

# P E R S

**EMPLOYER HANDBOOK**

**FOR**

**PERS/SLRP RETIREMENT PLANS**

**BY THE**

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF MISSISSIPPI**

July 1, 2006

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**Public Employees' Retirement System Building, 429 Mississippi Street, Jackson, MS 39201**

# PERS/SLRP

July 1, 2006

Our desire in compiling the following information is to provide the covered agencies a better understanding of their responsibility in extending retirement coverage to all eligible employees under the various retirement plans administered by the Board of Trustees of the Public Employees' Retirement System of Mississippi. These responsibilities include preparing the proper Wage and Contribution Reports and making payment of retirement contributions. The information outlines the general regulations and reporting procedures. Any questions pertaining to retirement coverage or reporting procedures which are not addressed in this publication should be submitted to the Public Employees' Retirement System for clarification and review. It is the goal of PERS to operate in compliance with the provisions of the laws governing State Retirement Annuity Coverage under the Public Employees' Retirement System and the Supplemental Legislative Retirement System. If we can furnish you with any additional information, feel free to call upon us.

Information in this Handbook is based on PERS laws, policies, and regulations as of July 1, 2006. The information is subject to periodic revisions as laws, policies, and regulations change. Please contact PERS if you have any questions.

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## INTRODUCTION

### 100. INTRODUCTION

#### A. Purpose and Use of This Handbook

The purpose of this Handbook is to provide reporting officials of all State and Local political subdivisions with an understanding of their responsibilities in reporting retirement wages, maintaining records, and paying retirement contributions.

Reporting officials will be promptly notified of any change in reporting procedures necessitated by changes in State law or rules and regulations. These notifications should be filed with the manual for future reference.

### 101. EXPLANATION OF SOCIAL SECURITY COVERAGE

#### A. Federal Law

In 1951, enabling legislation was passed for the purpose of extending to employees of the state and its political subdivisions and of the instrumentalities of either, and to the dependents and survivors of such employees, the basic protection accorded to others by the old-age and survivors insurance system embodied in the Social Security Act. Pursuant to such legislation, the State of Mississippi entered into an Agreement, commonly referred to as a Section 218 Agreement, with the Federal Security Administration under which Social Security Coverage would be extended automatically to state employees, junior colleges, and universities. This coverage was made available to employees of other political subdivision at the option of such employers. The Public Employees' Retirement System was designated by the Legislature to administer this program. Contributions were collected by PERS and remitted to the Social Security Administration for a number of years.

The law requiring State and Local employers to make deposits of Social Security payments in accordance with the Federal Insurance Contributions Act (FICA) provisions in the Internal Revenue Code was enacted on October 21, 1986. This includes payments due on wages paid by State and Local governments that modified their agreement pursuant to the provisions of Section 218 of the Social Security Act. These provisions are effective with respect to payments due on wages paid after December 31, 1986.

This legislation:

removed from states the intermediary role of collecting Social Security payments from local governments and relieved State government from liability for verifying and depositing such payments;

provided that State and Local governments are subject to the same interest charge and penalties for late deposits as applied to private-sector employers; and

placed State and Local government employers under the same schedule for frequency of deposits as applied under present law to private-sector employers (and to deposits of federal income taxes withheld by State and Local government employers).

The Internal Revenue Service (IRS) is responsible for providing instructions to those employers that are affected by these provisions.

The Social Security Administration (SSA) retained responsibility for Agreements and modifications with states for the coverage of services of governmental employees and determinations of coverage.

Where wages were paid prior to January 1, 1987, all existing provisions of Section 218 of the Social Security Act remain in effect for the States and SSA; therefore, the last regular semimonthly deposit by the States of Social Security contributions was due no later than January 15, 1987. The States' liability with respect to collecting and depositing Social Security contributions continued, where payments were due on wages paid for the years 1982-1986, until the statute of limitations precluded such liability.

## **102. EXPLANATION OF STATE AND LOCAL RETIREMENT COVERAGE**

### **A. The Teachers' Retirement System**

The Teachers' Retirement System, which has been in effect since July 1, 1944, was closed to new members on July 1, 1952, and all funds were liquidated. The members of the Teachers' Retirement System were refunded the balance of their contributions. For those already retired, the retirees' benefits became obligations of the State of Mississippi with the benefits to be funded by state appropriation through the Public Employees' Retirement System.

### **B. The Public Employees' Retirement System**

The Public Employees' Retirement System (PERS) was created effective February 1, 1953, for State employees, employees of community/junior and senior colleges and teachers and administrative personnel of public schools and for employees of other political subdivisions and juristic entities which elect to participate in PERS.

## **103. ENABLING LEGISLATION**

### **A. Execution and Effective Date**

Under Article III beginning at Section 25-11-101 et seq., Mississippi Laws of 1972, as amended, a supplemental retirement annuity of the actuarial reserve type, was established February 1, 1953. The act provided a retirement benefit for public employees after attainment of a certain age and/or completion of a required number of years of service, which is in addition to Social Security coverage. It also provided an opportunity for the employees to accumulate funds based on contributions and interest payable to the employee in the event of their termination of employment prior to eligibility for retirement benefits.

### **B. Designation of the State Agency**

The general management responsibility for proper operation of the supplemental retirement annuity is vested in the Public Employees' Retirement System of

Mississippi. This agency is governed by a ten-member Board of Trustees consisting of the State Treasurer, two State employees, a university employee, county employee, municipal employee, two retired members, one employee appointed by the Governor, and one employee of public schools and community colleges.

#### **104. EXTENT OF COVERAGE**

##### **A. Original Coverage**

In the original laws, retirement coverage was mandatory for state employees, employees of community/junior and senior colleges, teachers, and administrative personnel of public schools. Other political subdivisions or instrumentalities of the State, county or municipality were offered coverage on a voluntary basis.

##### **B. Coverage for Local Governmental Entities**

In order for coverage to be extended to a political subdivision or instrumentality of the State, county or municipality, a request for coverage must be submitted. The political subdivision then enters into a Joinder Agreement to extend coverage, which must then be approved by the Board of Trustees of PERS. Upon approval, coverage will become effective on the date specified in the agreement.

**PART II**  
**RESPONSIBILITY OF PARTIES TO THE AGREEMENT**

**200. PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

The Public Employees' Retirement System is responsible for maintaining complete and accurate wage and contribution records for all individuals covered under the retirement program. The individual's wage and contribution record contains all of his earnings in covered employment as reported by the respective employer. The earnings shown on these records will be used to determine benefit eligibility and to calculate the amount of benefits payable to a member who retires or becomes disabled or benefits payable to his or her family in the case of death. To determine eligibility and the proper amount of any benefits payable, all records maintained by PERS must be complete and correct. The Public Employees' Retirement System is an agent for the State of Mississippi in all transactions and is responsible for the interpretation of the provisions of the Retirement Act.

**201. LOCAL POLITICAL SUBDIVISIONS**

The local political subdivision, upon entering into an agreement with PERS, assumes the responsibility for reporting to PERS promptly and correctly the amounts of wages paid to the employees of the local subdivision whose services are covered under the terms of the Joinder Agreement. The local subdivision is responsible for paying to the System the retirement contributions based upon the covered wages paid to all such employees. The local reporting officials are to be familiar with this Handbook and its instructions.

**202. EFFECTIVE DATE OF COVERAGE**

The Joinder Agreement of the political subdivision is effective with respect to services performed after the specified date in the Agreement, but in no case prior to February 1, 1953.

**203. TERMINATION OF AGREEMENT**

The Board may terminate the State Retirement Annuity coverage of a political subdivision in its entirety if the Board finds that there has been a failure to comply substantially with any provisions contained in the Agreement, with the Board regulations, and statutory provisions. Such termination shall take effect at the expiration of notice to the political subdivision.

## **PART III COVERAGE**

### **300. COVERAGE GROUPS**

Based upon the legislation creating PERS, retirement coverage was mandatory for state employees, employees of community/junior and senior colleges and teachers and administrative personnel of public schools, unless the employees rejected membership on the prescribed form. Effective July 1, 1973, all public school employees not previously covered by an Agreement became eligible for membership under the same guidelines as teachers and administrative personnel.

Each political subdivision or instrumentality of the State is authorized to submit a Joinder Agreement prepared by PERS for extending the State Retirement Annuity benefits to its employees.

### **301. EMPLOYEES COVERED BY AGREEMENT**

Retirement coverage is mandatory for all persons who were employed or on an official leave of absence on the effective date of an Agreement, unless the employee rejected membership on the prescribed form. However, employees in positions which are specifically excluded from the coverage group by law or regulation do not become members. Likewise, employees in groups excluded under the terms of the Agreement do not become members. (See PERS Regulations 36 and 37.)

### **302. NEW EMPLOYEES**

All persons who are employed in covered positions become members of the State Retirement Annuity as a condition of their employment.

### **303. PRIOR SERVICE**

For the proper procedure to follow in order to receive credit for service prior to February 1, 1953, refer to PART VI, Section 601, Eligibility for Prior Service, and Section 602, Certified Employment and Earnings Record.

### **304. PREVIOUS SERVICE**

For the proper procedure to follow in order to purchase credit for service previous to enrollment, but after February 1, 1953, refer to Section 602.

### **305. NON-COVERED PUBLIC SERVICE**

For the proper procedure to follow in order to purchase credit for qualifying non-covered governmental service, refer to Section 609.

### **306. OPTIONAL EXCLUSIONS**

Each of the covered political subdivisions has the option to exclude certain classes of employees. Otherwise, each position must be covered where services that constitute

covered employment as defined by the law are performed in the employ of the political subdivision.

Classes of employees sometimes excluded, include:

- (a) Elective positions, or
- (b) Positions for which the compensation is in whole or in part on a fee basis.

Classes of excluded employees may be subsequently covered if the Joinder Agreement is formally amended.

### **307. LIABILITY OF COVERED AGENCIES TO PERS**

- A. Forms and General Information - Each agency is responsible for submission of all forms necessary to maintain the membership record, wage records of an employee, and for certifying information needed in retiring a member.
- B. Liability for Contributions - Each agency is liable for employer contributions on covered wages of the members of PERS after the effective date of the Joinder Agreement or coverage of the employment position, as applicable. In addition, each agency is responsible for deducting employee contributions from covered wages and for reporting the same on a timely basis to PERS.
- C. Liability on Unreported Wages - Failure of an agency to report covered wages does not relieve the employee or employer from liability. Delinquent employee contributions and any accrued interest shall be the obligation of the employee and delinquent employer contributions and any accrued interest shall be the obligation of the employer. The employer may, in its discretion, elect to pay any or all of the interest on delinquent employee contributions. (See Section 406)

**PART IV  
WAGES AND CONTRIBUTIONS**

**400. DEFINITION OF "EARNED COMPENSATION" (COVERED WAGES)**

The term "Earned Compensation" (covered wages) means the full amount earned by an employee for a given pay period, including any maintenance furnished, up to a maximum of \$150,000.00 per fiscal year and proportionately for less than one (1) year of service. Earned compensation shall be limited to regular periodic compensation paid, exclusive of litigation fees, bond fees, and other similar extraordinary non-recurring payments. Earned Compensation does not include non-taxable employer paid health or life insurance premiums paid on behalf of employees participating in PERS.

In addition, effective 7/1/1999, any member in a covered position, as defined by PERS law and regulations, who is also employed by another covered agency or political subdivision shall have the earnings of that additional employment reported to PERS regardless of whether the additional employment is sufficient in itself to be a covered position. (See PERS Regulation 36.)

**Special Note:** Mississippi Code Ann. Sec 25-9-120, effective July 1, 1994, sets forth provisions for contract personnel of state agencies under the State Personnel Board. Employees in these positions are not entitled to coverage under PERS, state employee health insurance or leave benefits. However, such contract personnel who do not meet the criteria of independent contractors shall be subject to the reemployment provisions of Mississippi Code Ann. Sec. 25-11-127.

**401. MONTHLY MAXIMUM MAINTENANCE ALLOWANCE**

The value of maintenance, when not paid in money, shall be fixed by the employing state agency and, in case of doubt, by the Board of Trustees of PERS.

<u>Monthly Maximum Maintenance Allowance</u>	<u>Title or Position of Recipient</u>
\$ 750.00	Supt., Principals and Personnel of Public Schools
1,125.00	Presidents of Community and Junior Colleges
750.00	Other Personnel of Community and Junior Colleges
1,125.00	Heads of State Institutions
750.00	Other Personnel of State Institutions
1,500.00	Presidents or Chancellors of Universities
750.00	Other Personnel of Universities

An agency may not establish and report a predetermined value of maintenance based simply on the position held by an employee that may or may not represent the true value of maintenance actually provided. Where employer-furnished meals are made available to an employee, for example, and where the employee actually eats a meal at no cost to the employee, only the actual cash value of that meal, within specified maximum limits established by PERS through Regulation 33, should be reported to PERS as maintenance.

On the contrary, where maintenance is made available to an employee, and where the employee does not use it, there is no value to report to PERS as maintenance. Each employer who provides maintenance is responsible for maintaining a system to account for the true value of maintenance actually provided to employees and to report to PERS only the true value of the maintenance actually provided. This should be done uniformly for all employees who are provided maintenance.

Refer to PERS Board Regulation 33, which states that agencies, departments, institutions, and political subdivisions who are covered under Social Security through PERS or who have joined the Retirement System for retirement annuity coverage are required to report, and the employee and employer to pay, contributions on the value of non-cash maintenance allowed employees in addition to their salaries.

Each agency, department, institution, and political subdivision must notify PERS in writing regarding each such individual and such position so covered and the total amount of maintenance allowed in each case. The Executive Director of PERS shall have authority to approve such maintenance allowances up to a maximum individual of \$1,500.00 per month, but any maintenance in excess must be submitted to the PERS Board.

#### **402. FEE OFFICIALS**

##### **CHANCERY & CIRCUIT CLERKS**

The Chancery and Circuit clerks shall be responsible for both the employer and employee share of contributions on the proportionate share of net income attributable to fees, as well as the employee share of net income attributable to direct treasury or county payroll income. The employing county shall be responsible for the employer contributions on the net income attributable to direct treasury or county payroll income.

Section 9-1-45, of the Mississippi Code Annotated (1972) requires each chancery and circuit clerk to file not later than April 15 of each year, with the State Auditor of Public Accounts, a true and accurate annual report on a form designed and supplied to each by the State Auditor of Public Accounts after January 1 of each year. This form shall include the following information:

- (1) revenues subject to the salary cap, including fees;
- (2) revenues not subject to the salary cap; and
- (3) expenses of the office, including any salary paid to a clerk's spouse or children.

One copy of this form should be sent to the Public Employees' Retirement System as instructed at the bottom of the page of the form.

Each chancery and circuit clerk shall provide any additional information requested by the Public Employees' Retirement System for the purpose of retirement calculations.

##### **CONSTABLES**

Constables, where covered by the county's Joinder Agreement, must make contributions to the Public Employees' Retirement System. Where the constable is performing additional services for the county, as in the case of serving as bailiff in civil proceedings, such

additional earnings from the county should be reported to PERS. Since the payments for services rendered as bailiff are earnings from the county and are not fee income, the county is responsible for reporting the compensation paid to Constables for services rendered as bailiffs and remitting appropriate contributions thereon.

Constables shall pay employer and employee contributions on their net fee income as well as the employee contributions on all direct treasury or county payroll income. The county shall be responsible for the employer contribution on all direct treasury or county payroll income paid to the constables.

Constables are considered as an employee of the county for the annual \$1,800.00 "fail case" fees. The constable contributes 7.25% of the county's payment as employee contributions and the county contributes 11.30% of these payments as employer contributions.

Constables are considered as self employed for the fee portion of their earnings and must forward both the employee and employer contributions (18.55% as of July 1, 2006) to PERS on the fee portion of their earnings. Failure to contribute the total amount due will result in no service credit being awarded and likewise, no benefits for the constable or his or her beneficiary.

Effective January 1, 2006, each county shall withhold an amount equal to at least 11% of gross fee income payable to the constable and remit such amount monthly as estimated contributions due on net fee income for such constable. This withholding percentage shall be in effect until changed by the Board of Trustees of the Public Employees' Retirement System.

Section 7-3-45, of the Mississippi Code Annotated (1972) requires each constable, regardless of retirement system coverage, to file not later than April 15<sup>th</sup> of each year, with the Secretary of State, a true and accurate annual report on a form to be designed and supplied to each by the State Auditor of Public Accounts immediately after January 1<sup>st</sup> of each year.

### **COUNTY SURVEYORS**

The elected County Surveyors, where not specifically excluded through the Joinder Agreement between the County Board of Supervisors and the Retirement System, is covered for retirement, and as a fee paid elected official, he or she is responsible for both the employee and employer contributions on net fee income. The elected County Surveyor should submit to the County a monthly accounting of fees, net of expenses, and should remit to the County the applicable employee (7.25%) and employer (11.30%) contributions based on net fee income. The County should in turn report the applicable net fee income to PERS through the regular monthly report of wages and contributions and remit the applicable employee and employer contributions to PERS.

### **403. ACCUMULATED LEAVE**

Lump sum payments of accumulated leave up to a maximum of 30 days, as authorized by state law or lawfully adopted leave policy, should be reported separately as wages and coded on the wage report as CODE 02, in the case of termination or retirement. For an employee terminating employment and transferring to an agency where unused leave is not

transferable, any remaining unused, uncompensated personal/medical leave should be reported to PERS on PERS Form 18. For an employee terminating covered service for retirement, any remaining unused uncompensated leave (combined personal and major medical) should be reported on PERS Form 9A, Part 2. Leave information for retiring employees should be certified on the appropriate retirement application form. In the event of death, a maximum of 150 days of paid leave may be reported as wages. All such payments of leave are subject to the maximum annual earnings limitation.

Effective July 1, 1996, both certificated and non-certificated school employees may be paid at retirement for up to 30 days of lawfully accumulated unused leave with the employer from whom the employee is retiring. Certificated employees are paid at the established substitute teacher pay rate. Non-certificated employees are paid at a rate equal to the federal minimum wage. Any remaining lawfully accumulated unused leave should be reported to PERS on PERS Form 9A, Part 2.

**404. RATE OF CONTRIBUTIONS**

The employer rate is 11.30% of the member’s covered wages not to exceed maximum covered wages in effect during a fiscal year (from July 1 through June 30). In addition, the employer must deduct 7.25% from the member's wage. The maximum covered wages including the value of maintenance furnished are as follows:

<u>Period of Earnings</u>	<u>Total Covered Wages</u>	<u>Wages Against Which Employee Contributions Are Based</u>
2/1/53 through 6/30/58	\$ 6,000	\$ 4,800
7/1/58 through 6/30/60	9,000	7,800
7/1/60 through 6/30/68	15,000	13,800
7/1/68 through 3/31/71	15,000	15,000
4/1/71 through 6/30/80	35,000	35,000
7/1/80 through 12/31/83	53,000	53,000
1/1/84 through 6/30/88	63,000	63,000 *
7/1/88 through 6/30/92	75,600	75,600 *
7/1/92 through 6/30/02	125,000	125,000
7/1/02 to date		150,000

(\* Based on Governor's Salary)

**405. COMPUTATION OF CONTRIBUTIONS**

The contributions are computed by applying to the covered wages the contribution rate in effect at the time such wages were earned. A fractional part of a cent may be disregarded unless it amounts to one-half cent or more, in which case it must be increased to one cent in making the payment of contributions.

**406. EMPLOYEE CONTRIBUTIONS DEDUCTION AND PAYMENT**

The correct employee contributions must be collected by the agency by deducting or collecting the amount of contributions from the employee's covered wages. The employer's share of the contributions should be paid in accordance with wages paid to the employees.

Failure to make the deductions or collect the contributions from the employees does not relieve the employer or employee from liability for payment of the contributions. Employee contributions withheld from wages have been tax deferred since July 1, 1982.

The total employee and employer contributions are due in the PERS office by the fifth working day of the month following the month being reported. Effective July 1, 1996, all employers are authorized and shall transfer all funds due to PERS electronically. Contributions **SHOULD NOT** be delivered to the PERS street address.

#### **407. FAILURE TO MAKE CONTRIBUTION PAYMENTS**

If the contributions are not paid to the System by the date due, PERS may request that the payment plus any accumulated interest be deducted from any monies payable to the agency or participating political subdivision by any department or agency of the State or that the payment be recovered by court action against the agency or participating political subdivision.

#### **408. RATE OF INTEREST ON DELINQUENT CONTRIBUTIONS**

Contributions which are not paid when due or have not been properly reported as an adjustment accrue a late penalty at an annual rate of 10.00%. Interest is assessed against the total contribution amount due.

#### **409. EMPLOYEE'S ACCOUNT NUMBER**

Every employee who becomes a member of PERS must have a valid Social Security number to be used in reporting the wage record of the employee.

If an employee has not applied for a Social Security number or has lost his/her Social Security Card, the agency should request the employee make application for a replacement card on Form SS-5 with any district office of the Social Security Administration on or before the seventh day after the date of employment. Any employee whose name is changed by marriage or otherwise should notify PERS, in writing, as well as the Social Security Administration. If a member has been reported under an erroneous Social Security number, PERS should be notified immediately, in writing, along with notification of the date the correction was made on current reports.

Each employee's Social Security number is an essential factor in the maintenance of an accurate record in PERS', earnings record files. The Social Security number is the basic means used to identify the earnings record for each individual employee. Care should be taken to assure the accuracy of each individual employee's Social Security number reported to PERS.

#### **410. WAGE AND CONTRIBUTION REPORTS**

Each agency covered by PERS must submit to the System a Wage and Contribution Report pertaining to all covered employees for each calendar month. This should begin with the first month the coverage is effective and continue until the employer files a final report with the termination of coverage. The monthly wage report listing the covered wages paid to the members during the previous month must be forwarded to PERS by the fifth working day of the month.

Reports which are not received when due shall accrue a late penalty at an annual rate of 2.00% of covered wages. (See PERS Regulation 14) Incomplete and/or inaccurate reports shall be deemed as delinquent reports until such time as they are properly filed.

#### **411. CORRECTIONS OF ERRORS IN MONTHLY WAGE AND CONTRIBUTION REPORTS**

If an agency fails to report or incorrectly reports the wages and/or contributions of an employee, the omission or error must be reported to PERS as an adjustment on the monthly report.

A PERS Form 10, Report of Adjustments, shall not be submitted with a report to correct that current report. A PERS Form 10 is to be used to correct previously submitted reports that were submitted within 19 months of the current month. The agency should forward the original copy of the PERS Form 10 with any additional monies due plus interest, if any. If there is an overpayment (credit) of contributions, PERS will issue a credit for the overpayment to the agency after processing the report.

An agency is allowed to report on the monthly diskette, any positive or negative adjustments due to under or over reporting of wages and contributions during the previous 18 months.

#### **412. REPORTING ERRORS IN GENERAL**

Utilization of the RET program provided to each employer will insure that a reconciled report will be submitted to PERS each month.

Any errors or problems that are outside the scope of the RET program should be referred to the Wage and Contributions reporting department for assistance in finding a resolution.

**PART V  
MEMBERSHIP**

**500. MEMBERSHIP**

All persons employed in a covered position in the following categories are required to become members of PERS as a condition of their employment:

- (1) Employees and officials of the State, junior and senior colleges, teachers and all other employees of the public school districts.
- (2) Employees and officials of the political subdivisions and juristic entities (counties, municipalities, public hospitals, libraries, utility commissions, etc.), which voluntarily execute an agreement with PERS to cover their employees.

**EXCLUSIONS - the following employees may not enter membership in PERS:**

- (1) **Employees in a part-time or emergency position who work less than 15 days a month or who work less than the equivalent of 1/2 of a normal workload for their position and receive less than 1/2 of the normal wages for the position.**

Effective July 1, 1992, any employee who is not an elected official, or who is not employed at an annual or monthly salary to render professional services, but who was employed in a position in which he or she received compensation for less than 20 hours per week or less than a total of 80 hours per month, or school personnel who received compensation for less than half-time for the academic year shall not be or become a member, except that any active member employed in such a position on July 1, 1992, may continue as an active member so long as they are employed in such position. (See PERS Regulation 36)

Effective July 1, 1999, any member in a covered position, as defined by Public Employees' Retirement System laws and regulations, who is also employed by any covered agency or political subdivision shall have the earnings of that additional employment reported to the Public Employees' Retirement System regardless of whether the additional employment is sufficient in itself to be a covered position.

- (2) **Employees compensated on a per diem basis.**
- (3) Retired members of the Public Employees' Retirement System who are reemployed on a part-time, temporary basis in accordance with PERS law and regulation. (See Part XI, Section 1106)
- (4) **Patient or inmate help in a state charitable, penal or correctional institution.**
- (5) **Students of any state educational institution employed by an entity of the State for temporary, part-time or intermittent work.**

Any employee having the status of a student, who incidental to such person's status as a student, is employed by the institution being attended, shall be deemed to be in part-time, temporary or intermittent employment, and such employment shall not constitute covered employment.

Students employed by an educational institution pursuant to a Work Study Program and who must be full-time students at the institution are part-time employees and are not in covered service. Student graduate assistants who work while attending the educational institution where they are employed are part-time or temporary employees, and such employment is not covered service. Co-Op students shall be considered students regardless of the number of months employed and shall not be eligible for membership. Note that pursuant to Regulation 37, any person who is employed by any covered agency, other than the educational institution which the person is attending, shall be covered in the same manner as nonstudents. Any student employed by any covered agency for a period of four and one-half months or less is employed on a temporary basis and shall not be covered by the System. (See Regulation 37)

- (6) **Any classification of employees who are excluded in a Joinder Agreement executed by a political subdivision or juristic entity.**
- (7) **Participants of the Comprehensive Employment and Training Act of 1973 (CETA) who enrolled on or after July 1, 1979.**
- (8) **Persons whose employment is temporary in nature or which is intermittent and who are not employed at least four and one-half months in a state fiscal year.** However, this limitation shall not apply to any individual who is already in a covered position under PERS, either with the same or another covered agency. Note also, that any employee, engaged on a day-to-day basis to replace another employee who is temporarily absent, shall not be covered under PERS. An employee engaged to fill a vacant position (including a position vacated by an extended leave of absence) is not considered a “substitute” if such employment is for a period of 4 and ½ months or longer and therefore must be covered under PERS. (See PERS Regulation 36)
- (9) **Mississippi Code Ann. Sec. 25-9-120, effective July 1, 1994, sets forth provisions for contract personnel of state agencies under the State Personnel Board. Employees in these positions are not entitled to coverage under PERS, state employee health insurance or leave benefits.**

#### **501. NEW EMPLOYEES**

All persons, including elected and fee officials, who become employees in positions covered by the System, shall become members of PERS as a condition of their employment.

#### **502. COMPLETION OF MEMBERSHIP INFORMATION**

When an employee becomes a new member of PERS, that employee must complete a PERS FORM 1, Enrollment Form. This form must be forwarded by the employer to PERS immediately to establish an account with PERS for that new employee.

In addition, the new employee must complete a PERS Form 1B, Beneficiary Nomination.

Any changes in a member's information, i.e., change of address, change of beneficiary, marital status, etc. should be made using the proper PERS Form 1C, Change Information, or PERS Form 1B, Beneficiary Nomination as applicable.

All forms must be fully and properly completed.

### **503. EMPLOYEES WHO REJECTED MEMBERSHIP MAY RETAIN REJECTION**

Employees who rejected membership under Article III, who transfer from one agency to another without an appreciable break in their employment, may be allowed to retain their rejection of membership.

### **504. EMPLOYEES WHO REJECTED MEMBERSHIP MAY BECOME MEMBERS**

Employees who rejected membership in PERS may later become members of PERS. No credit for previous service may be granted until the member contributes to PERS for a period of at least four years. At that time, if the employee desires credit for previous service, he or she must pay for such coverage in accordance with the PERS law at the time of purchase.

### **505. MUSIC TEACHERS**

Music teachers are not eligible for membership unless they are employed for at least one-half of a full teaching schedule and receive at least one-half the normal compensation for such position and are paid directly by the school for their services.

### **506. MAINTENANCE OF LOCAL RECORDS**

Historical data is critical in verification of dates of service and earnings records for benefit purposes at retirement. The following minimal wage and employment information should be maintained for each current and past employee:

- (a) Employee's name, address, and Social Security number
- (b) Gross wages before any deductions
- (c) The date of each wage payment and the period of service
- (d) The amount of wages subject to retirement contributions
- (e) If gross wages and the amount subject to contributions are not equal, the reason for the difference should be made a part of the record.
- (f) The amount of retirement contributions withheld; if none, so indicate.
- (g) Indicate all deductions separately.
- (h) Employment and termination dates for each period of employment.

**PART VI  
CREDITABLE SERVICE**

**600. CREDITABLE SERVICE**

Creditable Service is granted for eligible service in all positions of trust or employment with any state agency, college, school district or with any political subdivision, instrumentality or juristic entity which elected to participate in the retirement program, except positions which have been and are excluded. (See Section 500 for more information on covered and non-covered positions.)

**NOTE: All service credit granted is subject to audit and, if required, correction at the time of retirement or thereafter.**

**601. ELIGIBILITY FOR PRIOR SERVICE**

Employees of entities covered by the Retirement Act who became a member on or before July 1, 1953, or who become contributing members of PERS for a minimum period of four years are eligible to receive credit for qualifying service performed prior to February 1, 1953.

**602. CERTIFIED EMPLOYMENT AND EARNINGS RECORD (PERS FORM 2)**

To receive credit for previous and/or prior service, the member must file a detailed statement of all service as an employee rendered in state service. A PERS FORM 2, Certified Employment Record, shall be used by the member in submitting his or her employment record for service credit. If such service qualifies for credit, an adjustment will be calculated. The award of service credit will be contingent upon payment of required contributions plus interest, or actuarial cost, as applicable. (See additional instructions on PERS FORM 2.)

**603. COMPUTATION OF NUMBER OF YEARS OF CREDITABLE SERVICE**

In computing creditable service for each fiscal year, the following schedule shall govern: one to three months, inclusive, shall constitute one-fourth of a year; four to six months, inclusive, equals one-half year; seven to nine months, inclusive, equals three-fourth's of a year; and ten months or more equals one year, except that for a school employee, substantial completion of the legal school term when and where the service was rendered shall count as a full year of service.

For school employees, see Section 604.

#### **604. SERVICE CREDIT FOR SCHOOL EMPLOYEES**

Effective July 1, 1994, school employees, hired for a legal school term, shall be awarded a year of service credit upon "substantial completion" of the legal school term. The PERS Board of Trustees has adopted a presumption that the school term has been substantially completed when an employee has received no less than the equivalent of 11/12's of the annual contract salary. This presumption will prevail unless information is provided that the contract was terminated or abandoned prior to the end of the school year. Service credit for less than one year shall be awarded on the same basis as all other employees, i.e., one to three months equals one-fourth of a year; four to six months equals one-half year; seven to nine months equals three-fourth's of a year and ten to twelve months equals one year of service.

#### **605. ABSENCE WITHOUT COMPENSATION**

In no case shall credit be allowed for any period of absence without compensation except for disability while in receipt of a disability retirement allowance.

#### **606. MILITARY SERVICE**

Military service can be allowed as creditable state service provided the member served on active duty at any time in the Armed Forces of the United States or in Maritime Service during periods of hostility in World War II. The maximum credit for military service is four years, unless the member can provide proof that he/she was retained in the Armed Forces or in Maritime Service during World War II by causes beyond the member's control, without opportunity for discharge. No credit will be granted to anyone who received a dishonorable discharge. Effective July 1, 1993, no member will be given military service credit in more than one public retirement system administered by PERS. No additional credit can be awarded for military service which overlaps with membership service credit for the same period of time. Credit for military service is provided at no cost to the member. To receive military service credit, mail a copy of the DD214 or other military documents to PERS. Such documentation must reflect the start and end dates of active duty military service and the character of such service. Military service may not be used to complete the four years of membership service needed to initially qualify for benefits.

If qualified military service does not meet the qualification for active duty military service available at no cost or if the member already has credit for the maximum allowance military credit at no cost, a member may be awarded military service credit under the Uniformed Services Employment and Reemployment Rights Act (USERRA). A member whose public service was interrupted by qualified military service has the right to purchase credit for the time lost in the Retirement System by such qualified military service. The member must have worked for a covered employer and must have left employment for a military leave of absence and returned to work for the same employer within a certain number of days of discharge or release depending on the length of the military leave of absence. (See PERS Regulation 49).

PERS law recognizes the federal requirement relating to the reemployment of employees whose employment is interrupted by qualified military service. Part of the federal law that provides job protection for employees who leave employment for military service relates to their pension benefit. If an employee qualifies for job protection and actually returns to employment with the same Employer, the employee must be given an opportunity to make

up pension contributions that would have been made if the absence from the job due to military service had not taken place.

Any interested party should refer to PERS Regulation 49, Conditions for Existing Military Service at NO Cost and Qualified Military Service Due to Interruption of Employment Available Upon Payment of Required Employer and Employee Contributions. If an employee may qualify to makeup pension contributions, the employer must certify that the individual is, in fact, qualified to do so by completing PERS Form 25D, *Determination of Entitlement to Purchase Pension Service Credit under the Veterans' Reemployment Rights Laws*. If the employer certifies that the employee is entitled to secure pension contributions for the period of absence due to military service credit, the employer must then be prepared to make the requisite employer contributions. In order to determine the required employer and employee contributions, the employer must also complete PERS Form 25M, *Statement of Qualified Military Service*. Copies of the member's military Form DD214 or discharge papers must also be submitted for employees returning from military service, along with a copy of the employee's Social Security Card. Form 25A, *Acknowledgement of Right to Purchase Service Credit under the Veterans' Reemployment Rights Laws* serves to protect the employer from future liability. This form should be used when an employee returns to employment after a period of absence due to military service if that employee is entitled to job protection. Where such individual has missed some period of service credit in one of the retirement systems administered by PERS, we request that the employer complete Form 25A so that the employee acknowledges that he or she has been provided with information on his or her right to establish any missed pension credit and the time frame within which such individual must assert that right. Upon the expiration of the time period as noted on Form 25A, the individual will not be allowed to purchase such credit, and thus the employer will no longer be liable for making required employer contributions. Thus, for each employer's protection, it is extremely important that the employer and the returning employee have a clear understanding of the liabilities associated with this issue. Employers should submit a copy of this form to PERS for our files. At such time as the individual desires to make up any required employee contributions, Form 25D and Form 25M must be completed and submitted to PERS.

#### **607. OUT-OF-STATE SERVICE**

Any member with at least four (4) years of membership service credit may qualify to receive a maximum of five (5) years credit for service rendered in another state as a public employee of such other state (not federal service) or a political subdivision, public education system or other governmental instrumentality thereof, or service rendered as a teacher in American overseas dependent schools conducted by the Armed Forces of the United States for children of citizens of the United States residing in areas outside the continental United States, provided that:

- (1) Member furnishes proof satisfactory to the Board of out-of-state service (PERS FORM 19, Out-of-State Certification).
- (2) Member is not receiving or will not be entitled to receive a retirement allowance based on such service from the public retirement system of the other state.

- (3) Member pays the actuarial cost as determined by the actuary for each year of out-of-state creditable service. The cost is dependent upon such factors as the member's age, average compensation, service credit, salary of the member at the time of purchase and the number of years to be purchased.

#### **608. PROFESSIONAL LEAVE CREDIT**

Any member with at least four (4) years of membership service credit, who was granted professional leave without compensation for educational or professional purposes directly related to employment in state service, may qualify for service credit, provided that:

- (1) The professional leave is performed with a public institution or public agency of this state or another state or federal agency.
- (2) The employer approves the professional leave showing the reason for granting the leave and makes a determination that the professional leave will benefit the employee and employer.
- (3) Such professional leave period shall not exceed two (2) years during any ten-year period of state service.
- (4) The employee shall serve the employer on a full-time basis for a period of time equivalent to the professional leave granted immediately following the termination of said leave period.
- (5) The member shall pay to PERS the actuarial cost as determined by the actuary for each year of professional leave.

#### **609. NON-COVERED PUBLIC SERVICE**

Any member of PERS who has at least four (4) years of credited membership service shall be entitled to receive a maximum of ten (10) years creditable for any service rendered as an employee of any political subdivision of the state, or any instrumentality thereof, which:

- (a) Does not participate in PERS; or
- (b) Participates in PERS but did not elect retroactive coverage; or
- (c) For which coverage of the employee's position was or is excluded; provided that:
  - (1) Member furnishes proof satisfactory to the Board of such service.
  - (2) Member pays the actuarial cost as determined by the actuary for each year of non-covered service. The cost is dependent upon such factors as the member's age, average compensation, service credit, salary of the member at the time of purchase and the number of years to be purchased.

#### **610. UNUSED LEAVE CREDIT**

Upon termination of employment after July 1, 1984, creditable service is allowed for lawfully credited unused, uncompensated leave. Such unused leave shall be certified to PERS on PERS Form 18 at time of termination, if the leave is not lawfully transferred to another covered agency. Employees terminating for retirement should have their unused, uncompensated leave certified on PERS Form 9A, Part 2. Any corrections to unused leave

previously certified on a PERS Form 9A, shall be recertified on the same. The PERS Form 18 should not be used to certify leave for employees terminating for retirement.

Members who are simultaneously employed in more than one covered position may use the unused leave from only one position for retirement purposes.

All lawfully credited unused leave may not exceed the accrual rates and limitations provided in Mississippi Code Annotated Section 25-3-91, et seq.

Members who retire July 1, 1987, or later, who served in an elected capacity, will qualify for leave credit for such period of elected service as provided by statute. Elected officials, who also served in another covered position during the same period for which leave credit as an elected official was accrued, will receive leave credit only from the elected position.

For determination of credit for unused leave, refer to the following schedule:

15 days to 77 days = 1/4 year

78 days to 140 days = 1/2 year

141 days to 203 days = 3/4 year

204 days to 266 days = 1 year

(For each succeeding quarter, add 63 days)

Example: 204 days plus 63 days equals 267 days or 1.25 years

Unused leave credit may not be used to complete the four years of membership service needed to initially qualify for benefits.

**PART VII**  
**CERTIFICATE OF PRIOR SERVICE CREDIT**

**700. CERTIFICATE OF PRIOR SERVICE CREDIT (PERS FORM 3)**

For any member who joined PERS after July 1, 1953, any creditable service for which the member was not required to make contributions shall not be credited to the member until the member has contributed to the System for a period of at least four years.

**PART VIII  
REJECTION OF MEMBERSHIP**

**800. REJECTION OF MEMBERSHIP (PERS FORM 4)**

Application of this Section is limited to use by employees who are employed by an agency at the time the agency is first covered by PERS, or by employees in an excluded group, such as elected officials, where such group is subsequently covered by PERS. Where applicable, a PERS Form 4, Rejection of Membership, should be completed in duplicate with the original copy mailed to PERS. All persons who are employees in state service when Article III takes effect, except those specifically excluded, shall become members on the effective date of Article III, unless such employees file on a form prescribed by the Board a notice of election not to be covered in the membership of PERS and a duly executed waiver of all present and prospective benefits, which would otherwise inure to them on account of their participation in the System. Any employee employed in a covered position with an employer after retirement coverage is effective shall be covered as a condition of employment and may not reject such membership.

**801. ACKNOWLEDGEMENT OF EMPLOYMENT IN NON-COVERED POSITION  
(PERS FROM 4A)**

Effective July 1, 1992, any employee employed on or after July 1, 1992, in a position in which he or she receives compensation for less than 20 hours per week, or a total of 80 hours per month, or a temporary or intermittent position of less than four and one-half months or a position in which school personnel receive compensation for less than half-time for the school academic year shall not be or become a member of the Public Employees' Retirement System, except that any active member employed in such position on June 30, 1992, may continue as an active member so long as he or she is employed in such position.

An employee hired in a non-covered position who subsequently changes to a covered position must become a contributing member of the Retirement System. The employee is not eligible to purchase membership service credit from the date of hire in the non-covered position to the date the employee becomes a contributing member.

To ensure a clear understanding of the status of those employees ineligible to participate in the Public Employees' Retirement System, it is recommended that the employer and employee execute a Form 4A, Acknowledgment of Employment in Non-Covered Position. **For employees employed in dual positions with 2 or more covered agencies, refer to special provisions in Sections 400 and 500.**

**802. EMPLOYEES ON AUTHORIZED LEAVE**

Application of this Section is limited to use by employees who are employed by an agency at the time the agency is first covered by PERS, or by employees in an excluded group, such as elected officials, where such group is subsequently covered by PERS. Any person in state service absent from duty on authorized leave on the first day of the month following the effective date of the Joinder Agreement, pursuant to Article III, shall become a member upon his return but shall have 60 days to file a waiver if he or she elects not to become a member.

**803. MANDATORY COVERAGE FOR NEW EMPLOYEES**

Any employee employed in a covered position with an employer after retirement coverage is effective shall be covered as a condition of employment and may not reject such membership.

**804. APPLYING FOR MEMBERSHIP AFTER REJECTION OF MEMBERSHIP**

Any employee, who rejected membership in PERS, may later apply for membership by completing a PERS Form 1, Enrollment, and being reported to PERS.

Employees who rejected membership under Article III, who transfer from one agency to another without an appreciable break in their employment, may be allowed to retain their rejection of membership.

**PART IX  
REFUND OF MEMBER'S CONTRIBUTIONS**

**900. WITHDRAWAL FROM STATE SERVICE**

A member may be paid a refund of the amount of accumulated employee contributions plus interest to the credit of the member in the annuity savings account, **PROVIDED THE MEMBER HAS WITHDRAWN FROM STATE SERVICE AND FURTHER PROVIDED THE MEMBER HAS NOT RETURNED TO STATE SERVICE ON THE DATE THE REFUND OF THE ACCUMULATED CONTRIBUTIONS WOULD BE PAID.** In the event of death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, the accumulated contributions credited to the deceased member's account shall be payable on request to his designated beneficiary(ies) on file with PERS.

**901. APPLICATION FOR REFUND**

A member should complete a PERS Form 5, "Refund of Accumulated Contributions to Members", or the beneficiary of a deceased member should complete a PERS Form 5D, "Application for Refund of Accumulated Contributions to Beneficiary". The application(s) should then be forwarded to the member's last covered employer(s) so that the employer certification section can be completed by the employer and the form then forwarded to PERS.

If a member, or spouse of a deceased member, elects to roll over the lump-sum distribution, the trustee must complete the Agreement of Trustee/Custodian form (PERS Form 5C).

Each member or beneficiary should be provided a copy of the Special Tax Notice regarding plan payment.

**902. DATE OF REFUND**

The Mississippi Code Annotated, Section 25-11-117 (1972), provides that refunds of accumulated contributions to the credit of the member in the annuity savings account shall be paid within ninety (90) days from the receipt of a properly completed form requesting such payment. Effective January 1, 1994, refunds of accumulated contributions will be issued no sooner than 45 calendar days from the date of termination from covered employment. This 45-day period shall not apply in cases of refunds due to death of a member or where a member has a documented emergency as provided in PERS Board Regulation 44.

A member must file a properly completed PERS Form 5 in order to receive a refund.

**903. CHANGE OF ADDRESS**

If the applicant's address changes before receiving the refund, PERS should be notified in writing. Any instruction to change the applicant's address should include the applicant's signature, as well as the member's full name and Social Security number.

#### **904. DISCHARGE OF ALL OBLIGATIONS**

The payment of the refund shall discharge all obligations of PERS to the applicant and his or her beneficiaries on account of any creditable service rendered by the member prior to the receipt of the refund. By the acceptance of the refund, the applicant shall waive and relinquish all accrued rights in PERS.

#### **905. REFUND PAYBACK TO RESTORE WITHDRAWN SERVICE**

If any person who received a refund reenters state service and again becomes a member of PERS, he or she may **immediately** repay all or part of the amounts previously received as a refund, together with regular interest covering the period from the date of refund to the date of repayment. The amounts that are repaid by the member and the creditable service related thereto shall not be used in any benefit calculation or determination of eligibility until the member has remained a contributor to PERS for a period of at least four years subsequent to such member's reentry into state service. Repayment of contributions and interest to reinstate such service shall be made in increments of not less than one-quarter (1/4) year of creditable service beginning with the most recent service for which refund has been made. Upon the repayment of all or part of such refund and interest to PERS, the member shall receive service credit for that period for which repayment has been made.

Effective on and after July 1, 1994, upon repayment of a refund, the member's account shall be credited with interest as provided in Section 25-11-121(7), equal to the interest which would have been posted had the member's contributions been in the plan on a continuous basis. Such interest credit shall apply only to periods of time from and after July 1, 1994.

Effective on and after July 1, 2000, PERS will accept eligible rollover distributions from other qualified plans for the purpose of repaying a refund. The member should complete Form 12RC, Incoming Direct Rollover Notification and Custodial Certification, in order to execute such a rollover. No more than the amount required to restore withdrawn service will be accepted via an eligible rollover.

#### **906. SCHOOL EMPLOYEES NOT WORKING DURING SUMMER MONTHS**

Any teacher who has renewed his or her contract to teach the next school year or who has not notified the employer of his or her intent not to teach the next school year is considered as being employed and is, therefore, **not** permitted to apply for a refund of contributions.

School employees who do not work during the summer months are not eligible for a Refund of Contributions, unless they have submitted a termination letter notifying the school system of complete severance of employment.

**PART X  
DISABILITY RETIREMENT**

**1000. DISABILITY RETIREMENT QUALIFICATIONS AND ELIGIBILITY**

Upon the application of an eligible member, disability benefits may be approved for payment by the PERS Board of Trustees. Such benefits must first be approved by the PERS Medical Board after a medical examination which certifies the member is mentally or physically incapacitated for the further performance of duty and that such disability is likely to be permanent. The Disability Applicant must provide objective medical evidence for review by the Medical Board to support: 1) a permanent inability to perform the usual duties of employment or such lesser duties, if any, as the employer, in its discretion, may assign without material reduction in compensation, or 2) the incapacity of a PERS member applying for benefits to perform the duties of any employment covered by PERS that is actually offered and is within the same general territorial work area, without material reduction in compensation. The employer is required to furnish a certification of the job duties as well as a statement as to whether the employer has offered the member other duties.

Approval by the Social Security Administration for disability benefits **does not** automatically entitle an applicant to PERS disability benefits. However, the PERS Medical Board may be presented with the same information provided to the Social Security Administration as well as documents from the Social Security Administration as to its decision for use in making a determination as to PERS disability benefit eligibility.

A member of **PERS** and/or **SLRP** must have four (4) years of membership service to be eligible to apply for regular, non-duty related disability retirement benefits.

**1001. CALCULATION OF DISABILITY RETIREMENT BENEFITS**

**PERS/SLRP**

In order to comply with the Federal Age Discrimination in Employment Act, a new plan to provide non-duty related disability benefits was enacted by the Mississippi Legislature for persons who became members of PERS on or after July 1, 1992. Members prior to that date had 180 days to choose, by irrevocable election, to come under the new disability benefit provisions if they later became disabled. Any PERS/SLRP member prior to July 1, 1992, who did not elect coverage under the new provisions, relinquished rights under the Age Discrimination Act, and remained under the original disability plan.

Benefit provisions in effect prior to July 1, 1992, will be referred to as PERS/SLRP PLAN 1, and benefit provisions effective July 1, 1992, for new members and members prior to that date who selected these new provisions will be referred to as PERS/SLRP PLAN 2. Under both plans, PERS/SLRP disability retirees are allowed to select an optional benefit payment plan to protect a beneficiary in case of death after retirement.

### **PERS/SLRP PLAN 1- Age Limited Disability Plan**

Under PLAN 1, non-duty related disability benefits are not available to persons 60 years of age and older. If a member is at least 60 at the time of a disability and covered by this plan, such member may qualify for service retirement benefits. If an employee was a member of PERS prior to July 1, 1992, and did not elect coverage under PLAN 2 and is less than 60 years of age, the same information is used to calculate disability benefits as is used to calculate service retirement benefits. However, disability benefits are calculated using years of creditable service posted to the membership account and additional years of creditable service equal to the number of years the member is from age 60 at the time of the disability. If, for example, a member is 55 at the time of disability with ten (10) years of creditable service, the member is given an additional five (5) years of creditable service (age 60 minus 55 equals 5), totaling 15 years of creditable service on which benefits are calculated. Members approved for disability benefits as a result of being hurt on the job are guaranteed a minimum of 50 per cent of Average Compensation under the Maximum Option, regardless of age. The benefit is reduced if an optional benefit payment plan selected.

### **PERS/SLRP PLAN 2 – Tiered Disability Plan**

If an employee became a member of PERS on July 1, 1992 or later, or if he was a member prior to July 1, 1992, and elected coverage under PLAN 2, the non-duty related disability allowance consists of two parts, a Temporary Allowance and a Deferred Allowance.

The Temporary Allowance is either 40% of Average Compensation, plus a dependent child supplement equal to 10% each for as many as two dependent children (a maximum of 60%) or the accrued benefit based upon actual service, whichever is **greater**.

The Temporary Allowance is payable for a period based upon the member's age when the disability occurs. If the member is 60 or younger when the disability occurs, the Temporary Allowance is payable until age 65; if 61 or 62, until age 66; if 63 or 64, until age 67; if 65 or 66, until age 68; if 67, until age 69; if 68, until age 70; if 69 or older, for one year.

The dependent child supplement ends when whichever of the following occurs first: (1) the child reaches age 19, or 23 if he or she remains unmarried and a full-time student, as defined by law, (2) the retiree dies, **or** (3) the Temporary Allowance period ends.

**The Deferred Allowance** begins when the Temporary Allowance ends and is payable for life. It is **either** the allowance that would have been payable had the member continued in service until the termination of the Temporary Allowance, but not more than 40% of Average Compensation, **or** the accrued benefit based upon actual service at the time of disability, whichever is **greater**. There is no supplement paid under the Deferred Allowance for dependent children.

## **1002. APPLICATION FORMS – MONTHLY DISABILITY RETIREMENT BENEFITS**

The application process is a two step process.

### **Step One:**

Within three (3) months BEFORE termination for retirement benefits, each active member applying for disability benefits must complete and submit the forms contained in the Disability Application Packet. The Disability Application Packet may be obtained from the employer or from the PERS Website Forms Request Page at [www.pers.state.ms.us](http://www.pers.state.ms.us).

The Disability Application Packet contains the PERS Form 9A, Parts 1 and 2, Application for Retirement, (Part 1 to be completed by the applicant and Part 2 to be completed by the Employer) PERS Form F, Family Information Form, to be completed by the applicant, PERS Form 8, Medical Information Form, to be completed by the applicant, and PERS Form 6B, Employer's Certification of Job Requirements, to be completed by the Employer.

### **Step Two:**

When the PERS Disability Program staff receives the completed application packet of forms, a Case Manager is assigned to the disability applicant. An estimate of benefits is calculated using the wage information, unused leave information and employment termination information contained on Part 2 of the PERS Form 9A. NOTE: If the termination date of the disability applicant has not been established, the employer may put "pending" in the termination date field of the application form.

The benefit estimate is sent to the applicant along with a PERS Form 6, Disability Retirement Benefit Payment Selection Forms Packet, and a PERS Form 7, Statement of Examining Physician Form for each treating physician listed on the PERS Form 8, Medical Information Form. In addition, the Case Manager will prepare a listing of all medical information based on the recording treatment record established on the Form 8 that will need to be submitted for review by the Medical Board. There will be a second copy of the benefit estimate in the packet for use by state agency employees in applying for continuation of State Agency Health Insurance coverage.

From this point forward, the Disability Case Manager will maintain contact with the applicant as to the information which has been received in the PERS office and what information is needed in order for the claim to be ready for review by the PERS Medical Board.

## **1003. SPECIAL SERVICE WHILE PURSUING DISABILITY RETIREMENT**

Disability applicants who have terminated covered employment who are eligible for service retirement may apply for and receive service retirement benefits while pursuing disability benefits. That is, members with twenty five (25) or more years of service at any age or age sixty (60) with four or more years of service who are eligible to apply for disability retirement, and who have terminated covered service may also apply for and receive service retirement benefits while pursuing disability retirement. Members who have applied for and begun receiving service retirement benefits may NOT then apply for disability benefits. One must FIRST apply for disability benefits and then, if eligible he or she may apply for service retirement benefits while pursuing disability benefits.

**1004. MONTHLY PAYMENT OF ACCUMULATED CONTRIBUTIONS (MPAC)**

Disability benefit applicants who have terminated covered service who are not eligible for service retirement and who have exhausted all unused personal and major medical leave prior to termination may apply for and receive a monthly payment of their employee contribution balance during the period of time while pursuing disability. The MPAC benefit is calculated as an amount equal to no more than 50% of the applicant's accumulation account balance to be paid in equal monthly installments over a period not less than six (6) months nor more than eighteen (18) months, as elected by the member. The monthly payment shall be no more than one half of the actual estimated disability benefit to which the member may be entitled based on the optional benefit payment plan selected. The MPAC benefit ceases at the end of the pre-selected time frame or at the time a final disability determination is made by PERS, whichever occurs first. In no case shall payments extend beyond a period of 18 months. Detailed rules related to the MPAC payments may be referenced on the MPAC application form which can be obtained from the applicant's Disability Case Manager.

**1005. OPTIONS UNDER DISABILITY RETIREMENT**

Upon application for disability retirement, any **PERS** or **SLRP** member may elect to receive the maximum benefit possible in a disability retirement allowance payable throughout life, or he or she may elect at the time to receive the actuarial equivalent of the disability retirement allowance in a reduced allowance taking into consideration benefits payable to a beneficiary. **SPECIAL NOTE:** The Partial Lump Sum Option (Option 6), is not available to the disability benefit applicant.

**1006. EFFECTIVE DATE OF DISABILITY RETIREMENT**

The effective date of retirement shall be the first of the month after receipt of the completed PERS Form 9A, Part 1 and Part 2, by PERS, but in no case before the date of termination from all covered employment.

**1007. DISABILITY DETERMINATION PROCESS**

Each disability applicant must be sure to collect all of the medical records related to the treatment of the condition for which the disability benefit claim is being filed. It is requested that all medical records for the past 3 to 5 years be obtained and submitted to PERS. The applicant is responsible for contacting the treating physicians and hospitals, requesting, and in some cases, paying for the copying of the records to be sent directly to PERS. In no case is an applicant to, in any way, alter the records, i.e., no personal notes or comments should be added to the doctor's statement or office notes. An incomplete or altered record may result in an unfavorable determination by the PERS Medical Board. The disability Case Manager will schedule the applicant's claim for review by the PERS Medical Board **only** after receipt of the medical information as indicated on the **PERS Form 8, Medical Information Form**. Based upon a review of the information, the Case Manager may also request additional information from the medical professional, the applicant or the employer as a means of clarifying information previously submitted.

An applicant's claim for duty-related disability benefits will not be approved by the PERS Medical Board unless the records are determined to support such claim and unless the employer has certified that an accident or injury for which the claim is being filed, occurred in the performance of duty. In reviewing a claim for duty-related disability benefits, the Medical Board must first determine if the applicant is disabled for further performance of duty of their job, as described on the *PERS Form 6B, Employer's Certification of Job Duties*. If determined to be disabled, the Medical Board reviews the documentation provided to determine if the disability was a direct result of an accident or traumatic event resulting in a physical injury occurring in the performance of duty.

The PERS Medical Board meets monthly to review claims for benefits. The disability determination process normally takes 2 to 4 months. The process can be completed more quickly if the applicant submits thorough and detailed medical information in a timely manner.

A medical determination of disability is made by members of the three member Medical Board using objective medical evidence contained in the records submitted by the applicant. The criteria for disability determination is set by statute as the permanent and total inability to perform the duties of the job to which assigned. In all instances, the Medical Board reviews whether or not the employer has offered another job of comparable pay within the same geographic territory and/or whether or not the applicant has requested and/or been offered reasonable accommodations for the current job as provided under the Americans with Disabilities Act (ADA.)

If the member is eligible to apply for Social Security Administration Disability Benefits, he or she should be encouraged to apply for PERS Disability and Social Security Disability benefits, concurrently. PERS does not accept approval by the Social Security Administration (SSA) for disability benefits in lieu of a determination by the PERS Medical Board. The SSA criteria for benefit approval are significantly different from those of PERS. However, if the applicant is approved for SSA disability, please encourage the applicant to submit a copy of the SSA Notice of Approval. The applicant should be sure PERS has all of the information provided to SSA for use in determining benefit eligibility.

If a disability applicant is approved for PERS Disability benefits, the PERS Medical Board will then determine whether or not the disability benefit recipient will be required to undergo reexamination, on what basis, i.e., reexamination by a certain medical specialist, and how often, i.e., once each year or less often. The Medical Board has the statutory authority to exclude the claimant from any further medical examination. The Medical Board also stipulates whether or not the claimant will be required to submit copies of tax and earnings records on an annual basis. Once the Medical Board has determined disability, the reexamination requirements and requirements for submission of tax and earnings records, the Case Manager will notify the applicant, in writing, of the decision.

If the applicant's claim for benefits is denied, the Case Manager will notify the applicant, in writing, of the decision and of the options for further action. In every instance of denial of a claim, the applicant has the option of appealing the decision of the PERS Medical Board to the PERS Disability Appeals Committee. The Notice of Appeal Form for use in filing an appeal of an unfavorable decision is included with the decision notification letter. An applicant has 60 days after receipt of the certified notice

of unfavorable decision to file the Notice of Appeal. Failure to file the appeal in the limited time frame will result in the applicant's forfeiting his or her rights to further pursue the claim. If the claim is denied, there is no provision to begin the application process anew unless the applicant returns to covered employment for a period of time and can prove the condition for which benefits were previously filed had worsened or unless another condition has developed justifying the new disability claim.

If the applicant files a Notice of Appeal with PERS, a date for a hearing before the PERS Disability Appeals Committee will be scheduled. The employer will be notified of the hearing date and time and will be invited to attend the hearing to provide information as may be requested by the PERS Disability Appeals Committee members. Normally the information needed relates to the applicant's job performance, attendance record, performance appraisals and disciplinary record as well as accommodations under ADA regulations. The employer is not required to attend the hearing.

#### **1008. EMPLOYMENT OF DISABILITY RETIREES**

If the Medical Board or other designated governmental agency reports and certifies to the Board of Trustees, after a comparable job analysis, that such disability retiree is engaged in, or is able to engage in, a gainful occupation paying more than the difference between his disability benefit and the Average Compensation, and if the Board of Trustees concurs in such report, the disability benefit shall be reduced to an amount which, together with the amount earnable by him, shall equal the amount of his Average Compensation determined at retirement. In the event that his earning capacity changes, the amount of the said benefit may be further modified, provided that the revised benefit shall not exceed the amount originally granted. A disability retiree restored to active service at a salary less than the Average Compensation shall not become a member of the retirement plan. The disability law allows disability retirees to have other income. However, the amount of income which may be earned from outside sources, while continuing to receive disability benefits, is limited. A disability retiree can earn no more than the difference between his or her Average Compensation used in calculating disability benefits and the annual benefits received from the retirement plan. Disability retirees are required to submit copies of income tax returns to PERS each year to prove that their income is within the limit allowed by state law.

#### **1009. ELIGIBILITY OF MEMBERS ON INACTIVE STATUS FOR DISABILITY BENEFITS**

PERS/SLRP members with four or more years of membership service who have withdrawn from active membership are not eligible for total and permanent disability retirement unless a disability occurs within six months of the termination of their active public employment and unless proof satisfactory to the Board of Trustees of the Public Employees' Retirement System is presented showing that the disability being claimed was the direct cause of withdrawal from covered public employment. Persons who are no longer active members and who have obtained employment in a gainful occupation in any noncovered employment shall not be eligible for disability benefits.

A PERS/SLRP inactive member with four or more years of membership service who have previously applied for and been denied disability benefits may not reapply for disability benefits unless the member returns to covered service for a period in excess of six months.

## **1010. RETIREMENT ALLOWANCE FOR DISABILITY IN THE LINE OF DUTY**

### **PERS/SLRP**

If the employer certifies to the Board of Trustees that a member's disability was a direct result of an accident or traumatic event occurring in the line of performance of duty, and not the result of willful negligence of the employee, the member may be retired for disability benefits, provided the Medical Board, following a medical examination, certifies that the member is mentally or physically incapacitated for further performance of duty, and such incapacity is likely to be permanent. The Medical Board must also certify that the disability is a direct result of an accident or traumatic event resulting in a physical injury occurring in the performance of duty.

Permanent and total disability resulting from cardiovascular, pulmonary or musculoskeletal condition, which was not a direct result of a traumatic event occurring in the performance of duty, shall be deemed an ordinary disability.

The Duty Related Disability retirement allowance shall not be less than 50 percent of Average Compensation, reduced for any optional benefit payment plan selected by the member. Duty Related Disability retirement benefits are not subject to federal tax withholding.

**PART XI  
SUPERANNUATION RETIREMENT**

**1100. SERVICE RETIREMENT QUALIFICATIONS**

Any member, upon withdrawal from service, who has completed at least four years of membership service and who has attained the age of 60 years or who shall have completed at least 25 years of creditable service (four of which must be membership service credit) shall be entitled to receive a retirement allowance by properly filing an application with the Public Employees' Retirement System. Unused leave, prior service, and military service can be applied toward the 25 year service credit requirement but CANNOT be applied for retirement eligibility purposes until after the four (4) years of contributing membership service credit is awarded.

**1101. DEFERRED RETIREMENT ALLOWANCE**

Any member of **PERS/SLRP** whose withdrawal from service occurs prior to his attaining the age of 60 years, who shall have completed four or more years of membership service and shall not have received a refund of accumulated contributions, shall be entitled to receive a retirement allowance upon attaining the age of 60 years based on the amount earned and service credit accrued at the date of withdrawal from service. Benefits shall be effective the first of the month after the member has filed a completed Application for Service Retirement with PERS or becomes eligible, whichever is later. Benefits are based on the law at the time the member becomes eligible for payment of benefits.

**1102. OPTIONS UNDER SUPERANNUATION RETIREMENT**

Upon application for superannuation retirement, any **PERS/SLRP** member may elect to receive the maximum benefits in a retirement allowance payable throughout life, or he or she may elect at that time to receive the actuarial equivalent of the retirement allowance in a reduced allowance taking into consideration benefits to be payable to a beneficiary.

**1103. ADVANCED APPLICATION FOR OPTIONAL SETTLEMENT UNDER SERVICE RETIREMENT**

Any member of **PERS/SLRP** in service who has qualified for retirement benefits may select any optional method of settlement of retirement benefits by notifying the Executive Director of the Board of Trustees of the Public Employees' Retirement System in writing, on a form prescribed by the Board, of the option he has selected and by naming the beneficiary of such option and furnishing necessary proof of age. Such option, once selected, may be changed by the member only, at any time prior to the member's actual retirement or death. Upon the death of the member, the optional settlement shall be placed in effect upon proper notification of the member's death to the Executive Director.

## 1104. SERVICE RETIREMENT APPLICATION

Applying for service retirement is a simple two-step process for PERS members. This process provides each member with individualized information needed to make an informed decision regarding the retirement benefit payment.

### STEP ONE

The retiring member and his or her current or last employer(s) must complete and submit PERS Form 9A SRVC, *Pre-Application for Service Retirement Benefits*. (The most current version of the form is available to print from the PERS website at <http://www.pers.state.ms.us/pdf/Forms/form9ASRVC.pdf>.) PERS will use the information provided to prepare and send the applicant an individualized packet of forms — PERS Form 9S, *Final Application for Service Retirement Benefits*; PERS Form PLSO, *Partial Lump Sum Option Distribution Election* (if applicable); and PERS Form 21, *Direct Deposit Authorization*; as well as a personalized, audited Final Estimate of Benefits.

**To establish the desired effective retirement date, the retirement application process should start at least 90 days prior to the desired effective retirement date.**

**Please note that all employment with any and all PERS-covered employers must be terminated before the effective date of retirement.**

### STEP TWO

The retiring member must complete and submit the PERS Form 9S, *Final Application for Service Retirement Benefits*. On the form, the applicant will select a benefit payment option and whether or not to take the Partial Lump Sum Option (PLSO) (if eligible) and will designate his or her beneficiary appropriate for the benefit payment option selected. The applicant will also specify his or her federal tax withholding status, exemptions, and preference and will elect an Annual Benefit Adjustment payment method (i.e., monthly or lump sum). This form and the PERS Form PLSO, *Partial Lump Sum Option Distribution Election*, (if applicable) must be received by PERS prior to the effective date of retirement.

A copy of the retiring member's birth certificate is also required, as are copies of the birth certificates of the member's designated beneficiaries under Option 2, Option 3, or Option 4A. These documents must be received by PERS prior to the effective retirement date.

Direct deposit of benefits is mandatory, and the PERS Form 21, *Direct Deposit Authorization*, should be submitted to PERS at the earliest possible time.

If application is made to PERS and the applicant then decides not to retire, PERS simply requires submission of a written notice from the member to rescind the application.

**1105. EFFECTIVE DATE OF SERVICE RETIREMENT**

Members cannot be retired until after actual receipt of a completed PERS FORM 9A, Pre-Application for Service Retirement Benefits, Part 1 and 2, by PERS nor before the termination date of state service.

Retirees will be added to the payroll using the projected wages certified by the employer. The employer is then responsible for reporting those wages to PERS and indicating on the report that the wages represent the final wages due the member through his or her date of termination in covered employment. Upon receipt of the final wage and contribution report and posting of the wages to a retiring member's account, the retiree's benefit will be automatically recalculated using the actual wages paid. In the event the retiree has been paid a retirement benefit which is less than that to which he or she was entitled, the retiree will be issued an adjustment to cover the underpayment. Any overpayment of retirement benefits will be recovered by PERS. The recalculation of benefits should automatically occur within 90 days after receipt of the first retirement check.

**1106. EMPLOYMENT OF SERVICE RETIREE**

**PERS**

1. Mississippi Code Ann. Sec. 25-11-127
  - A. PERS retirees may be reemployed by a covered agency within the limitations provided by statute and continue to receive retirement benefits. PERS must be notified, in writing, in advance of the reemployment and upon termination. Such notice must specify under which of the following provisions the retiree will work:
    1. For a period of time not to exceed one-half (1/2) of the normal working days for the position in any fiscal year during which the retiree will receive no more than one-half (1/2) of the salary in effect for the position at the time of employment; or
    2. For a period of time in any fiscal year sufficient in length to permit a retiree to earn not in excess of twenty-five percent (25%) of the retiree's average compensation.
  - B. The employer shall determine the required number of working days for the position on a full-time basis and the equivalent number of hours representing the full-time position. The retiree may then work up to one-half (1/2) of the required number of working days or up to one-half (1/2) of the equivalent number of hours and receive up to one-half (1/2) of the salary for the position. In the case of employment with multiple employers, the limitation shall equal one-half (1/2) of the number of days or hours for a single full-time position.
  - C. A retired member may not be reemployed (or guaranteed reemployment) by a covered employer in any capacity, including that of an independent contractor, within forty-five (45) consecutive calendar days from the effective date of retirement.

- D. A retiree may continue in municipal or county elected office or be elected to a municipal or county office, provided the retiree: 1. Files annually, in writing in the office of the employer and of PERS, before he or she takes office or as soon as possible after retirement, a waiver of all salary or compensation and elects to receive in lieu of that salary or compensation a retirement allowance, in which event no salary or compensation shall thereafter be due or payable for those services, or 2. Files annually, in writing in the office of the employer and of PERS, an election to receive compensation for that municipal or county elected office in an amount not to exceed twenty-five percent (25%) of the retiree's average compensation, which shall be prorated over a twelve month time frame. In addition to such retirement allowance, the retiree may receive any per diem, office expense allowance, mileage or travel expense authorized by statute.
- E. For more information on reemployment after retirement with a PERS covered employer, please refer to PERS Board Regulation 34.

## 2. Special Provisions

- A. Mississippi Code Annotated. Sec. 25-9-120, effective July 1, 1994, sets forth provisions for contract personnel employed by state agencies under the State Personnel Board. Employees in these positions are not entitled to coverage under PERS, state employee health insurance or leave benefits. However, such contract personnel who do not meet the criteria of independent contractors shall be subject to the provisions of Mississippi Code Ann. Sec. 25-11-127.

In determining whether or not an employee is an independent contractor not subject to the retiree reemployment provisions of the statute, please refer to the IRS 20-point test. Employers may contact the IRS, PERS or the State Personnel Board for information regarding this criteria. PERS retirees who are engaged to perform services as an independent contractor should submit a completed Independent Contractor Questionnaire to PERS to avoid possible reduction or termination of PERS benefits.

- B. Mississippi Code Annotated. Sec. 25-11-113 (4)(5)(1972) allows disability retirees to work and continue to receive retirement benefits to the extent that such earnings from his/her employment do not exceed the difference between the Average Compensation used in calculating benefits and the annual benefits received from PERS. PERS monitors the income of disability retirees by reviewing copies of their income tax reports yearly. Passive income, such as investment earnings, real estate income, interest income, etc. are not considered in determining the maximum earnings limitations of disability retirees.

## 3. Canceling Retirement

### **PERS**

A retiree may cancel his/her retirement benefits and return to work in a covered position. Additional service credit will be awarded if the reemployment period is in excess of six (6) months. Upon subsequent termination of covered employment, such member may have his/her benefits recalculated under the law, as it exists at that time, if the member has been employed for a period greater than six calendar months and he or she may

change his optional benefit payment plan. Any retiree who cancels his/her retirement benefit and who works less than the period of six (6) calendar months and one (1) day, is not eligible for benefit recalculation; however, benefits may be reinstated prospectively the first of the month after termination from covered employment at an amount no less than the retirement allowance authorized before cancellation of benefits.

### **SLRP**

Since members of SLRP are all elected officials, there is no provision to allow a SLRP retiree to both draw retirement benefits and a salary while filling a SLRP position.

#### **1107. COMPULSORY RETIREMENT**

No member of PERS or SLRP, except members excluded by the Age Discrimination in Employment Act Amendments of 1986 (Public Law 99-592), in state service shall be required to retire because of age.

**PART XII**  
**DEATH BENEFIT PAYMENTS**

**1200. GENERAL PROVISIONS**

Death benefits in the form of regular monthly benefit payments to qualified beneficiaries or a refund of member contributions, with interest, provide valuable protection should death occur before retirement. This coverage begins the day a member starts working and continues as long as he/she has an employee contribution account in a plan administered PERS. A qualified surviving spouse and/or children will receive monthly benefits before any refund of contributions may be considered.

**PERS/SLRP**

Any member with at least four (4) years of membership service, who dies prior to retirement is assured that his or her qualified spouse and dependent children as defined in Section 1201, will be automatically entitled to monthly benefits, **unless** the spouse waives rights as a beneficiary eligible for benefits prior to the member's death. If a waiver is signed, a lump sum refund will be paid to the designated beneficiary other than the spouse on file in the PERS office, subject to a 20% federal income tax withholding on the taxable portion, as mandated by Federal regulations. **The spousal waiver is not valid if the member has dependent children at the time of his or her death.**

Under the provisions of the PERS law, absent the preselection of an optional benefit payment (Advanced Application), the spouse of a member who dies before retirement, who is eligible for monthly benefits and who has not otherwise previously waived rights to monthly benefits, may waive rights to monthly benefits after the death of a member; thus authorizing PERS to issue a lump sum refund of the member's contributions to the beneficiary designated on the PERS Form 1.

In the event a refund is payable, or if monthly benefits end before the entire amount of the employee contributions are exhausted, the difference will be paid, as authorized under Mississippi Code Ann. Sec. 25-11-103(g), to the person designated as beneficiary by the member prior to death. That designation must be in writing and on file in the PERS office. If there is no surviving designated beneficiary, the difference will be paid as provided by law.

**1201. SPOUSE AND DEPENDENT CHILD MONTHLY BENEFITS**

**PERS/SLRP**

If an employee dies with less than four years of membership service, the beneficiary will be eligible to receive a refund of all employee contributions and interest posted to the retirement account, subject to a 20% Federal income tax withholding on the taxable portion. However, if the beneficiary is the spouse, then such funds may be transferred directly to an IRA or IRA annuity.

If an employee with four years or more credited to his/her account has not filed an Advanced Application with PERS, benefits would be payable to the spouse and/or dependent children as follows:

**SPOUSE BENEFITS** — If the member and spouse have been married for at least one year prior to the member's death, he or she will qualify for either lifetime benefits calculated under Option 2 (the 100% joint and survivor payment for life) or 20% of the member's Average Compensation, whichever amount is **greater**, with a minimum payment of \$50 a month.

**DEPENDENT CHILDREN BENEFITS** — Ten percent of the Average Compensation is payable as benefits for each dependent child, up to a maximum of 30% for three or more children, with minimum benefits of \$50 per month for one child and \$150 per month for three or more children. Benefits will be paid until age 19 or marriage, whichever comes first, or to age 23 for children who remain unmarried and full-time students, as defined by law. Benefits to a physically or mentally disabled child continue as long as the disability exists.

Benefits begin the first day of the month following the date of death. In the case of a late filing, retroactive payments will be made for not more than one year. If there are no dependent children, the spouse of a deceased member who is eligible to receive a monthly benefit may waive rights to such monthly benefit. If spousal benefits are waived, payment of a lump sum refund of accumulated contributions will be made to the designated beneficiary as provided in Mississippi Code Annotated Sec. 25-11-103(g). PERS law defines "beneficiary" as any person entitled to receive a retirement allowance, an annuity or other benefit as provided by Articles 1 and 3. In the event of the death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, (i.e., the member has less than 4 years of service credit, or he/she has not been married for at least one year, etc.), the lawful spouse of a member at the time of the death of such member shall be the beneficiary of such member, unless the member has designated another beneficiary subsequent to the date of marriage in writing, and filed such writing in the office of the Executive Director of the Board of Trustees. No designation or change of beneficiary shall be made in any other manner.

## **1202. DEATH BENEFITS IF KILLED IN THE LINE OF DUTY**

### **PERS/SLRP**

Coverage for death benefits where an employee is killed in the line of duty begins on the first day of work in a position covered by PERS. The employer must certify to PERS that the employee was killed in the line of duty. The spouse **and** dependent children will be eligible for monthly benefits regardless of the number of years of creditable service that the deceased employee has in PERS. If killed in the line of duty, the spouse may elect that he or she and/or the employee's dependent children receive benefits under **either** regular death provisions or duty-related death provisions.

Claims for benefits under duty-related death provisions will be calculated at 50% of the Average Compensation, payable to the spouse until death, and 25% of the Average Compensation, payable to one dependent child until age 19. If there is a spouse and two or more dependent children, PERS will pay 50% of the Average Compensation to the spouse until death and 50% for support and maintenance of two or more dependent children under age 19. If there is no spouse, an amount equal to 25% of the employee's Average Compensation will be paid to a dependent child until age 19, if the employee has only one child. If the employee has more than one child, 50% will be divided among the children until they reach age 19. The age for dependent children to qualify

for benefits increases to 23, if they remain unmarried and full-time students, as defined by law. Benefits to a physically or mentally disabled child continue as long as the disability exists.

### **1203. SPOUSE OR DEPENDENT CHILD BENEFIT APPLICATION**

Upon the death of a member with at least four years of membership service or in cases where the member is killed on the job, regardless of the years of service, the lawful spouse of such member applying for spouse survivor benefits may obtain the forms needed to apply for benefits from PERS or from the member's employer. If the spouse is also the parent or guardian of the member's dependent children and/or is willing to provide information about dependent children from a previous marriage of the deceased member, he or she can initiate the application process on behalf of himself or herself as well as the dependent children using one application form. If there are dependent children by a previous marriage and the current spouse is not able to provide the information or if there is no spouse, such person, whether parent or legal guardian of the dependent child(ren) must complete a separate application. In the case of a vested, inactive deceased member, upon request, PERS will provide the forms needed to be completed by the applicant and the employer representative from the agency where the deceased member was employed.

Applying for survivor retirement is a simple two-step process. This process provides individualized information.

#### **STEP ONE**

The surviving spouse and/or the guardian of any dependent children of the deceased member and the current or last employer(s) of the deceased member must complete and submit PERS Form 9A SRVR, *Pre-Application for Survivor Retirement Benefits*. (The most current version of the form may be printed from the PERS website at <http://www.pers.state.ms.us/pdf/Forms/form9ASRVR.pdf>.) PERS will use the information provided to prepare and send the applicant an individualized packet of forms — PERS Form 14, *Final Application for Spouse Survivor Retirement Benefits*; PERS Form 15, *Final Application for Dependent Child Survivor Retirement Benefits*; and PERS Form 21, *Direct Deposit Authorization*; as well as a personalized, audited Final Estimate of Benefits.

#### **STEP TWO**

The surviving spouse and/or the guardian of any dependent children of the deceased member must complete and submit PERS Form 14, *Final Application for Spouse Survivor Retirement Benefits* and PERS Form 15, *Final Application for Dependent Child Survivor Retirement Benefits*. The applicant must also specify his or her federal tax withholding status, exemptions, and preference and must elect an Annual Benefit Adjustment payment method (i.e., monthly or lump sum).

A copy of the deceased member's birth certificate, death certificate, and marriage certificate are required, as are copies of the birth certificates of the deceased member's spouse and dependent children.

Direct deposit of benefits is mandatory, and the PERS Form 21, *Direct Deposit Authorization*, should be submitted to PERS at the earliest possible time.

**PART XIII**  
**STATE RETIREMENT ANNUITY MONTHLY REPORTING**

**1300. REPORTING FORMS**

Effective July 1, 1996, all employers are authorized and required to transfer all funds due to PERS electronically and to transmit any wage or other reports by computerized reporting systems.

An employer may submit a written request for a **temporary** exemption from the application of the above requirements. Such request must set forth the reasons for the inability to comply with the requirement.

The Board of Trustees may assess a processing fee for noncompliance with the mandatory electronic funds transfer and/or computerized reporting.

All wage reports **must** be edited prior to submission to PERS utilizing the PERS RET software.

Instructions for preparing your wage report, along with magnetic media specifications, are included in the RET procedure manual.

**1301. REPORT DUE DATE**

Monthly reports, whether transmitted by electronic media or paper reports must be forwarded to the Public Employees' Retirement System, Wage and Contribution Department, 429 Mississippi Street, Jackson, Mississippi 39201, by the fifth working day of the month following the close of each calendar month. Delinquent reports will be assessed a penalty of 2% per annum of the covered wages.

**1302. CONTRIBUTION DUE DATE**

The monthly contributions must be transmitted electronically to the bank designated by the Public Employees' Retirement System by the fifth working day of the month following the close of each calendar month. Delinquent contributions will be assessed a penalty at the rate of 10% per annum of the contributions due.

**1303. SPECIAL NOTICE**

The minimum retirement monthly contribution is \$1.00, and as of July 1, 2002, the maximum monthly wages is \$12,500.00.

**1304. AGENCY ACCOUNT STATEMENT**

An Agency Account Statement is provided each month to each reporting agency. This statement reflects the balance of the account with PERS.

This statement indicates contributions due versus contributions paid along with any penalties due.

This statement should be carefully reviewed to determine the cause of any under or over payment. (See paragraph 1305, Report of Adjustment for possible differences.)

If, after careful review, an overpayment has been submitted, the employer should take credit for this overpayment by reducing the next remittance to PERS by a like amount.

If there is an underpayment due, please remit an amount equal to the underpayment as soon as possible to allow the agency contributions to post and to prevent an accumulation of further penalties.

### **1305. REPORT OF ADJUSTMENTS**

If the wages and contributions of one or more employees were incorrectly reported on a previously submitted monthly Report of Wage and Contributions during the previous 18 months, you may make the positive or negative correction on your monthly diskette. If the correction is for a period beyond the prior 18 months, prepare a Report of Adjustments (PERS FORM 10) to correct the error. The completed Report of Adjustments (PERS FORM 10) should be forwarded immediately to the Public Employees' Retirement System, Wage and Contribution Reporting Department, 429 Mississippi Street, Jackson, Mississippi 39201-1005, together with any contributions payable. If an overpayment in contributions has been made, the employer will be issued credit after the adjustment is processed.

**NOTE: Reports of Adjustments (Form 10) may not be submitted to correct the current month's ending report. (Ex: Form 10 should not be used to correct reporting errors on the most current report submitted to PERS. This correction should be performed using the monthly reporting process as outlined below.)**

### **1306. STEPS TO COMPLETE PERS FORM 10**

Form 10 should be completed using instructions provided on the form itself.

**NOTICE:** It is the responsibility of the reporting employer to verify that all payroll information has been reported correctly when a refund application is certified and sent to PERS. If an adjustment form is received involving an employee's wages which were previously over reported and a refund application has been processed before that time, then the adjustment form will be returned to the agency, and credit will not be allowed.

### **1307. MAGNETIC MEDIA GENERAL INFORMATION**

Please refer to the information behind tab "Reporting Instructions" for reporting information including the wage and contributions edit program (RET).

**PART XIV  
DEFINITIONS AND INTERPRETATIONS OF TERMS**

**1400. DEFINITIONS**

The following words and phrases, shall have the following meaning, unless a different meaning is plainly required by the context. (Section 25-11-103)

**1401. ACCUMULATED CONTRIBUTIONS**

Accumulated Contributions shall mean the sum of all the amounts deducted from the compensation of a member and credited to his individual account in the annuity savings account, together with regular interest thereon as provided in Section 25-11-123.

**1402. ACTUARIAL COST**

Actuarial cost shall mean the amount of funds presently required to provide future benefits as determined by the board based on applicable tables and formulas provided by the actuary.

**1403. ACTUARIAL EQUIVALENT**

Actuarial Equivalent shall mean a benefit of equal value to the accumulated contributions, annuity or benefit, as the case may be, when computed upon the basis of such mortality tables as shall be adopted by the Board of Trustees, and regular interest.

**1404. ACTUARIAL TABLES**

Actuarial Tables shall mean such tables of mortality and rates of interest as shall be adopted by the Board in accordance with the recommendation of the actuary.

**1405. AGENCY**

Agency shall mean any governmental body employing persons in state service.

**1406. ATTORNEY**

PERS law (effective July 1, 2002) provides that any individual who is employed on or after July 1, 2002, by a governmental entity to perform professional services (such as legal services) shall become a member of the Retirement System provided the individual: a) is paid regular periodic compensation for those services that is subject to payroll taxes, b) is provided all other employee benefits, and c) meets the membership criteria established by PERS regulations that apply to all other members of the System. To determine whether an attorney should be covered under PERS, use the following *general guide*.

**A. ELECTED ATTORNEYS**

- A1. Is the attorney a) an elected official and b) personally paid regular periodic compensation? If “yes,” proceed to the next question. If “no,” proceed to Non-Elected Attorneys Section below.

- A2. Are elected officials covered under the Joinder Agreement? If “yes,” the attorney, as an elected official, should be covered for retirement (provided he/she is paid regular periodic compensation). If “no,” (that is, elected officials are excluded under the Joinder Agreement), do not report this individual for retirement coverage. Complete a PERS Form 4A, Non-Covered Employment Acknowledgement, and have the individual sign it.

**B. NON-ELECTED ATTORNEYS**

- B1. Is the attorney a) classified as an **employee** either specifically by statute or in accordance with Internal Revenue Service (IRS) guidelines, b) personally paid regular periodic compensation reported on IRS Form W-2 (rather than IRS Form 1099), and c) treated as an employee for all employment purposes including eligibility for applicable fringe benefits? If “yes,” proceed to the next question. If “no,” do not report this individual for retirement coverage. Complete a PERS Form 4A, Non-Covered Employment Acknowledgement, and have the individual sign it.
- B2. Does the attorney work eighty (80) hours or more per month? If answer was “yes” to Questions B1 and B2, the attorney should be covered for retirement. If answer was “yes” to Question B1 and “no” to Question B2, do not report this individual for retirement coverage unless the individual is already covered for retirement through employment with another covered employer. Complete a PERS Form 4A, Non-Covered Employment Acknowledgement, and have the individual sign it.

**1407. AVERAGE COMPENSATION**

**PERS**

Average Compensation Calculation: Administrative Guidelines

1. Average Compensation will be calculated on the highest average of wages as paid, over four years, as follows:
  - A. Four fiscal years of salary. PERS’ fiscal year, July through June, will be used in this calculation; or
  - B. Four calendar years (January through December) of salary; or
  - C. A combination of any four fiscal and calendar years of salary which do not overlap; or
  - D. The last 48 consecutive months of earned compensation reported for an employee. This will cover the last 48 calendar months ending with the final Wage and Contribution Report posted to the employee's account.
  
2. Payment for lump sum leave received at retirement shall be included in the Average Compensation calculation as a separate component. The wages for lump sum leave may not exceed an amount equal to 30 days of leave pay as authorized by applicable law or policy or 150 days of leave pay in the event of survivor benefit calculations. The amount of leave pay reported to PERS and used in the Average Compensation calculation is limited by the maximum reportable earnings for the fiscal year in which it is paid and the maximum earnings applicable to the wage periods selected for calculation of Average Compensation.

Employers will be required to certify the portion of wages reported which represent the lump sum leave pay.

3. Any wages paid and reported to PERS which will cause an employee's pay to exceed the maximum reportable earnings for a fiscal year and proportionately for less than one (1) year of service will be excluded from the Average Compensation calculation. Effective July 1, 2002, the maximum earned compensation for each fiscal year is \$150,000.00.
4. Analysts shall review the last three fiscal and calendar years, as well as the last 36 months of salary, to determine whether the employee has received an annual salary increase in excess of 8 per cent per year within the last 24 months preceding the effective date of retirement. Employers are required to submit written certification where such salary increases have been awarded. In order for wages representing an increase in excess of 8 per cent to be included in the Average Compensation calculation, one of the following three (3) criteria must be met:
  - A. The increase must have been authorized by the Mississippi State Personnel Board; or
  - B. The salary was increased as a result of statutory enactment; or
  - C. The increase was a result of an actual change in the position held or services rendered.

In addition, the employer must furnish an affidavit stating that such increase was not contingent on a promise or agreement of the employee to retire. (Refer to PERS FORM 9A)

5. The annual salary increase in excess of 8% per year will be reviewed based on the effective date of the increase by the employer. The 8% cap will be applied to such wages paid over twelve (12) months or proportionately for wages paid over less than twelve (12) months in cases where an employee terminates less than one year after the effective date of the raise.
6. Salary increases in excess of 8%, where the retirement effective date is on or after the 25th month from the effective date of such increase, shall not be excluded for consideration in the Average Compensation calculation.

### SLRP

Average Compensation is calculated using the 4 highest years of **legislative salary** (these do not have to be consecutive.) The total is then divided by 4 to arrive at the Average Compensation. The "high 4 years of salary" is defined as one of the following:

1. The 4 highest fiscal years of earned compensation; or
2. The 4 highest calendar years of earned compensation; or
3. A combination of 4 fiscal and calendar years that do not overlap; or
4. The final 48 months of earned compensation prior to termination of employment.

## 1408. BENEFICIARY

### Before Retirement

"Beneficiary" shall mean any person entitled to receive a retirement allowance, an annuity or other benefit as provided by Article 3. In the event of the death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, (i.e., the member has less than 4 years of service credit, or he/she has not been married for at least one year, etc.), the lawful spouse of a member at the time of the death of such member shall be the beneficiary of such member, unless the member has designated another beneficiary subsequent to the date of marriage in writing, and filed such writing in the office of the Executive Director of the Board of Trustees. No designation or change of beneficiary shall be made in any other manner.

### After Retirement

If retiring from PERS or SLRP, and selecting either Option #2, the 100% Joint and Survivor Annuity, Option 3, the 100% Joint and Survivor Annuity for 2 Joint Annuitant Beneficiaries, or Option 4A, the 50% Joint and Survivor Annuity, a member must designate a Joint Annuitant. The Joint Annuitant Beneficiary must be a person, not an estate or organization, and once selected, this Joint Annuitant is entitled to receive lifetime monthly benefits in the event of the member's death after retirement. The Joint Annuitant Beneficiary cannot be changed after retirement unless he or she predeceases the retired member or unless the retired member's Joint Annuitant Beneficiary is the spouse and there is a divorce after retirement. Monthly benefits under the Joint and Survivor payment options cease upon the death of the retired member and the Joint Annuitant selected at retirement. However, if there are remaining benefits that should have been received, i.e. prorated COLA benefits, will be paid to the designated beneficiary(ies).

## 1409. BOARD

Board shall mean the Board of Trustees provided in Section 25-11-15 to administer the Retirement System.

## 1410. MEMBERS OF BOARDS AND COMMISSIONS

Members of boards or commissions of various state departments, agencies or commissions, who are paid solely on a per diem and expense basis, shall not be considered as in state service within the meaning of this term as it applies to employment of the State; however, members of such boards or commissions, who are paid a stipulated monthly salary for their services, shall be considered as employees in state service, unless otherwise provided by law. (Regulation #6)

According to Mississippi Code Annotated §37-6-13, each person serving as a member of the school board of any local school district shall receive either per diem or salary for attending meetings of the school board. However, in accordance with Miss. Code Ann. §37-6-13, **members of the school board**, whether paid per diem or salary, **are not eligible for any fringe benefits including retirement**. Therefore, local school districts should not report compensation to PERS on behalf of a local school board member where

that compensation is directly attributable to service as a member of the school board, even if the school board member is already covered in PERS through employment in a covered position.

**1411. CIRCUIT COURT REPORTERS**

Circuit Court Reporters are classified as County employees for Social Security and State Retirement Annuity Coverage.

**1412. COUNTY VETERANS SERVICE OFFICER**

The position of County Veterans Service Officer, who is employed and paid by the County Board of Supervisors, is considered a County employee and is eligible for coverage.

**1413. CREDITABLE SERVICE**

Creditable service shall mean “prior service”, “retroactive service”, and all lawfully credited unused leave not exceeding the accrued rates and limitations as provided in Section 25-3-9, et. Seq., as of the date of withdrawal from service, plus membership service for which credit is allowable as provided in Section 25-11-109. All creditable service is subject to audit and correction at the time of retirement.

**1414. DEFINITION OF DEPENDENT CHILD**

“Child” means either a natural child of the member, a child that has been made a child of the member by applicable court action before the death of the member, or a child under the permanent care of the member at the time of the member’s death, which permanent care status shall be determined by evidence satisfactory to the board.

A child shall be considered to be a dependent child until marriage, or the attainment of age 19, whichever comes first; however, this limitation shall be extended beyond age 19, but in no event beyond the attainment of age 23, as long as the child is a student regularly pursuing a full-time course of resident study or training in an accredited high school, trade school, technical or vocational institute, junior or community college, college, university or comparable recognized educational institution duly licensed by a state. A child whose birthday falls during the school year (September 1 through June 30) is considered not to reach age 23 until July 1, following the actual twenty-third birthday. A full-time course of resident study or training means a day or evening noncorrespondence course that includes school attendance at the rate of at least 36 weeks per academic year or other applicable period with a subject load sufficient, if successfully completed, to attain the educational or training objective within the period generally accepted as minimum for completion by a full-time day student of the academic or training program concerned. Any child who is physically or mentally incompetent, as adjudged by either a Mississippi court of competent jurisdiction or by the Board, shall receive benefits for as long as the incompetency exists.

**1415. DISABILITY APPEALS COMMITTEE**

A committee established by the PERS Board of Trustees to hear appeals of disability benefit applicants whose request for disability benefits was denied by the PERS Medical Board.

**1416. EARNED COMPENSATION**

"Earned Compensation" shall mean the full amount earned by an employee for a given pay period including any maintenance furnished up to a maximum of One Hundred Fifty Thousand Dollars per year and proportionately for less than one year of service. The value of such maintenance, when not paid in money, shall be fixed by the employing state agency and, in case of doubt, by the Board of Trustees as defined in Section 25-11-15. In any case, earned compensation shall be limited to the regular periodic compensation paid, exclusive of litigation fees, bond fees, and other similar extraordinary nonrecurring payments. In addition, any member in a covered position, as defined by the Public Employees' Retirement System laws and regulations, who is also employed by another covered agency or political subdivision, shall have the earnings of that additional employment reported to the Public Employees' Retirement System, regardless of whether the additional employment is sufficient in itself to be a covered position. In the case of members of the State Legislature, all remuneration or amounts paid, except mileage allowance, shall apply.

The amount by which an eligible employee's salary is reduced pursuant to a salary reduction agreement authorized under Section 25-17-5 shall be included as earned compensation under this paragraph, provided this inclusion does not conflict with federal law, including federal regulations and federal administrative interpretations thereunder, pertaining to the Federal Insurance Contributions Act or to Internal Revenue Code Section 125 cafeteria plans. Compensation, in addition to an employee's base salary that is paid to the employee pursuant to the vacation and sick leave policies of a municipality or other political subdivision of the state that employs him, which exceeds the maximums authorized by Section 25-3-94 et seq., shall be excluded from the calculation of earned compensation under this article. The maximum salary applicable for retirement purposes before July 1, 1992, shall be the salary of the Governor. Nothing in Section 25-3-31 shall affect the determination of the earned compensation of any member for the purposes of this article.

**1417. EMPLOYEE**

Employee means any person legally occupying a position in state service and shall include the employees of PERS.

**1418. EMPLOYEE CONTRIBUTIONS**

Each covered employee is required to pay retirement contributions with respect to covered wages at the rate of contributions imposed by law. The employee contributions are deducted from the employee's wages or collected from the employee by the employer.

**1419. EMPLOYER**

Employer shall mean the State of Mississippi or any of its departments, agencies, or subdivisions from which any employee receives his compensation.

**1420. EMPLOYER CONTRIBUTIONS**

The employer's contributions are calculated with respect to the employee's covered wages based on the applicable employer contribution rate. Employer contributions based on fees and commissions of fee officials must be paid from the fees and commissions and cannot be paid from the general funds of the agency. (\*Miss. Code Ann. 25-11-123(f) (3) and (4); AGR #47)

**1421. EMPLOYMENT**

Employment means any service performed as an employee in the employ of the State, or any political subdivision thereof, or any instrumentality of either.

**1422. FISCAL YEAR**

Fiscal year for members of **PERS and SLRP** shall mean the period beginning on July 1 of any year and ending on June 30 of the following year.

**1423. INSTRUMENTALITY**

When referring to an instrumentality of the State or political subdivision, it includes only a juristic entity which is legally separate and distinct from the State or political subdivision and whose employees are not, by virtue of their relation to such entity, employees of the State or political subdivisions.

**1424. JOINT ANNUITANT  
(refer to definition of Beneficiary)**

**1425. MASCULINE PRONOUN**

The masculine pronoun, wherever used, shall include the feminine pronoun.

**1426. MEDICAL BOARD**

Medical Board shall mean the Board of Physicians provided for in Section 25-11-119 or other governmental or non-governmental disability determination service designated by the Board of Trustees that is qualified to make disability determinations.

**1427. MEMBER**

Member shall mean any person included in the membership of the System as provided in Section 25-11-105.

**1428. MEMBERSHIP SERVICE**

Membership service shall mean service as an employee rendered while a member of PERS.

**1429. POLITICAL SUBDIVISIONS**

Political subdivisions include any county, municipality, or other political subdivision within the State, to which has been delegated certain functions of local government.

**1430. POSITION**

Position means any office or any employment in state service, or two (2) or more of them, the duties of which call for services to be rendered by one (1) person, including positions jointly employed by federal and state agencies administering federal and state funds.

The employer shall determine upon initial employment and during the course of employment of an employee who does not meet the criteria for coverage in the Public Employees' Retirement System, based on the position held, whether the employee is or becomes eligible for coverage in the Public Employees' Retirement System, based upon any other employment in a covered agency or political subdivision. If or when the employee meets the eligibility criteria for coverage in such other position, then the employer must withhold contributions and report wages from the non-covered position in accordance with the provisions for reporting of earned compensation. Failure to deduct and report those contributions shall not relieve the employee or employer of liability thereof. The board shall adopt such rules and regulations as necessary to implement and enforce this provision.

**1431. PRIOR SERVICE**

For PERS members, "prior service" shall mean service rendered before February 1, 1953, for which credit is allowable under Section 25-11-105 and 25-11-109. These provisions allow "prior service" for any person who is now or becomes a member of the Public Employees' Retirement System and who contributes to the System for a minimum period of four years.

**1432. REGULAR INTEREST**

Regular interest shall mean interest compounded annually at such a rate as shall be determined by the Board in accordance with Section 25-11-121. Effective July 1, 1994, such interest shall be posted monthly.

**1433. REGULATIONS - PERS BOARD OF TRUSTEES**

PERS Board of Trustees Regulations, Numbered 1-53, are used as operational guidelines by PERS Administration. A copy of the most frequently referenced Regulations are located on PERS Website at [www.pers.state.ms.us](http://www.pers.state.ms.us).

**1434. RETIREMENT ALLOWANCE**

Retirement allowance shall mean an annuity for life payable each year in twelve (12) equal monthly installments, beginning as of the date fixed by the Board. The retirement allowance shall be calculated in accordance with Section 25-11-111. However, any spouse who received a spouse retirement benefit in accordance with Section 25-11-111(d) prior to March 31, 1971, and said benefits were terminated because of eligibility for a Social Security benefit, may again receive his or her spouse retirement benefit from and after making application with the Board of Trustees to reinstate such spouse retirement benefits.

It is the sole responsibility of the member to apply for monthly benefits, and no benefits shall be paid for any period prior to the first of the month following receipt of such application for benefits but in no event prior to termination of employment, except as specifically authorized by law.

**1435. STATE**

State shall mean the State of Mississippi or any political subdivision thereof or instrumentality thereof.

**1436. STATE EMPLOYEE**

State employees are defined as those who are under control and direction of a State department, institution or agency, which pays the employee from funds under its control or on the basis of budgets prepared by the agency whether the funds involved are appropriated, donated, or secured from the Federal Government or from local units of state government but which funds are mingled with the general funds or budgets of the agency or into any fund of the State Treasury. (Regulation #1)

**1437. STATE SERVICE**

State service shall mean all offices and positions of trust or employment in the employ of the State, or any political subdivision or instrumentality thereof, which elect to participate as provided by Section 25-11-105(f), including the position of elected or fee officials of the counties and their deputies and employees performing public service or any department, independent agency, board or commission thereof, and shall also include all offices and positions of trust or employment in the employ of joint state and federal agencies administering state and federal funds and service rendered by employees of the public schools. Effective July 1, 1973, all nonprofessional public school employees, such as bus drivers, janitors, maids, maintenance workers, and cafeteria employees, shall have the option to become members in accordance with Section 25-11-105(b) and shall be eligible to receive credit for services prior to July 1, 1973, provided the contributions and interest are paid by the employee in accordance with said section and provided, further, that the county or municipal separate school district may pay the employer contribution and pro rata share of interest of the retroactive coverage from available funds. From and after July 1, 1998, retroactive service credit shall be purchased at the actuarial cost in accordance with Section 25-11-105 (b).

**1438. STATUTORY BENEFICIARY  
(Death Before Retirement - refer to definition of Beneficiary)**

**1439. SYSTEM**

System shall mean the Public Employees' Retirement System of Mississippi established and described in Section 25-11-101.

**1440. TEACHERS**

Teacher means any licensed teacher, librarian, registrar, supervisor, principal, or superintendent who is principally engaged in any one or any combination of these education and/or administrative capacities in any of the public schools including day or night schools conducted under the supervision of the State Department of Education as a part of the Adult Education Program.

**1441. WAGES**

See 1416, Earned Compensation, for the complete definition of wages.

**1442. WEBSITE - PERS Website is located at [www.pers.state.ms.us](http://www.pers.state.ms.us).**

**1443. WITHDRAWAL FROM SERVICE OR TERMINATION FROM SERVICE**

Withdrawal from service or termination from service shall mean complete severance of employment in state service of any member by resignation, dismissal or discharge.