

Memorandum

To: School District Retirement Liaison Officers

From: Patti Keyes, Director
Employer and Production Services

Date: March 20, 2006

Re: One-Fifth Year Purchase of Service

Following the 2004-2005 school year, PERS issued invoices for the purchase of one-fifth year service for 6,460 eligible school district employees throughout the state. This year we anticipate the number of eligible school district employees will be even greater. To insure that we will be able to process all of the one-fifth year purchase of service calculations in a timely manner, we want to remind each employer that it will be important to comply with the procedures that have been put in place.

You must provide PERS with a list of employees with your agency for which purchases will be made. The list must include the employee's full legal name, full social security number, and current mailing address. The information should be submitted as an excel spreadsheet on a disc. We will calculate the cost of the purchase for each employee listed. The purchase cost for each employee will be input onto a billing invoice. You will receive the billing invoice and instructions to make payment for the total of the invoice by a specific date. You will also be instructed to include a copy of the billing invoice with your payment. Once payment is received, the individual employee accounts will be updated and a notice will be sent to the employee letting them know that the service has been credited to their account.

Due to the large number of members who qualify for this purchase-of-service program, PERS cannot provide estimated cost information to any employer. There is a Purchase Estimator on the left side of our home page at www.nvpers.org which may be used to calculate estimated purchase costs. You will also find the actuarial cost factors in Policy 6.6 of the Official Policies of the Public Employees'

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Retirement System of Nevada that became effective on November 1, 2005.

It is our goal to have all service purchase costs calculated and billing invoices sent by August 31, 2006. If you have any questions regarding this memorandum, please contact Patti Keyes at (775) 687-4200 extension 222.