

California Public Employees' Retirement System
P.O. Box 942715 | Sacramento, CA 94229-2715
888 CalPERS (or 888-225-7377) | TTY: (877) 249-7442
www.calpers.ca.gov

#### **Announcements**

# Circular Letter

July 12, 2021

Circular Letter: 200-042-21 Distribution: IV, V, VI, X, XII, XVI

To: All CalPERS Employers

**Subject:** New Service Credit Purchase Estimates Now Online

#### **Purpose**

The purpose of this Circular Letter is to inform you that we have expanded our service credit purchase online features to allow employees to elect to purchase service credit instantly. The new feature is available for certain types of service credit and replaces the online Service Credit Cost Estimator.

## **Instant Election Options**

Employees requesting to purchase a Redeposit of Withdrawn Contributions, Alternate Retirement Program Service Credit, or Tier Conversion may be able to view the estimated cost and make the election to purchase service credit instantly. The process to request, elect, and pay for a service credit purchase is secure, convenient, and entirely paperless through their myCalPERS account.

## **Employee Requirement**

To request service credit electronically, employees must log in to myCalPERS, go to the **Retirement** tab, select **Service Credit Purchase**, and review the **Request** tab. Employees will complete a few simple questions to generate the estimated cost of each eligible purchase, the estimated increase to future retirement benefits, and the factors used to explain how the cost was calculated. The estimate is based on the information they enter and real-time information that we have in our system, such as their membership date, member category, retirement

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formula, and other employment details. After they view their estimated cost details, they can submit a request for review. This new and improved process replaces the Service Credit Cost Estimator on our website and provides a more precise estimate.

The cost details will be available in myCalPERS for the employee to review once we receive all required documents and electronic certification and determine eligibility.

## **Employer Requirement**

You will be notified via email when certification is needed. You should complete the certification online under the **Member Request** tab. If the employer certification is not completed, the employee's request will be closed and they must submit a new request. This will increase the cost and may impact their eligibility.

All service credit request forms that require employer certification must be certified by an authorized payroll, personnel, or human resources employer representative through myCalPERS within 30 days. Ensure your contact lists are updated in myCalPERS with all authorized employer representatives and their email addresses and phone numbers.

We recommend you encourage your employees to request the purchase of service credit early in their career to ensure the availability of payroll records.

#### Resources

Your employees can register or log in to their <u>myCalPERS</u> account to access the new service credit features. Information about the benefits of service credit purchases and other resources are available on our website at **www.calpers.ca.gov**.

#### Questions

If you have any questions, contact our CalPERS Customer Contact Center at **888 CalPERS** (or **888**-225-7377).

Donald R. Martinez, Chief Member Account Management Division