

BACK CONTRIBUTION INFORMATION SHEET

- *What is a back contribution?*
A back contribution allows **active** LACERS members to purchase Service Credit for full- or part-time regular City employment during which they were not LACERS Members or making contributions to LACERS.

- *What makes you eligible to make a back contribution?*
You may be eligible to purchase Service Credit with a back contribution if you are an **active** Member of LACERS and:
 - You were regularly employed by the City either full- or part-time; and
 - During that time, you were not a LACERS Member or making contributions to LACERS.

- *Can a back contribution be used to purchase Service Credit for periods of time of participation in the Pension Savings Plan?*
Yes, if you participated in the Pension Savings Plan while working for the City on a part-time, seasonal, or temporary basis, you can purchase LACERS Service Credit for that period of time.

- *Is there a required minimum period of service credit that must be purchased?*
No.

- *What can the Service Credit you purchase with a back contribution count toward?*
The Service Credit you purchase with a back contribution can count toward:
 - Increasing your monthly retirement allowance (if you retire from the City);
 - Meeting the 5-year Continuous Service (vesting) requirement if the purchased time equals 5 or more years or is eligible to be combined with other Service;
 - Meeting the minimum years of Service qualifications for a service retirement if the purchased service is sufficient to qualify you for retirement or is eligible to be combined with other service; and
 - Qualifying for or enhancing your retiree health and dental insurance premium subsidies (if you meet the minimum Service/Service Credit requirements).

- *In what ways wouldn't your back contribution assist you?*
The Service Credit you purchase with a back contribution will not count toward:
 - Increasing your employment seniority or lay-off seniority;
 - Increasing your vacation, sick time, or service pin accrual rates.

- *What does it cost to purchase Service Credit with a back contribution?*
 - **If you were not a participant of the Pension Savings Plan:**
The back contributions shall be an amount equal to all of the contributions you would have made to LACERS had you been a Member during such period, and all regular interest which would have been credited prior to the date of payment.
 - **If you were a participant of the Pension Savings Plan:**
The back contributions shall be an amount equal to all of the contributions you would have made to LACERS had you been a Member during such period, and all regular interest which would have been credited prior to the date of payment **and** the full amount of all contributions made to the Pension Savings Plan by the City on your behalf plus all interest credited to those contributions by the Pension Savings Plan.

- *How can you pay for back contribution?*
 - **Post-tax:** You can make a lump-sum payment via check, a transfer from an eligible post-tax retirement fund, or in biweekly installments deducted from your payroll check.
 - **Pre-tax:** Pre-tax installment payments are not available for back contributions; however, you may be able to transfer funds from an eligible pre-tax retirement fund.
 - **Roth IRA rollovers** are not permitted.

- *How can you apply to make a back contribution?*
To apply to make a back contribution to purchase Service Credit for other than times of participation with the Pension Savings Plan, complete an Application to Purchase Previous City Service form and return it to the address on the top of this information sheet.

To apply to make a back contribution to purchase Service Credit for times of participation with the Pension Savings Plan, complete a Certification of Service With the Pension Savings Plan form and return it to the address on the top of this information sheet. These forms are available on our Web site at www.lacers.org.

- *Questions?*
If you have any questions, or need any assistance in completing an Application to Purchase Previous City Service form, please contact us at (800) 779-8328; TDD (888) 349-3996.

Back contributions are governed by the Los Angeles City Administrative Code and the Rules of LACERS Board of Administration. These Codes and Rules are subject to change. If there are any discrepancies between those governing authorities and the information in this sheet, the governing authorities have precedence.