

# Instructions and application for purchasing U.S. Department of Defense overseas dependent school service

## INSTRUCTIONS

If you were employed as a teacher in a United States Department of Defense overseas dependent school, you may be eligible to purchase credit for your service. Please **read** these instructions **carefully** before completing the application.

### Step 1: Determine your eligibility

1) Were you employed as a teacher in an overseas dependent school supervised by the United States Department of Defense? . . . . .  Yes  No  
If "yes," please go to Question 2. If "no," your service is **not** eligible for purchase.

2) At the time of your application to purchase service, will you be a "member in service" of the MTRS? . . . . .  Yes  No  
In general, a "member in service" is someone who is: actively teaching; receiving Worker's Compensation for total incapacity; on a sick leave; on a paid leave; or, on an authorized unpaid leave of less than one year. If you have any questions about whether you are a "member in service," please contact us.

If "yes," please go to question 2. If "no," you are ineligible to purchase this service at this time; you must be a "member in service" at the time of application in order to be eligible to purchase this creditable service.

3) Are you eligible for a retirement benefit for this service from a retirement plan other than a federal plan or Social Security? . . . . .  Yes  No  
If "no," you may be eligible to purchase credit for your overseas school service; please go to Step 2. If "yes," your service is **not** eligible for purchase.

**IMPORTANT REMINDERS:** From the time that you begin to gather your required documentation to the time that we send you an invoice, the service purchase process can take several months. If you are approaching retirement and you wish to purchase this service, you should be sure to complete and return your application **at least six months before your date of retirement, so please plan ahead.** As a reminder, service cannot be purchased after the effective date of your retirement.

**Have questions or need assistance?** Please don't hesitate to contact our main office at 617-679-6877. We're here to help!

#### MAIN OFFICE

500 Rutherford Avenue, Ste 210  
Charlestown, MA 02129-1628  
Phone 617-679-MTRS (6877)  
Fax 617-679-1661

#### WESTERN REGIONAL OFFICE

One Monarch Place, Ste 510  
Springfield, MA 01144-2048  
Phone 413-784-1711  
Fax 413-784-1707

#### ONLINE

mass.gov/mtrs



## Step 2: Review these Q&A to understand the restrictions and application process

Yes—you may purchase a maximum of five years of credit for your Department of Defense overseas dependent school service, subject to the following restrictions:

- The amount of your overseas service purchase cannot exceed the amount of your creditable Massachusetts teaching service at the time of your retirement.
- Each year of overseas service purchased, up to five years, counts toward the ten-year maximum of out-of-state service that you may purchase.
- You cannot purchase more than a total of ten years of creditable service for all of your out-of-state and Department of Defense teaching service combined.
- At the time of your retirement, you must have a matching year of Massachusetts membership as a teacher in the MTRS, Massachusetts State Retirement System or Boston Retirement System for each year of overseas teaching service and out-of-state teaching service you wish to purchase, and you cannot count the same Massachusetts service toward both types of purchases. For example, if you wish to purchase three years of Department of Defense dependent school service, three years of out-of-state teaching service, and four years of Massachusetts nonpublic teaching service, you must have at least ten years of Massachusetts membership service as a teacher in the MTRS, Massachusetts State Retirement System or Boston Retirement System at the time of your retirement.

**How can I determine if it makes financial sense for me to purchase all—or just a portion—of my overseas school service?**  
Depending on how much creditable service you will have at the time of retirement, purchasing your overseas school service credit may or may not make financial sense for you. Please be aware that a retirement allowance can be no higher than 80 percent of your allowable final salary average, and a service purchase, once made, cannot be refunded. So, before you decide to purchase this service, or decide how much to purchase, please consider whether you expect to be at or near the 80 percent maximum at the time of your retirement *without* this purchase.

To compare your retirement benefits both *with* and *without* this service purchase, visit our website at [mass.gov/mtrs](http://mass.gov/mtrs) and use our online estimator.

## Step 3: Apply to purchase this service

If you have read and understand the Q&A in Step 2, and believe that you are eligible to apply to purchase credit for your overseas school service, please:

- 1) **Complete** ALL of Part 1 of the application form.
- 2) If you don't already have them, **obtain** a copy of your *Transcript/Statement of Federal Service*, along with a *State Retirement/Teacher Certification* (NA Form 13142) from the National Personnel Records Center Annex, Civilian Personnel Records. Your transcript documents your period(s) of employment, the salary rate(s) paid, and where your service was rendered. To obtain your forms, submit a written request to the National Personnel Records Center Annex, Civilian Personnel Records, 1411 Boulder Boulevard, Valmeyer, IL 62295.
- 3) **Make** a copy of your completed application and attachments for your records.

- 4) **Submit** your completed **original** application pages and attachments to either our main or Western Regional office (addresses on form). Please note that your application will not be accepted unless ALL sections are complete; if any required sections are not complete, your form will be returned to you for completion.

After we receive your completed application, we will review it, determine your eligibility to purchase the service, and, if eligible, send you an invoice. Along with your invoice, you will receive information regarding how you may pay for your purchase.

## How is the cost of my service purchase calculated?

The cost of purchasing your past service is based on what you would have paid in retirement contributions to the MTRS during the period of your employment with the overseas school—either at the contribution rate that would have been in effect or at your contribution rate, if you were a member of the MTRS prior to rendering your overseas dependent school service and you left your funds on account with us—plus interest\*, at the actuarial interest rate in effect at the time of your application.

### EXAMPLE

If you taught in an overseas school from September 2002 to June 2003, and your salary for that school year was \$40,000, your cost to purchase that year of service would be \$4,400, plus actuarial interest from September 2002 to the date of your purchase.

	2002–03 school year salary of \$40,000		\$ 40,000
x	Contribution rate of 11%	x	0.11
	Annual contributions to MTRS for period		\$ 4,400
+	Interest from September 2002 to date of purchase	+	Interest
	Total purchase cost		Total cost

### CONTRIBUTION RATE TABLE

If your overseas dependent school service was rendered...	The contribution rate applied is...
Before January 1, 1975	5%
January 1, 1975 through December 31, 1978	7%
January 1, 1979 through December 31, 1983	7% + 2% on earnings over \$30,000
January 1, 1984 through June 30, 1996	8% + 2% on earnings over \$30,000
July 1, 1996 through June 30, 2001	9% + 2% on earnings over \$30,000
July 1, 2001 or after	11%

\*EXCEPTION: If you established membership in a Massachusetts public retirement system on or after April 2, 2012, and you had previously been a member of a Massachusetts public retirement system and taken a refund of your account, you will have one year from the date that you re-entered public service to apply and pay for your service purchase at the lower "buyback" rate in effect at the time of your application. After your first year of re-entry to membership, you will be subject to actuarial interest.



## Service credit purchase application U.S. Department of Defense overseas dependent school service

### INSTRUCTIONS TO APPLICANT

If you were employed as a teacher in a United States Department of Defense overseas dependent school, you may be eligible to purchase up to five years of credit for your prior service toward your MTRS retirement. To apply, please:

- 1) **COMPLETE ALL** sections of this application. Be sure to obtain your *Transcript/Statement of Federal Service* from the National Personnel Records Center Annex, Civilian Personnel Records, 1411 Boulder Boulevard, Valmeyer, IL 62295; this statement documents your prior service and salary history.
- 2) **MAKE** a copy of your completed application for your records.
- 3) **SUBMIT THIS ORIGINAL PAGE AND YOUR TRANSCRIPT/STATEMENT OF FEDERAL SERVICE** together, in the same envelope, to either our main or Western Regional office (addresses above). **IF THIS PART IS NOT COMPLETE, OR IF YOUR TRANSCRIPT/STATEMENT OF FEDERAL SERVICE IS NOT SUBMITTED TO THE MTRS AT THE SAME TIME AS THIS PAGE, YOUR APPLICATION WILL NOT BE PROCESSED UNTIL IT IS COMPLETE.**

### SECTION 1

#### APPLICANT DATA

- a) Social Security number . . . . . XXX-XX-XXXX
- b) MTRS member number, if known. . . . .   Not known
- c) Name . . . . .
- d) Former/maiden name, if applicable . . . . .   Not applicable
- e) Mailing address. . . . . Number and street   
 City  State  ZIP
- f) Phone number . . . . .   Home  Cell  Work
- g) E-mail . . . . .
- h) Are you currently employed by a Massachusetts school district? . . . . .  No  Yes. If "yes":  
 Name of current employer . . . . .
- Current MTRS employment status. . . . Check one  Active  On an authorized leave of absence for not more than one year

### SECTION 2

#### OVERSEAS DEPENDENT SCHOOL INFORMATION

- a) Name of overseas school . . .  Location (country)
- | Period of service    |                      | Position title       | Level (check one)        |                          |                          | Employment status (check one) |   |
|----------------------|----------------------|----------------------|--------------------------|--------------------------|--------------------------|-------------------------------|---|
| From<br>mm/dd/yyyy   | To<br>mm/dd/yyyy     |                      | Elementary               | Middle                   | High                     | Full time                     | Part-time; also indicate as a % of full-time, e.g., 50% |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>      | <input type="checkbox"/> %                              |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>      | <input type="checkbox"/> %                              |

- b) Have you received credit for this service in any other state retirement plan?  No  Yes, identify
- c) Have you received, or will you be eligible to receive, a retirement benefit from that plan? . . . . .  No  Yes

### SECTION 3

#### APPLICANT'S STATEMENT AND SIGNATURE

I, the above-named member of the Massachusetts Teachers' Retirement System, hereby apply to purchase credit for my prior service, subject to my eligibility to do so. I understand that if I wish to purchase this service, I must: apply for this service purchase while I am a member in service (either an active member of the MTRS or an inactive member on an authorized leave of absence for not more than one year); submit my application and my Statement of Federal Service together to the MTRS at the same time; and, pay the total amount due before my date of retirement from the MTRS. I certify under the penalties of perjury that the information I have provided is true and accurate.

**MANDATORY:** I must submit a copy of my recent *Transcript/Statement of Federal Service* as noted directly above.

Signature  Date

For our processing purposes, please answer the following questions:

- Are you also applying to purchase any other service credit? . . . . .  No  Yes
- When do you plan to retire? . . . . .  1-6 mos.  7-12 mos.  1-2 years  2+ years