMANENT APPOINTMENT**

Employees at civil service employing locations, otherwise eligible for enrollment, who are "temporary" or "provisional" pending an examination, must be enrolled in the PERS one year after being employed in the title. Once the candidate has attained permanent (RA) status, the member may be enrolled in the PFRS and may transfer eligible PERS service credit into the PFRS account. (N.J.A.C. 17:2-2.8)

### **RATE OF CONTRIBUTION**

The rate of contribution for members of PFRS is 8.5% of base salary. Deductions may begin only when a *Certification of Payroll Deductions* is received from the Division of Pensions and Benefits.

Since January 1, 1987, mandatory pension contributions have been federally tax deferred. Under the 414(h) provisions of the Internal Revenue Code, this reduces a members' gross wages subject to federal income tax. Payments for pension loans and purchases of service credit are **voluntary** pension contributions and are **not** tax deferred.

# POLICE AND FIREMEN'S RETIREMENT SYSTEM (PFRS) INSTRUCTIONS FOR COMPLETING THE *ENROLLMENT APPLICATION*

## PART I: MEMBER INFORMATION

### **Question 1 — Name**

An employee should indicate his or her full legal name. Nicknames should not be used. If applicable, please indicate member's maiden name in the space provided.

### **Question 2 — Address**

The employee should indicate the current home mailing address.

### **Question 3 — Security Number**

The employee should enter the Social Security number exactly as it appears on his or her Social Security card.

### **Question 4 — Sex**

Please check the appropriate box.

### **Question 5 — Date of Birth**

The employee should enter the month, day, and year of birth. A copy of a birth certificate, baptismal certificate, or other acceptable form of proof of age should be submitted at the same time this application is filed. *(Do not delay filing the application if the proof of age is not available.)*

### **Question 6 — Former Member of System**

**Question 6a** — The employee should check "Yes" or "No". An *Enrollment Application* should not be filed for any employee who is a former member and (1) did not terminate by withdrawal or (2) has been inactive for less than two years.

**Question 6b** — If the employee checked yes to 6a and the member's name has been changed, the Division of Pensions and Benefits requires the member to enter the name under which this previous membership was established.

### **Question 7 —**

**Question 7a** — The employee should enter the name of any non-federal, public retirement system, in this or any other state, in which the employee is or was a member. Private employment should not be included in this section.

**Question 7b** — The employee should indicate if he or she is receiving any retirement benefits at this time from the public retirement system listed in 7a.

## PART II: DATE OF ENROLLMENT

The employee must enroll as of the regular or permanent appointment date. The employee has the option to purchase all temporary service on a retroactive basis. Such a purchase would require additional deductions. In this section the employee must check appropriate box to indicate an interest in receiving a cost quotation to purchase temporary service.

**PART III: DESIGNATION OF BENEFICIARY  
TO BE COMPLETED BY THE EMPLOYEE.**

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***Primary Beneficiary***

A primary beneficiary is the person (or persons) who will receive benefits at the time of an employee's death.

***Contingent Beneficiary***

A contingent beneficiary is the person (or persons) who will receive the benefits at the time of the employee's death if the primary beneficiary has predeceased the employee.

See page 40 for Rules for Designation of Beneficiaries.

**PART IV: CERTIFICATION OF EMPLOYING AGENCY  
TO BE COMPLETED BY THE EMPLOYER**

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***Question 1a — Name of the Employer***

List the complete name of the location

***Question 1b — County***

List the county in which the location resides.

***Question 2a — Location Number***

It is very important that this number be included.

***Question 2b — Bureau Number***

A Bureau Number may be necessary for larger employers who have separate employing sub-units.

***Question 2c — Payroll Number***

For state agencies paid through Centralized Payroll only.

***Question 3 — Payroll Title of Applicant***

Please indicate the title under which the employee was hired.

***Question 4 — Is this individual still considered a temporary (provisional) employee?***

This should be answered either yes or no.

***For Civil Service Employers***

If an employee is hired from a certified Civil service list, or is hired in an unclassified title, the dates in Questions 6a and 6b would be the same.

***Question 5a — Date Employment Began***

Indicate the employee's date of hire.

***Question 5b — Regular or Permanent Appointment Date***

This should be the date the employee was given permanent status in their title or the first day of the 13th consecutive month of employment.

***Question 6 — Current base Annual Salary***

This should be the employee's contractual, base salary. Please do not give hourly or per diem rates.

**Question 7 —**

Before the Certifying Officer signs the enrollment application, it is suggested that the application be reviewed for missing, erroneous or inconsistent information. A little effort at this juncture can prevent lengthy delays and more work later.

The signature by the Certifying Officer must be an original signature, not a stamped copy.

*See page 7 for more information concerning the Certifying Officer.*

# **POLICE AND FIREMEN'S RETIREMENT SYSTEM (PFRS) INSTRUCTIONS FOR COMPLETING THE REPORT OF TRANSFER FORM**

The location number and the membership number that are boxed in at the top of the application are to be completed by the Division of Pensions and Benefits.

## **Question 1 — Name**

The member should indicate their full legal name. Nicknames should not be used. If married the member should please indicate her maiden name in the space provided.

## **Question 2 — Address**

The member should indicate their current mailing address

## **Question 3 — Social Security Number**

The member's Social Security number

## **Question 4 — Membership Number**

The member's membership number.

## **Question 5 — Transferred From**

The location that the member was employed with previously.

## **Question 6 — Date of Last Deduction**

The new employer should obtain the date of last deduction by calling the old employer for the last date deductions were taken from the member's pay. Usually a phone call will enable you to get the information you need.

## **Question 7 — Transferred to**

Enter the name of the new employer's location.

## **Question 8 — Payroll Title**

The member's payroll title.

## **Question 9 — Date Employment Began**

The date that the member began employment with the new location.

## **Question 10 — Current Annual Base Salary**

The member's current contractual base salary.

## **Question 11 — Payroll Number**

This line should only be completed for State employees paid through Centralized Payroll.

## **Question 12 — Member Signature and Date**

The member must sign and date the form.

## **Question 13 — Certifying Signature and Date**

**The Certifying Officer of record must sign the form and include the name of the employing agency and the county it resides in.**

*See page 7 for more information concerning the Certifying Officer.*

## ELIGIBLE PFRS TITLES AS OF JUNE 2000

Employees in the following job titles are eligible for enrollment in the Police and Firemen's Retirement System if they are employed by a County or Municipal Civil Service employer, a State College or University, the State of New Jersey, or with certain non-Civil Service employers; and they meet all other eligibility criteria.

- Eligible PFRS County Titles - Civil Service
- Eligible PFRS Municipal Titles - All Employers
- Eligible PFRS Municipal Titles - Civil Service
- Eligible PFRS State College / University Titles
- Eligible PFRS State Titles
- Eligible PFRS Titles - Non Civil Service Employers

### Eligible PFRS COUNTY Titles - CIVIL SERVICE EMPLOYERS

County titles do not include Somerset County since it has not adopted Civil Service.

POSITION	EMPLOYER	POLICE OR FIRE
Assistant Institution Fire Chief	County	Fire
County Correction Captain	County	Police
County Correction Lieutenant	County	Police
County Correction Officer	County	Police
County Correction Sergeant	County	Police
County Detective	County	Police
County Investigator	County	Police
County Prosecutor Detective	County	Police
County Prosecutor Investigator	County	Police
Fire Officer 1	County	Fire
Fire Officer 2	County	Fire
Fire Officer 3	County	Fire
Fire Officer 4	County	Fire
Institution Fire Captain	County	Fire
Institution Fire Chief	County	Fire
Institution Firefighter	County	Fire
Park Police Captain	County	Police
Park Police Chief	County	Police
Park Police Deputy Chief	County	Police
Park Police Lieutenant	County	Police
Park Police Officer	County	Police
Park Police Sergeant	County	Police
Police Captain	County	Police
Police Chief	County	Police
Police Inspector	County	Police
Police Lieutenant	County	Police

Police Lieutenant Bilingual Spanish/English	County	Police
Police Officer	County	Police
Police Officer Bilingual Korean/ English	County	Police
Police Officer Bilingual Spanish/English	County	Police
Police Sergeant Bilingual Spanish/English	County	Police
Police Sergeant	County	Police
Sheriffs Captain	County	Police
Sheriffs Chief	County	Police
Sheriffs Investigator	County	Police
Sheriffs Lieutenant	County	Police
Sheriffs Officer	County	Police
Sheriffs Sergeant	County	Police
County Investigators, Captain	County Prosecutor	Police
County Investigators, Chief	County Prosecutor	Police
County Investigators, Deputy Chief	County Prosecutor	Police
County Investigators, Lieutenant	County Prosecutor	Police
County Investigators, Sergeant	County Prosecutor	Police

### Eligible PFRS MUNICIPAL Titles - ALL EMPLOYERS

These titles have been approved for all municipal employers (Civil Service and non- Civil Service).

POSITION	EMPLOYER	POLICE OR FIRE
Deputy Fire Chief, UFD	Municipal	Fire
Deputy Police Chief	Municipal	Police
Fire Captain, UFD	Municipal	Fire
Fire Chief, UFD	Municipal	Fire
Fire Fighter, UFD	Municipal	Fire
Fire Lieutenant, UFD	Municipal	Fire
Police Captain	Municipal	Police
Police Chief	Municipal	Police
Police Detective	Municipal	Police
Police Inspector	Municipal	Police
Police Lieutenant	Municipal	Police
Police Officer	Municipal	Police
Police Sergeant	Municipal	Police

### Eligible PFRS MUNICIPAL Titles - CIVIL SERVICE EMPLOYERS

Since job descriptions are uniform for all employers who have adopted Civil Service, these titles have been found eligible for all these municipal employers.

POSITION	EMPLOYER	POLICE OR FIRE
Administrative Clerk-UFD	Municipal	Fire

Assistant Fire Signal Supervisor UFD	Municipal	Fire
Assistant Training Officer, UFD	Municipal	Fire
Battalion Fire Chief UFD	Municipal	Fire
Business Manager UFD	Municipal	Fire
Carpenter UFD	Municipal	Fire
Community Relations Specialist UFD	Municipal	Fire
Emergency Medical Technician UFD	Municipal	Fire
Field Representative UFD	Municipal	Fire
Fire Officer 1	Municipal	Fire
Fire Officer 2	Municipal	Fire
Fire Officer 3	Municipal	Fire
Fire Officer 4	Municipal	Fire
Fire Official UFD	Municipal	Fire
Fire Official/Fire Protection Subcode Official UFD	Municipal	Fire
Fire Prevention Specialist UFD	Municipal	Fire
Fire Protection Subcode Official UFD	Municipal	Fire
Fire Signal System Supervisor/ UFD	Municipal	Fire
Housing Police Captain	Municipal	Police
Housing Police Chief	Municipal	Police
Housing Police Lieutenant	Municipal	Police
Housing Police Officer	Municipal	Police
Housing Police Sergeant	Municipal	Police
Line Worker UFD	Municipal	Fire
Mechanic UFD	Municipal	Fire
Police Lieutenant Bilingual Spanish/English	Municipal	Police
Police Officer Bilingual Korean/ English	Municipal	Police
Police Officer Bilingual Spanish/English	Municipal	Police
Police Sergeant Bilingual Spanish/English	Municipal	Police
Radio Repairer, UFD	Municipal	Fire
Superintendent UFD	Municipal	Fire
Supervising Fire Prevention Specialist UFD	Municipal	Fire
Supervising Fire Protection Inspector UFD	Municipal	Fire
Training Officer, UFD	Municipal	Fire

### Eligible TPAF STATE COLLEGE/UNIVERSITY Titles

These titles are eligible only for the employer listed next to them.

POSITION	EMPLOYER	POLICE OR FIRE
Campus Police Officer	State Colleges/Universities*	Police
Campus Police Officer Lieutenant	State Colleges/Universities*	Police
Campus Police Sergeant	State Colleges/Universities*	Police
Director IV Chief of Police	State Colleges/Universities*	Police
Managing Assistant Director II - Assistant Chief Police	State Colleges/Universities*	Police
Public Safety & Chief Police Operations	State Colleges/Universities*	Police
Assistant to the Director (Police Lieutenant)	New Jersey Institute of Tech.	Police

Institute Police Officer	New Jersey Institute of Tech.	Police
Police Sergeant	New Jersey Institute of Tech.	Police
Captain Office of Police/Community Relations & Planning	Rutgers University	Police
Captain Patrol Division	Rutgers University	Police
Deputy Chief of Police	Rutgers University	Police
University Chief of Police	Rutgers University	Police
University Police Detective	Rutgers University	Police
University Police Lieutenant	Rutgers University	Police
University Police Officer	Rutgers University	Police
University Police Sergeant	Rutgers University	Police
Associate Director Public Safety Administration	Univ. Medicine&Dentistry NJ	Police
Captain	Univ. Medicine&Dentistry NJ	Police
Director Public Safety	Univ. Medicine&Dentistry NJ	Police
University Captain, Training	Univ. Medicine&Dentistry NJ	Police
University Police Captain	Univ. Medicine&Dentistry NJ	Police
University Police Officer	Univ. Medicine&Dentistry NJ	Police
University Police Sergeant	Univ. Medicine&Dentistry NJ	Police

\*These include the following: The College of New Jersey, Kean University, Montclair State University, New Jersey City University, Ramapo College of New Jersey, The Richard Stockton College of New Jersey, Rowan University, Thomas Edison State College, William Paterson University of New Jersey.

## Eligible PFRS STATE Titles

These titles are eligible only for the department or division listed next to them.

POSITION	EMPLOYER	POLICE OR FIRE
Investigative Accountant II	State- Comm. of Investigation	Police
Special Agent/Investigator	State- Comm. of Investigation	Police
Senior Special Agent/Investigator	State- Comm. of Investigation	Police
Assistant District Parole Supervisor	State- Corrections	Police
District Parole Supervisor	State- Corrections	Police
Supervising Parole Officer	State- Corrections	Police
Assistant Chief, Parole	State- Corrections	Police
Assistant District Parole Officer	State- Corrections	Police
Chief, Bureau of Parole	State- Corrections	Police
Correction Officer	State- Corrections	Police
Correction Officer Recruit Bilingual Span/Eng.	State- Corrections	Police
Correction Officer, Captain	State- Corrections	Police
Correction Officer, Lieutenant	State- Corrections	Police
Correction Officer, Recruit	State- Corrections	Police
Correction Officer, Senior	State- Corrections	Police
Correction Officer, Sergeant	State- Corrections	Police
District Parole Officer	State- Corrections	Police
Parole Officer Recruit	State- Corrections	Police
Parole Officer Recruit Bilingual Spanish/English	State- Corrections	Police
Senior Parole Officer	State- Corrections	Police

Senior Parole Officer Bilingual Spanish/English	State- Corrections	Police
Sup. Parole Residential Facility	State- Corrections	Police
Conservation Officer 1	State- Division Fish & Game	Police
Supervising Conservation Services Officer	State- Division Fish & Game	Police
Conservation Officer, Supervising	State- Division Fish & Game	Police
Conservation Officer 2	State- Division Fish & Game	Police
Conservation Officer 3	State- Division Fish & Game	Police
Chief Parks Security Service	State- Division Parks/Forestry	Police
Assistant Director, State Forestry Services	State- Division Parks/Forestry	Fire
Assistant Division Forest Fire Warden	State- Division Parks/Forestry	Fire
Chief Bureau State Forest Fire Management Fire Warden	State- Division Parks/Forestry	Fire
Division Forest Fire Warden	State- Division Parks/Forestry	Fire
Field Section Fire Warden-(Obsolete)	State- Division Parks/Forestry	Fire
Forest Fire Control Technician	State- Division Parks/Forestry	Fire
Forest Fire Pilot	State- Division Parks/Forestry	Fire
Ranger	State- Division Parks/Forestry	Police
Ranger Chief I	State- Division Parks/Forestry	Police
Ranger Chief II	State- Division Parks/Forestry	Police
Ranger Trainee	State- Division Parks/Forestry	Police
Section Forest Fire Warden	State- Division Parks/Forestry	Fire
Supervising Aviation Operation & Maintenance	State- Division Parks/Forestry	Police
Supervising Forest Fire Warden	State- Division Parks/Forestry	Fire
Chief Bureau of Law Enforcement Environmental Protection	State- Environmental Protect.	Police
Forest Fire Observer	State- Environmental Protect.	Fire
Police Chief Human Services	State- Human Services	Police
Police Officer. Health Care Facilities	State- Human Services	Police
Regional Police Commander	State- Human Services	Police
Police Lieutenant Health Care Facilities	State- Human Services	Police
Police Sergeant Health Care Facilities	State- Human Services	Police
Assistant Chief Investigator Secured Facilities	State- Juvenile Justice	Police
Assistant District Parole Supervisor	State- Juvenile Justice	Police
Chief Investigator Secured Facilities	State- Juvenile Justice	Police
Correction Captain	State- Juvenile Justice	Police
Correction Lieutenant	State- Juvenile Justice	Police
Correction Officer Recruit	State- Juvenile Justice	Police
Correction Sergeant	State- Juvenile Justice	Police
Dir. of Custody Operations 1	State- Juvenile Justice	Police
Dir. of Custody Operations 2	State- Juvenile Justice	Police
Investigator Secured Facilities	State- Juvenile Justice	Police
Parole Officer Recruit	State- Juvenile Justice	Police
Parole Officer Recruit Bilingual Spanish/English	State- Juvenile Justice	Police
Principal Investigator Secured Facilities	State- Juvenile Justice	Police
Senior Correction Officer	State- Juvenile Justice	Police
Senior Investigator Secured Facilities	State- Juvenile Justice	Police
Senior Parole Officer	State- Juvenile Justice	Police
Senior Parole Officer Bilingual Spanish/English	State- Juvenile Justice	Police
Administrator of Investigations	State- Law & Public Safety	Police
Assistant Chief Investigators	State- Law & Public Safety	Police

Chief Administrator of Investigations	State- Law & Public Safety	Police
State Investigator	State- Law & Public Safety	Police
Taxation Supervising Special Agent	State- Taxation	Police
Taxation Special Agent I	State- Taxation	Police
Taxation Special Agent Trainee	State- Taxation	Police
Taxation Special Agent II	State-Taxation	Police
Taxation Special Agent III	State-Taxation	Police

## Eligible PFRS Titles - NON-CIVIL SERVICE EMPLOYERS

Since job descriptions are not uniform for employers who have not adopted Civil Service, these titles have been found eligible only for the employer listed.

POSITION	EMPLOYER	POLICE OR FIRE
Captain, Safety & Security	Brookdale Comm.. College.	Police
Detective Sergeant	Brookdale Comm.. College	Police
Lieutenant Safety & Security	Brookdale Comm.. College	Police
Police Officer	Brookdale Comm.. College	Police
Probation Officer	Brookdale Comm.. College	Police
Sergeant	Brookdale Comm.. College	Police
Emergency Medical Technician	Cliffside Park	Fire
Police Lieutenant/Assistant Director	Essex County College	Police
Police Officer	Essex County College	Police
Police Officer - Intern	Essex County College	Police
Police Sergeant	Essex County College	Police
Emergency Services Specialist	Hopewell District 1	Fire
School Police Officer	Lower Camden Regional School	Police
Chief of Police, Director of Safety	Middlesex County College	Police
Police Captain	Middlesex County College	Police
Police Officer	Middlesex County College	Police
Sergeant of Police	Middlesex County College	Police
Assistant Fire Chief	South Jersey Transportation Auth	Fire
Fire Chief	South Jersey Transportation Authority	Fire
Fire Fighter	South Jersey Transportation Authority	Fire
County Detective, Captain	Somerset County	Police
County Detective, Chief	Somerset County	Police
County Detective, Deputy Chief	Somerset County	Police
County Detective, Lieutenant	Somerset County	Police
County Detective, Sergeant	Somerset County	Police
Fire Fighter	Washington Township (Gloucester)	Fire
Fire Fighter/Fire Inspector	Washington Township (Gloucester)	Fire
Fire Chief	Washington Township (Gloucester)	Fire
Fire Fighter/Chief Maintenance Mechanic	Washington Township (Gloucester)	Fire
Fire Fighter/Fire Apparatus Mechanic	Washington Township (Gloucester)	Fire
Emergency Services Lieutenant	West Windsor Township	Fire
Emergency Services Specialist	West Windsor Township	Fire

## RULES FOR DESIGNATION OF BENEFICIARIES

A member may nominate any person, persons, institution, trust, estate, etc., as primary or contingent beneficiary.

The same beneficiary(ies) may be listed for both group life insurance and the return of accumulated deductions or last check benefit. Using the words, "Save as Above" is not acceptable; the member must repeat the same information for both items.

If more than one person is named a primary beneficiary, the following shall apply: "Share and Share Alike, Survivor or Survivors." If multiple beneficiaries are named, it is to be understood that the beneficiaries living at the member's death will share equally in the distribution of the death benefits. The same applies to multiple contingent beneficiaries.

The Division of Pensions and Benefits cannot require that the member provide the beneficiary's Social Security number. Providing the Social Security number of a beneficiary, however, may ease the processing of the death claim.

If additional space is required, an attachment sheet is acceptable provided it is signed by the member and witnessed by a Notary Public (notarized).

When naming a married female as beneficiary, be certain the proper name is given, e.g., Mary J. Jones, not Mrs. John R. Jones. Nicknames are also not acceptable.

Definite dollar amounts should not be indicated since the amount of group life insurance changes with every change in the member's salary (for active members) or retirement allowance (for retirees).

The member may change the beneficiary designation for the group life insurance, accumulated pension deductions or last check benefit (retired members) at any time.

If no beneficiary designation is in effect at the time of death, or the designation section is incomplete or blank, payment will be made to the member's estate.

## WHEN A BENEFICIARY IS A MINOR

If a member wishes to name a minor as a beneficiary for pension death and/or group life insurance benefits, the manner of the designation can make a huge difference in how benefits are paid.

1. If a member dies leaving pension death and/or group life insurance to a minor, the Division of Pensions and Benefits will withhold payment of the benefit until one of the following occurs:
  - a. A court-ordered guardian of the minor's **property** is appointed by the courts and proof is forwarded to the Division, in which case the benefits will be paid to the guardian on the minor's behalf; or
  - b. The minor attains age 18.
2. The member may choose to leave pension death benefits and/or group life insurance benefits to a trust established on behalf of a minor beneficiary. There are two types of trusts, "formal" and "informal".

A “**formal**” trust” is established by formal, legal documents filed with a NJ county court that establishes a person or persons or corporation as “Trustee”. When designating a formal trust on behalf of a minor beneficiary, the member must clearly state “Formal Trust” on behalf of the minor, include the date of trust incorporation, and supply the name and address of a trustee to contact upon the member's death. All specified death benefits would then be paid to the trust.

An “**informal trust**” is one that not filed with the courts and need not be a formal agreement. In this case, the member designated a person or persons to act as “informal trustee(s)” on behalf of the minor. The informal trustee(s) would be paid the specified benefits on behalf of the minor beneficiary.

## **DO'S AND DON'TS OF BENEFICIARY DESIGNATION**

Based on frequent experience at the Division, the following “*Do's and Don'ts*” are suggested as a means to reduce the number of errors on beneficiary designation forms and ensure that members are well served in this important area.

- ◆ **Don't** use "white-out" or cross out names to make changes in Designation. This makes the form unacceptable: it will be rejected and a new form will be mailed to the member.
- ◆ **Do** complete a fresh form whenever the member makes a mistake in designating a beneficiary. In the long run, this will save the member time and will eliminate any uncertainty regarding the desired designation.
- ◆ **Don't** name the same person or persons in both the Primary and Contingent Beneficiary sections. This makes the form unacceptable: it will be rejected and a new form will be mailed to the member.
- ◆ **Do** choose both primary and contingent beneficiaries with care.
- ◆ **Don't** leave the address for any beneficiary blank. This will require the Division of Pensions and Benefits to generate a letter to request the required information.
- ◆ **Don't** neglect the birthdate of each beneficiary. This will require the Division of Pensions and Benefits to generate a letter to request the required information.
- ◆ **Don't** forget to list the relationship of each beneficiary to the member. This will require the Division of Pensions and Benefits to generate a letter to request the required information.
- ◆ **Do** have all beneficiary information on hand when completing a *Designation of Beneficiary Form*.

# EMPLOYMENT AFTER RETIREMENT

## FOR ALL FUNDS: WHEN A DUAL MEMBER RETIRES

A "dual" member, that is someone working in positions covered by more than one NJ State-administered retirement systems (e.g., PERS & PFRS, TPAF & PERS, etc.), is permitted by law to retire from one position and receive the pension from that system without affecting the pension enrollment in the second retirement system.

For example, a police officer (PFRS) who also works in a PERS covered position is a member of both pension funds. If the officer retires and receives a pension based on service under the PFRS position, the PERS membership is not affected and pension credit under PERS may still be earned.

## PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

### ***Effect of Post-Retirement Employment on a PERS Retirement***

Working for private industry, the federal government or a government agency in another state will not normally affect a member's Public Employees' Retirement System (PERS) retirement benefits. (See the "Disability Retiree" section below for exceptions to this.) Returning to public employment in New Jersey after retirement, however, could affect retirement benefits as shown below.

### ***If a PERS Retiree Returns to Work in PERS Covered Position: Mandatory Re-Enrollment***

In addition to the State agencies, over 1800 local employers throughout New Jersey participate in PERS. A retired member should expect to reenroll in PERS if public employment is accepted and meets any of the following conditions:

The employment is on a regular basis and the position is covered by Social Security, and

**The annual salary from all employing locations exceeds \$15,000 (effective 1/1/2002)** (except Disability retirees), and

The employee is not required to be a member of any other New Jersey State or local government retirement system on the basis of the same position; or

The employee retired on a Disability retirement and now earns \$1,500 or more a year.

However, retirees who return to covered positions cannot join PERS if any of the following are true:

They are a provisional or temporary employee with less than 12 months of continuous service,

Their annual salary for the position does not exceed \$15,000, or \$1,499 for those retired on a Disability retirement,

The position is not covered by Social Security,

They are receiving a pension from another NJ State-administered retirement system,

They are receiving a pension from a NJ local or county government pension fund,

They are a seasonal employee, or

They are elected public officials who retired from public retirement systems in this or any other state prior to being elected, and who retired from position(s) other than that of elected official.

Chapter 253, PL 2001 allows PERS retirees to accept employment in a teaching position at an institution of higher education (the state colleges and universities) without having to reenroll in the retirement system. There must be a 30-day break in service between retirement and beginning this employment.

Also, enrollment in PERS is **optional** if the employee is:

A school crossing guard who is receiving retirement benefits of any kind (including Social Security retirement benefits), or

An elected official who is receiving a retirement allowance from PERS may cancel the existing retirement and re-enroll **if** the salary from the position to which he or she is elected is greater than \$15,000 per year.

Employees for whom enrollment is optional and who decide not to reenroll in PERS, are entitled to collect their PERS retirement allowance while receiving salary as an elected official or crossing guard.

**Members of any of the State-administered retirement systems in New Jersey who have substantially complied with the requirements necessary to effect a retirement benefit other than a deferred retirement and who become employed again in positions which make them eligible to be members of another retirement system are not eligible for enrollment in that other system if the subsequent employment was begun on or after the actual retirement date from the first system.**

In other words, if a member files for retirement, terminates employment prior to retirement, and starts a new job in a position covered by a different retirement system after the retirement date, the member would not be enrolled in the second retirement system.

### ***Consequences for PERS Retirees***

If a member accepts regular full or part-time employment in any positions covered by PERS, and the aggregate salaries is greater than \$15,000 per year, the member must re-enroll in PERS as a condition of employment. The retirement allowance will be canceled for the duration of employment and the employee becomes an active contributing member again. (If over the age of 60, the member must prove insurability for the life insurance coverage.)

If the employee dies while enrolled in the second membership, no benefits from the previous membership or retirement are payable.

If the member returns to employment under PERS and is eligible for membership but fails to be enrolled, the member would be required to reimburse the retirement system in the amount of all retirement benefits received since the date enrollment should have occurred. In addition, the employee would be required to pay pension contributions in the form of back deductions back to the enrollment date. You, as the employer, may also be liable for pension and Social Security contributions. There is no limitation on the amount of reimbursement that may be recovered by the retirement system in these situations.

### ***Retiring from a Second Membership***

When PERS members retire again, they must file a new retirement application so that their first allowance may be restored and a second allowance will be calculated based on the second membership. These two calculations are paid in the same retirement check. The first and second accounts cannot be combined to qualify for a "Veteran" retirement. Service credit from the first and second account may be combined to qualify for enhanced benefits, *i.e.* 25 years, etc. You, as the employer should be able to tell members whether any employment they are considering is covered under PERS.

### ***Returning To Work in A Position Covered by Another New Jersey State-Administered Retirement System***

In this case the member's retirement allowance continues, the member can receive salary, but cannot become a member of that system.

### ***Disability Retirees Restored to Active Service in PERS***

Before a disability retiree can return to active service in a PERS eligible title, the following procedures must be followed:

Make a request to the Division of Pensions and Benefits in writing.

Submit a physician's report to the Division certifying that they are no longer disabled and can return to employment. The physician should be one with the same specialty as the physician who originally certified that they were disabled.

Be examined by a physician appointed by the PERS Board of Trustees.

Be approved for return to active service by the PERS Board of Trustees.

When a disability retiree returns to active service and earns an annual salary of \$1,500 or more, an *Enrollment Application* must be submitted to the Division. In this case, the original membership resumes, and the balance of contributions in the account is prorated by the retirement benefit already paid.

## **TEACHERS' PENSION AND ANNUITY FUND (TPAF)**

### ***Effect of Post-Retirement Employment on TPAF Retirees***

Working for private industry, the federal government or a government agency in another state will not normally affect a member's TPAF retirement benefits. See the "Disability Retiree" section on page 42 for exceptions to this rule.

Returning to public employment in New Jersey after retirement could affect retiree benefits.

### ***Returning to Work in a Position Covered by TPAF***

A TPAF retiree who accepts regular, full or part-time, employment in a position covered by TPAF must re-enroll in the pension fund. There are significant consequences to re-enrollment, as discussed below.

### ***Mandatory Re-Enrollment***

Membership in TPAF is **required** as a condition of employment if:

The employee is **appointed to a permanent teaching or professional staff position** requiring certification and is employed on a regular basis (including per diem and hourly positions) in a position covered by Social Security, and

The employee's **annual salary is \$500** or more,

The employee is an **interim employee**, for example, superintendent, principal or other administrator; the employee serves in a TPAF eligible position for **more than six months** with the same employer. The six months do not have to be consecutive: multiple interim appointments with the same Board of Education would be combined when calculating the six months of service and earns more than \$500 per year. (Retirees may change Boards of Education and work for periods of no more than six months with each different employer.)

If a member collecting retirement benefits from TPAF, other than Disability Retirement, accepts employment in a position covered by TPAF, the following steps should occur:

You, as the employer, must submit a TPAF *Enrollment Application* on the member's behalf to the Division of Pensions and Benefits.

### ***Consequences of Re-enrollment***

The employee's application will be referred to the Board of Trustees of the retirement system to cancel the member's retirement allowance as of the required date of enrollment in TPAF. The date of enrollment is not negotiable. The TPAF Board Secretary will advise the employee of the action taken by the Board.

Once the Board of Trustees cancels the member's retirement allowance, the *Enrollment Application* will be processed and a certification to deduct pension contributions will be sent to you.

The member will be billed for any retirement payments received after the effective date of their new TPAF enrollment.

Because of the sequence of events, most retirees are enrolled in TPAF on a retroactive basis. They should therefore anticipate that they would be required to refund one or more pension checks to the retirement system.

### ***Retiring for the Second Time***

The member must file an application for retirement when the time comes to retire for the second time. The former retirement allowance and any option selection will be restored along with any appropriate cost-of-living adjustment payable based upon the original date of retirement. In addition, the member will receive a retirement allowance based upon the new period of service. Service credit from both retirements may be combined to satisfy the 25 years of service requirement for TPAF paid State Health Benefits Program coverage. (Note: Any additional allowance due as a result of the second period of service will be determined under the service retirement formula; a reduction applies if the retiree is under age 55.) By law, the combined retirement allowances cannot be greater than the allowance that would have been received if the first retirement had not occurred.

You, as the employer, should be able to tell if the employment the member is considering is covered by the TPAF.

### ***Consequences of Returning To Work in A Position Covered by Another New Jersey State-Administered Retirement System***

In this case, the member's retirement allowance continues, salary can be earned, but the member cannot enroll in that system.

### ***Disability Retirees Restored to Active Service***

Before a disability retiree can return to active service in a TPAF eligible title, the following procedures must be followed:

- Make a request to the Division of Pensions and Benefits in writing.

- Submit a physician's report to the Division certifying that they are no longer disabled and can return to employment. The physician should be one with the same specialty as the physician who originally certified that they were disabled.

- Be examined by a physician appointed by the TPAF Board of Trustees.

- Be approved for return to active service by the TPAF Board of Trustees.

When a disability retiree returns to active service and earns an annual salary of \$500 or more, an enrollment application must be submitted to the Division. In this case, the original membership resumes and the balance of contributions in the account is prorated by the retirement benefit already paid.

## **POLICE AND FIREMEN'S RETIREMENT SYSTEM (PFRS)**

### ***Effect of Post-Retirement Employment on Retirement***

With the exception of those retiring under Disability Retirement, there are no restrictions concerning employment after retirement from PFRS if the retiree takes employment in private industry, the Federal Government, or public employment in a state other than New Jersey.

### ***Consequences of Returning To Work in A Position Covered by PFRS***

If a member returns to employment in a permanent position covered by PFRS, the individual must cancel his or her retirement and re-enroll in PFRS. All eligibility requirements must be met **except** the age requirement. The member becomes an active member again. If the member dies while in the second membership, no benefits from the previous membership or retirement are payable.

### ***Retiring for the Second Time***

When members retire from their second position, they must file a retirement application so that their first retirement allowance will be restored and a second allowance from the second membership will be calculated and paid in the same retirement check. By law, the combined retirement allowances cannot be greater than the allowance that would have been received if the first retirement had not occurred.

### ***Returning to Work in a Position Covered by a Different New Jersey State-Administered Retirement System***

In this case, the member's retirement allowance continues intact and the retiree can receive salary but cannot become a member of that retirement system.

A cautionary note: service in appointed, administrative or supervisory positions within six months of retirement such as Police Director, Fire Director, Director of Public Safety, and others, may be PFRS eligible titles, if occupied by a PFRS member. (As per N.J.S.A. 43:16A-3.1)

Care should be taken to ensure a PFRS retiree is not hired to a PFRS covered position.

### ***Disability Retirees Returning to Work***

When a disability retiree returns to active PFRS service, an enrollment application must be submitted to the Division. In this case, the original membership resumes and the balance of contributions in the account is prorated by the retirement benefit already paid.





