State of New Jersey
Teachers’ Pension and Annuity Fund

June 2016

Department of the Treasury
Division of Pensions and Benefits
FOREWORD

The New Jersey Teachers’ Pension and Annuity Fund (TPAF) Member Handbook provides a summary description of the benefits of the plan and outlines the rules and regulations governing the plan. The TPAF Member Handbook should provide you with all the information you need about your TPAF benefits. However, if there is a conflict with statutes governing the plan or regulations implementing the statutes, the statutes and regulations will take precedence. Complete terms governing any employee benefit program are set forth in the New Jersey Statutes Annotated. Regulations, new or amended, are published in the New Jersey Register by the State Office of Administrative Law supplementing the New Jersey Administrative Code. This handbook, containing current updates, is available for viewing over the Internet at: www.nj.gov/treasury/pensions/pdf/handbook/tpafbook.pdf

If you are unsure of or have questions about any aspect of your TPAF benefits, you should ask your employer representative or a counselor at the Division of Pensions and Benefits about them.

Since this is your handbook, we would appreciate any comments or suggestions for improvement that you might have. Please send them to the address listed below. An evaluation form is available for your use on page 62.

Division of Pensions and Benefits
ATTN: Office of Communications Unit
P.O. Box 295
Trenton, NJ 08625-0295
### TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONTACTING THE DIVISION</strong></td>
<td></td>
</tr>
<tr>
<td>OF PENSIONS AND BENEFITS</td>
<td>iii</td>
</tr>
<tr>
<td><strong>DIRECTIONS TO THE DIVISION</strong></td>
<td></td>
</tr>
<tr>
<td>OF PENSIONS AND BENEFITS</td>
<td>iv</td>
</tr>
<tr>
<td><strong>PLAN INFORMATION</strong></td>
<td>vi</td>
</tr>
<tr>
<td><strong>THE RETIREMENT SYSTEM</strong></td>
<td>1</td>
</tr>
<tr>
<td><strong>MEMBERSHIP</strong></td>
<td>1</td>
</tr>
<tr>
<td>TPAF Membership Tiers</td>
<td>1</td>
</tr>
<tr>
<td>Eligibility Criteria</td>
<td>2</td>
</tr>
<tr>
<td>Factors for Ineligibility</td>
<td>2</td>
</tr>
<tr>
<td><strong>ENROLLMENT</strong></td>
<td>3</td>
</tr>
<tr>
<td>Enrollment/Certification</td>
<td>3</td>
</tr>
<tr>
<td>of Payroll Deductions</td>
<td>3</td>
</tr>
<tr>
<td>Proof of Age</td>
<td>3</td>
</tr>
<tr>
<td>Designating a Beneficiary</td>
<td>4</td>
</tr>
<tr>
<td>Public Information and Restrictions</td>
<td>4</td>
</tr>
<tr>
<td>Member Contribution Rate</td>
<td>4</td>
</tr>
<tr>
<td><strong>MULTIPLE &amp; DUAL MEMBERSHIP</strong></td>
<td>5</td>
</tr>
<tr>
<td>Multiple Membership</td>
<td>5</td>
</tr>
<tr>
<td>Dual Membership</td>
<td>6</td>
</tr>
<tr>
<td><strong>TRANSFERS</strong></td>
<td>7</td>
</tr>
<tr>
<td>Intrafund Transfer</td>
<td>7</td>
</tr>
<tr>
<td>Interfund Transfer</td>
<td>8</td>
</tr>
<tr>
<td><strong>SERVICE CREDIT</strong></td>
<td>9</td>
</tr>
<tr>
<td><strong>VESTING</strong></td>
<td>9</td>
</tr>
<tr>
<td><strong>CREDIT FOR MILITARY SERVICE</strong></td>
<td>10</td>
</tr>
<tr>
<td><strong>AFTER ENROLLMENT</strong></td>
<td>10</td>
</tr>
<tr>
<td><strong>PURCHASING SERVICE CREDIT</strong></td>
<td>10</td>
</tr>
<tr>
<td><strong>TYPES OF SERVICE</strong></td>
<td></td>
</tr>
<tr>
<td>Eligible for Purchase</td>
<td>10</td>
</tr>
<tr>
<td>Temporary Service</td>
<td>10</td>
</tr>
<tr>
<td>Leave of Absence without Pay</td>
<td>11</td>
</tr>
<tr>
<td>Former Membership Service</td>
<td>11</td>
</tr>
<tr>
<td>Out-of-State Service</td>
<td>11</td>
</tr>
<tr>
<td>U.S. Government Service</td>
<td>12</td>
</tr>
<tr>
<td>Military Service before Enrollment</td>
<td>12</td>
</tr>
<tr>
<td>Military Service after Enrollment</td>
<td>12</td>
</tr>
<tr>
<td>Uncredited Service</td>
<td>12</td>
</tr>
<tr>
<td>Local Retirement System Service</td>
<td>13</td>
</tr>
<tr>
<td><strong>IMPORTANT PURCHASE NOTES</strong></td>
<td>13</td>
</tr>
<tr>
<td><strong>COST AND PROCEDURES FOR</strong></td>
<td></td>
</tr>
<tr>
<td><strong>PURCHASING SERVICE CREDIT</strong></td>
<td>13</td>
</tr>
<tr>
<td>Partial Purchases</td>
<td>14</td>
</tr>
<tr>
<td>Estimating the Cost of a Purchase</td>
<td>14</td>
</tr>
<tr>
<td>Purchase Rate Chart</td>
<td>15</td>
</tr>
<tr>
<td>Applying to Purchase Service Credit</td>
<td>15</td>
</tr>
<tr>
<td>Rollover for Purchase Payment</td>
<td>17</td>
</tr>
<tr>
<td><strong>LOANS</strong></td>
<td>17</td>
</tr>
<tr>
<td>Applying for a Loan</td>
<td>19</td>
</tr>
<tr>
<td>Exceptions to the MBOS</td>
<td>19</td>
</tr>
<tr>
<td>Loan Application</td>
<td>19</td>
</tr>
<tr>
<td>Early Loan Repayment</td>
<td>20</td>
</tr>
<tr>
<td>Loans at Retirement, Death, or Termination of Employment</td>
<td>20</td>
</tr>
<tr>
<td>Internal Revenue Service Requirements</td>
<td>20</td>
</tr>
<tr>
<td><strong>SUPPLEMENTING YOUR PENSION</strong></td>
<td>21</td>
</tr>
<tr>
<td>Supplemental Annuity</td>
<td>21</td>
</tr>
<tr>
<td>Collective Trust (SACT)</td>
<td>22</td>
</tr>
<tr>
<td>Deferred Compensation Plans</td>
<td>22</td>
</tr>
<tr>
<td>Defined Contribution</td>
<td></td>
</tr>
<tr>
<td>Retirement Program (DCRP)</td>
<td>22</td>
</tr>
<tr>
<td><strong>RETIREMENT</strong></td>
<td>23</td>
</tr>
<tr>
<td>Types of Retirement</td>
<td>23</td>
</tr>
<tr>
<td>Service Retirement</td>
<td>23</td>
</tr>
<tr>
<td>Early Retirement</td>
<td>24</td>
</tr>
<tr>
<td>Veteran Retirement</td>
<td>24</td>
</tr>
<tr>
<td>Establishing Veteran Status</td>
<td>25</td>
</tr>
<tr>
<td>Definition of a Veteran</td>
<td>25</td>
</tr>
<tr>
<td>Deferred Retirement</td>
<td>27</td>
</tr>
<tr>
<td>Ordinary Disability Retirement</td>
<td>29</td>
</tr>
<tr>
<td>Accidental Disability Retirement</td>
<td>30</td>
</tr>
<tr>
<td><strong>OPTIONAL SETTLEMENTS</strong></td>
<td></td>
</tr>
<tr>
<td>AT RETIREMENT</td>
<td>32</td>
</tr>
<tr>
<td>Age Limits on</td>
<td></td>
</tr>
<tr>
<td>Nonspouse Beneficiaries</td>
<td>34</td>
</tr>
<tr>
<td><strong>THE RETIREMENT PROCESS</strong></td>
<td>35</td>
</tr>
<tr>
<td>6-8 Months before Retirement</td>
<td>35</td>
</tr>
</tbody>
</table>

June 2016
Teachers' Pension and Annuity Fund Handbook

TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement Estimates .........................</td>
</tr>
<tr>
<td>4-6 Months before Retirement................</td>
</tr>
<tr>
<td>Retirement Applications .....................</td>
</tr>
<tr>
<td>Disability Retirement Applications .......</td>
</tr>
<tr>
<td>Life Insurance ................................</td>
</tr>
<tr>
<td>Other Retirement Plans ......................</td>
</tr>
<tr>
<td>Approximately 3 Months before Retirement</td>
</tr>
<tr>
<td>Health Benefits Coverage at Retirement ...</td>
</tr>
<tr>
<td>Approximately 1 Month before Retirement</td>
</tr>
<tr>
<td>Board Approval ................................</td>
</tr>
<tr>
<td>Approximately 2-4 weeks before Retirement</td>
</tr>
<tr>
<td>Unsatisfied Balances .......................</td>
</tr>
<tr>
<td>Loans .........................................</td>
</tr>
<tr>
<td>Purchase Arrears ............................</td>
</tr>
</tbody>
</table>
|ing Designs and the Technical Solutions for Competitive Advantage

Noncontributory and

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coverage for Active Members ..............</td>
</tr>
<tr>
<td>Active Group Life Insurance Amounts ..</td>
</tr>
<tr>
<td>Coverage for Retired Members ............</td>
</tr>
<tr>
<td>Retired Group Life Insurance Amounts 48</td>
</tr>
<tr>
<td>Choosing a Beneficiary ....................</td>
</tr>
<tr>
<td>Payment of Group Life Insurance ..........</td>
</tr>
<tr>
<td>Taxation of Group Life Insurance Payments</td>
</tr>
<tr>
<td>Group Life Insurance and ..................</td>
</tr>
<tr>
<td>Leave of Absence ...........................</td>
</tr>
<tr>
<td>Taxation of Group Life Insurance Premiums</td>
</tr>
<tr>
<td>IRS Premium Rates ..........................</td>
</tr>
<tr>
<td>Waiving Noncontributory Group Life Insurance Over $50,000 ........</td>
</tr>
<tr>
<td>CONVERSION OF GROUP LIFE INSURANCE ....</td>
</tr>
<tr>
<td>Conversion: At Retirement .................</td>
</tr>
<tr>
<td>Conversion: Termination of Employment or Leave of Absence ..........</td>
</tr>
<tr>
<td>Conversion: Return to Public Employment ................................</td>
</tr>
<tr>
<td>Group Life Insurance Coverage while Receiving Workers’ Compensation without Pay ........</td>
</tr>
<tr>
<td>ACCIDENTAL DEATH BENEFIT ................</td>
</tr>
<tr>
<td>WITHDRAWAL FROM THE RETIREMENT SYSTEM</td>
</tr>
<tr>
<td>When Membership Ends ......................</td>
</tr>
<tr>
<td>Terminating Employment ....................</td>
</tr>
<tr>
<td>Expired Accounts ............................</td>
</tr>
<tr>
<td>Exceptions ....................................</td>
</tr>
<tr>
<td>Withdrawing Contributions ................</td>
</tr>
<tr>
<td>WORKERS’ COMPENSATION ....................</td>
</tr>
<tr>
<td>APPEALS ........................................</td>
</tr>
<tr>
<td>EVALUATION FORM ............................</td>
</tr>
</tbody>
</table>

June 2016
CONTACTING THE DIVISION OF PENSIONS AND BENEFITS

Member Benefits Online System

The Member Benefits Online System (MBOS) allows registered TPAF members access to their pension and, if applicable, health benefits account information online. Resources available through MBOS include: member account information; beneficiary designation; online pension loan; purchase of service credit; retirement applications; withdrawal application and (if applicable) Supplemental Annuity Collective Trust (SACT) plan and health benefits account information.

Retirees may also use MBOS to: view retirement account information; update an address; change direct deposit information; change a beneficiary designation; or update federal and/or New Jersey State income tax withholding.

Before you can begin using MBOS, you must be registered with MBOS and the MyNewJersey Web site. Registration is free and can be started at: www.nj.gov/treasury/pensions/mbosregister.shtml

If you need assistance registering for MBOS, send an e-mail with the subject line "MBOS E-mail" to: pensions.nj@treas.nj.gov

Telephone Numbers

• For computerized information about your individual pension account 24 hours a day, seven days a week, call our Automated Information System at (609) 292-7524. With Interactive Voice Response and added services – including the loan application – all you need is your Social Security number and membership number to hear personalized benefits information on loans, purchases, retirement benefits, and withdrawal.
• To speak with a representative about your Teachers’ Pension and Annuity Fund account or health benefits account, call (609) 292-7524 weekdays between 7:30 a.m. and 4:30 p.m. (except State holidays). If you require the services of a relay operator please dial 711 and provide the operator with the following phone number, (609) 292-6683. You will then be connected to a Client Services phone representative for assistance.
• To speak with a plan representative about the SACT, call (609) 292-7524 weekdays between 7:30 a.m. and 4:30 p.m. (except State holidays). SACT representatives will answer your questions about the SACT and provide enrollment and distribution forms.

Internet, E-Mail, and Mailing Address

General information and most publications of the Division of Pensions and Benefits can be found on the Internet at: www.nj.gov/treasury/pensions You can e-mail the Division at: pensions.nj@treas.nj.gov
Our postal address is:

**Division of Pensions and Benefits**
PO Box 295
Trenton, NJ 08625-0295

On all correspondence, be sure to include your membership number or the last four digits of your Social Security number.

**Counseling Services**
The Division of Pensions and Benefits offers individual counseling services to members of the retirement systems and other benefit programs. **Counselors are available by appointment** Monday through Friday from 8:00 a.m. to 4:00 p.m. Appointments can be made online at: [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions)

**DIRECTIONS TO THE DIVISION OF PENSIONS AND BENEFITS**

The Division of Pensions and Benefits is located at 50 West State Street (One State Street Square), Trenton, NJ, which is a half-block east of the State House. Visitors must use the front entrance of the building (on West State Street). Check in with the guard in the main lobby where you will be directed to the Office of Client Services.

**Parking:** Metered, on-street parking is available in the blocks surrounding our building. Pay parking lots are also available throughout downtown Trenton.

**From Northeast New Jersey via the NJ Turnpike**

Take the NJ Turnpike South to Exit 7A. Follow I-195 West until it ends, then follow signs for Route 29. After passing through a tunnel and two traffic lights, take the Calhoun Street exit. At the first traffic light, turn right onto West State Street. Pass the State House and proceed through the next traffic light. Our offices will be on the left at 50 West State Street (One State Street Square).

**From Northeast New Jersey via Route 1**

Take Route 1 South toward Trenton. Just north of Trenton, Route 1 splits into two roads. Stay to the left (do not use Route 1 Alternate). From Route 1 take the Perry Street exit. At the end of the exit ramp, turn left onto Perry Street. At the fourth traffic light turn left onto Warren Street. At the second light, turn right onto West State Street. Our offices are located on the right, just before the next traffic light, at 50 West State Street (One State Street Square).

**From Northwest New Jersey**

Take Route 31 South to I-95 South to Exit 1 (Route 29). Follow Route 29 South for five miles to the Calhoun Street exit. At the first traffic light, turn right onto West State Street. Pass the State House and proceed through the next traffic light. Our offices will be on the left at 50 West State Street (One State Street Square).
From Southern New Jersey

If using the Turnpike, take Exit 7A and follow the directions from Northeast New Jersey via the NJ Turnpike.

If using I-295 North, take Exit 60 to Route 29 and follow the directions for using Route 206 North (below) beginning with Route 29.

If using Route 206 North, about four miles before reaching center-city Trenton take the I-295 exit but, once on the interstate highway, follow the signs for Route 29, not I-295. After passing through a tunnel and two traffic lights, take the Calhoun Street exit. At the first traffic light, turn right onto West State Street. Pass the State House and proceed through the next traffic light. Our offices will be on the left at 50 West State Street (One State Street Square).

From the New Jersey Shore

Take I-195 West, then follow the directions from Northeast New Jersey via the NJ Turnpike.
PLAN INFORMATION

Name of Plan
The Teachers’ Pension and Annuity Fund of New Jersey (TPAF)

Administration
The TPAF is a defined benefit plan administered by the:

New Jersey Division of Pensions and Benefits
PO Box 295
Trenton, New Jersey 08625-0295
(609) 292-7524

Provisions of Law
The TPAF was established by New Jersey Statutes and can be found in the New Jersey Statutes Annotated, Title 18A, Chapter 66. Changes in the law can only be made by an act of the State Legislature. Rules governing the operation and administration of the system may be found in Title 17, Chapters 1 and 3 of the New Jersey Administrative Code.

Funding
The funds used to pay benefits come from three sources: employer contributions, employee contributions, and investment income from those contributions. All contributions not required for current operations are invested by the State Division of Investment.

Plan Year
For record keeping purposes the plan year is July 1 through June 30.

Service of Legal Process
Legal process must be served on the Attorney General of New Jersey pursuant to New Jersey Court Rules, R. 4:4-4(7).

Employment Rights Not Implied
Membership in the TPAF does not give you the right to be retained in the employ of a participating employer, nor does it give you a right of claim to any benefit you have not accrued under terms of the system.

Benefits and provisions of the TPAF are subject to changes by the legislature, courts, and other officials. While this booklet outlines the benefit and contribution schedules of the TPAF, it is not a final statement. Complete terms governing any employee benefit program are set forth in the New Jersey Statutes Annotated. Regulations, new or amended, are published in the New Jersey Register by the State Office of Administrative Law supplementing the New Jersey Administrative Code.
TEACHERS’ PENSION AND ANNUITY FUND (TPAF)

THE RETIREMENT SYSTEM

The State of New Jersey established the Teachers’ Pension and Annuity Fund (TPAF) in 1919 and completely reorganized it in 1955. The Division of Pensions and Benefits is assigned all administrative functions of the retirement system except for investment.

The TPAF Board of Trustees has the responsibility for the proper operation of the retirement system. The Board consists of three active or retired members of the TPAF, one individual appointed by the other trustees, the State Treasurer, and two individuals appointed by the Governor with the advice and consent of the Senate. The Board meets once a month. An active or retired member of the TPAF who wishes to be a candidate upon a vacancy for the TPAF Board of Trustees must be elected at the annual convention. For more information about the Board or procedures on how to become a Trustee, contact the Secretary of the TPAF Board of Trustees, Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295.

The purpose of this handbook is to provide you with information about the retirement system to assist you in making decisions concerning you and your family’s future. If you have questions concerning your retirement system benefits, please see page iii for information on contacting the Division of Pensions and Benefits.

This handbook is available for viewing on the Division of Pensions and Benefits Web site: www.nj.gov/treasury/pensions While at the Division’s home page, be sure to check for TPAF related forms, fact sheets, and news affecting the TPAF.

MEMBERSHIP

Eligibility rules and regulations are described in general terms in this handbook and may not cover all situations. If you have been a member for several years, you should be aware that the present rules and regulations governing enrollment in the retirement system differ from past rules and regulations. If you have specific questions concerning your date of enrollment or membership status, you may wish to contact the Division of Pensions and Benefits for additional information.

TPAF Membership Tiers

Pension legislation has changed the enrollment and retirement criteria for TPAF members enrolled as of certain dates. These differences in TPAF membership — referred to as “membership tiers” — pursuant to N.J.S.A. 18A:66-4 are defined as follows:

• **Membership Tier 1** — Members who were enrolled prior to July 1, 2007, and who earn a minimum pensionable salary of $500 or more.

• **Membership Tier 2** — Members who enrolled on or after July 1, 2007 and prior to November 2, 2008, and who earn a minimum pensionable salary of $500 or more.
• **Membership Tier 3** — Members enrolled *on or after* November 2, 2008 and *on or before* May 21, 2010, and who meet or exceed a pensionable minimum salary set for the current year, subject to future adjustment.

• **Membership Tier 4** — Members enrolled *after* May 21, 2010 and prior to June 28, 2011, and who work the minimum number of hours per week (fixed hours of 32 or more).

• **Membership Tier 5** — Members enrolled *on or after* June 28, 2011, and who work the minimum number of hours per week (fixed hours of 32 or more).

Unless otherwise indicated by membership tier, the benefits listed in this handbook are the same for all TPAF members.

**Eligibility Criteria**

Employees appointed to positions requiring certification by the New Jersey Department of Education as members of the regular teaching or professional staff of a public school system in New Jersey are required to enroll in the TPAF as a condition of employment.

Employees of the Department of Education holding unclassified, professional, certificated titles are also eligible for membership in the TPAF.

**Note:** Employees who qualify for **Tier 4** or **Tier 5** enrollment in all respects except for minimum number of hours, or for **Tier 3** enrollment in all respects except for minimum salary, may be eligible for enrollment in the Defined Contribution Retirement Program (DCRP). See page 22 for more information about the DCRP.

**Factors for Ineligibility**

You **cannot** join the TPAF if:

- You do not meet the minimum salary requirements for **Tier 1**, **Tier 2**, or **Tier 3** membership, or the minimum hourly requirements for **Tier 4** or **Tier 5** membership (see page 1 for a definition of membership tiers);

- You are a temporary* or substitute* employee;

- You are replacing an individual on a leave of absence;

- You are retired and receiving a monthly retirement allowance from another public retirement system in New Jersey;

- You received a lump-sum retirement distribution from the Alternate Benefit Program (ABP) or Defined Contribution Retirement Program (DCRP); or

- You are a TPAF disability retiree who has been approved to return to TPAF covered employment but earn *less than* the minimum annual salary for enrollment under your original TPAF membership tier.

If you are in doubt about the eligibility of a position, write to the Division of Pensions and Benefits for an administrative determination.

*Temporary or substitute employees may be eligible for enrollment in the Public Employees’ Retirement System.*
ENROLLMENT

Enrollment/Certification of Payroll Deductions

Your employer must complete an *Enrollment Application* to enroll you in the retirement system.

The online *Enrollment Application* is available to your employer through the Employer Pensions and Benefits Information Connection (EPIC). Online enrollments are processed immediately by the Division of Pensions and Benefits. You and the employer receive a confirmation that includes your TPAF membership number. More information about using EPIC is available at: [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions)

When enrollment processing is complete, you and your employer will receive a *Certification of Payroll Deductions* showing the date deductions will begin, your rate of contribution, and any back deductions due.

You may wish to keep the *Certification of Payroll Deductions* on file with your other important papers so that you have a record of your enrollment in the retirement system.

**Proof of Age**

All members of the TPAF must provide documentation that proves their age. If possible, you should provide your proof of age to the Division of Pensions and Benefits when you enroll; however, do not delay your enrollment application if proof of age is not readily available. Proof of age will be required to be eligible to retire.

Acceptable evidence of your age includes a *photocopy* of:

- Birth certificate — with visible seal;
- Passport;
- A U.S. Passport Card;
- A current digital New Jersey Driver License or Digital Non-driver ID Card issued by the N.J. Motor Vehicle Commission;
- A current digital Pennsylvania or New York Driver License;
- Naturalization or immigration papers.

Unacceptable documentation includes military records indicating your age, expired documentation, out-of-state driver licenses (except PA and NY), hospital birth certificates, marriage certificates, census records, baptismal records, or affidavits from older family members.

A member must prove insurability when age 60 or older at the time of enrollment. This is validated through Prudential Financial.
Designating a Beneficiary

When the Enrollment Application is submitted, the new member should also submit a Designation of Beneficiary to the Division of Pensions and Benefits.

Members must register for the Member Benefits Online System (MBOS) and complete the Designation of Beneficiary online. Your TPAF membership number is required and is included in the confirmation of your online enrollment. Information on using MBOS can be found in the MBOS Users’ Guide, available on MBOS and on the Division’s Web site at: www.nj.gov/treasury/pensions

See page iii for more information about registering for MBOS.

Note: The new member's estate is the beneficiary on record until the Division of Pensions and Benefits receives a properly completed designation.

For your protection, beneficiary designations cannot be accepted or confirmed over the telephone or by e-mail. Members can verify beneficiary designations on MBOS. Otherwise, the Division will only accept a written request from the member.

Public Information and Restrictions

Most of the information maintained by the retirement system, including member salary and/or pension benefit information, is considered a public record under N.J.S.A. 47:1A-1 et seq., the Open Public Records Act. However, certain personal information, such as a member’s address, telephone number, Social Security number, pension membership numbers, beneficiary information while member is living, and medical information is restricted from public access.

Further restrictions to “personal health information” exist under the privacy provisions of the federal Health Insurance Portability and Accountability Act (HIPAA). Members may be required to provide specific written authorization for the release of medical information to a third party who is not a doctor, hospital, or business partner of the Division or the health benefit programs. Information about HIPAA is available on the health benefits programs’ Web site at: www.nj.gov/treasury/pensions/health-benefits.shtml

The Division has implemented additional protection for members in accordance with the New Jersey Identity Theft Prevention Act, N.J.S.A. 56:11-28 et seq. “Security Freeze” procedures are available to restrict access to the accounts of members who are, or have a serious risk of becoming, victims of identity theft. Additional information is available in Fact Sheet #72, Identity Theft and Your Benefits.

Member Contribution Rate

N.J.S.A. 18A:66-29, the Pension Health Benefit Reform Law, increases the TPAF member contribution rate over 7 years (each July 1st) to bring the total contribution rate to 7.5% of base salary as of July 1, 2018.
Increases in the member contribution rate also increase the minimum repayment amount for pension loans or for the cost of a purchase of service credit if the repayment is certified after the date of the rate change.

Prior to the enactment of the legislation, the member contribution rate for the TPAF was 5.5% of base salary. The contribution rate increased to 6.5% as of October 1, 2011, 6.64% as of July 1, 2012, 6.78% as of July 1, 2013, 6.92% as of July 1, 2014, and 7.06% as of July 1, 2015. Effective July 1, 2016, it will increase to 7.2%, to 7.34% as of July 1, 2017, and to 7.5% as of July 1, 2018.

**Pensionable Salary** — Your contribution rate is applied to your base salary to determine your pension deductions. Base salary does not include overtime, bonuses, or large increases in compensation paid primarily in anticipation of retirement. Nor does it include additional salary for performing temporary or extracurricular duties beyond the regular school day or the regular school year. Your pension contributions are deducted from your salary each payday and reported to the TPAF by your employer.

- The TPAF contribution rate for **Tier 1** members is applied to the full pensionable salary (up to the “federal pensionable maximum” described below).

- The TPAF contribution rate for **Tier 2, Tier 3, Tier 4, and Tier 5** members is applied to the pensionable salary up to a compensation limit based on the annual maximum wage for Social Security deductions. **Tier 2, Tier 3, Tier 4 and Tier 5** members who earn in excess of the annual compensation limit will be enrolled in the Defined Contribution Retirement Program (DCRP) in addition to the TPAF. A contribution of 5.5% of the salary in excess of the limit (plus 3% from the employer) will be forwarded to a DCRP account (see page 22).

**Federal Pensionable Maximum** — Since the TPAF is a “qualified” pension plan under the provisions of the Internal Revenue Code, Section 401(a)(17), the current federal ceiling on pensionable compensation applies to the base salaries of TPAF members.

**Tax Deferral** — Since January 1987, all mandatory pension contributions to the TPAF have been federally tax deferred. Under the 414(h) provisions of the Internal Revenue Code this reduces your gross wages subject to federal income tax. Purchases of service credit are voluntary pension contributions and are not tax deferred unless funded by a rollover from another tax-deferred plan (see “Rollover for Purchase Payment” on page 17).

**MULTIPLE & DUAL MEMBERSHIP**

**Multiple Membership**

You are considered a **multiple member** if you are employed and reported to the retirement system by more than one TPAF participating employer at the same time.

**Note:** If terminating TPAF employment to accept employment at a new TPAF employer, see “Transfers” on page 7.
Tier 1, Tier 2, and Tier 3 Members — Under the provisions of N.J.S.A. 18A:66-4, multiple membership is only available to Tier 1, Tier 2, and Tier 3 members; only for TPAF eligible positions when enrolled on or before May 21, 2010; and provided that there has not been a “break in service” in any concurrently held TPAF eligible position.

- A break in service is any pension reporting period without pay — a monthly or a biweekly pay period as appropriate to the employer’s reporting method — with the exception of approved leaves of absence, lay-off, abolishment of position, military leave, Workers’ Compensation, litigation, or suspension.

- If there is a break in service with any concurrently held TPAF eligible position after May 21, 2010, that employer will no longer be permitted to submit pension contributions for a multiple member. Furthermore, service credit or salary from any future employment with that employer will not qualify for the compensation base for pension contributions and calculation of retirement for the TPAF multiple member.

Once you have established multiple membership, you cannot withdraw or begin to collect retirement benefits until you have retired or terminated employment from every position covered by the TPAF.

Tier 4 and Tier 5 Members — N.J.S.A. 18A:66-4 eliminated multiple membership and requires that a TPAF member enrolled after May 21, 2010, be eligible for Tier 4 or Tier 5 membership based upon only one position.

The retirement system will designate the position providing the higher or highest compensation for the member from among any concurrently held eligible positions. This designated position will be used as the basis for eligibility for membership, service credit, the compensation base for pension contributions, and for other pension calculations.

If a Tier 4 or Tier 5 member leaves a designated position or acquires a different position — or an additional position with higher compensation — the member will receive a new designation by the retirement system, if it is deemed appropriate.

For Tiers 1, 2, and 3 — any new, concurrently held TPAF eligible position begun after May 21, 2010, will not qualify for service credit or the compensation base for pension contributions and calculation of retirement for any TPAF member.

Dual Membership

You are considered a dual member if you are a member of more than one New Jersey State-administered retirement system at the same time.

EXAMPLE: If you are a teacher enrolled in the TPAF and an adjunct faculty member at a county college enrolled in the Defined Contribution Retirement Program (DCRP), you are a dual member.

When establishing dual membership, Enrollment Applications are filed by each employer with the different retirement systems.

Unlike a multiple member, a dual member’s contributions and service credit are kept separate.
Benefits for a dual member are paid separately from each retirement system in the event of retirement, death, or withdrawal.

A dual member may also retire from one retirement system and remain an active contributing member of the second retirement system, except Alternate Benefit Program (ABP) and Defined Contribution Retirement Program (DCRP) members.

**TRANSFERS**

**Intrafund Transfer**

An Intrafund Transfer is the transfer of your account from one TPAF employer to another TPAF employer.

If you terminate your current TPAF position and accept a TPAF position with a different employer, you are eligible to transfer your TPAF account and maintain your original TPAF membership tier status provided:

- You have **not** withdrawn your membership (see “Withdrawal from the Retirement System” on page 57); and

- It has **not** been more than two consecutive years since your last pension contribution; and

- You meet the eligibility requirements of your TPAF membership tier with the new TPAF employer.

If you meet the criteria listed above, your new employer should file a *Report of Transfer* form with the Division of Pensions and Benefits.

- **If there has been a break in service of more than two consecutive years** since your last pension contribution, you cannot continue contributions under your prior TPAF membership. The new employer should file an *Enrollment Application* through EPIC with the Division of Pensions and Benefits. You will be enrolled in a new TPAF account under the membership tier in effect at the time you return to TPAF employment.

- **If you are vested in your prior, inactive TPAF account** (see “Vesting” on page 9), you may be eligible for a transfer of your old membership account to your new membership account. This type of transfer is called a “Tier-to-Tier Transfer” and is completed by submitting a *Tier-to-Tier Transfer Form* at the time of enrollment. **It is important to note** that by completing a Tier-to-Tier Transfer **you waive all rights** to retirement benefits as provided under the original, inactive membership tier.

- **If you are not vested in your prior, inactive TPAF account**, you may withdraw your contributions (see “Withdrawal from the Retirement System” on page 57).

- **If you have withdrawn your prior TPAF account**, whether you have a break in service of more than two consecutive years or not, the new employer should file an *Enrollment Application* through EPIC with the Division of Pensions and Benefits and you will be enrolled in a new TPAF account under the membership tier in effect at the time you return to TPAF membership. The service credit under the prior, inactive membership may then be eligible for purchase as Former Membership.
Note: If you are continuing employment with your first TPAF employer and adding employment with a second (or subsequent) TPAF employer, see the limitations on “Multiple Membership” on page 5.

Interfund Transfer

An Interfund Transfer is the transfer of your account from a TPAF employer to employment covered by a different New Jersey State-administered retirement system (or vice versa).

If you terminate your current TPAF position and accept a position covered by a different New Jersey State-administered retirement system, you may transfer your contributions and service credit to the new retirement system provided:

- You have not withdrawn your membership (see “Withdrawal from the Retirement System” on page 57); and
- It has not been more than two consecutive years since your last pension contribution; and
- You are not a dual member with more than three years of concurrent service in the Public Employees’ Retirement System* or with any concurrent service in any other retirement system (see the definition of a “dual member” on page 6); and
- You meet the eligibility requirements of the new retirement system; and
- You apply for the Interfund Transfer within 30 days of the date you meet the eligibility requirements of the new retirement system.

Note: A TPAF member who meets the criteria listed above and transfers to a position covered by the Public Employees’ Retirement System (PERS) is eligible to maintain their original TPAF membership tier status under the PERS account.

Similarly, a member of a different New Jersey State-administered retirement system (except the ABP or DCRP) who meets the criteria listed above and transfers to a position covered by the TPAF, will be enrolled in the TPAF membership tier that corresponds to the original date of enrollment in the prior retirement system.

If you are eligible and interested in transferring your membership account, an online Enrollment Application for the new retirement system and an Application for Interfund Transfer should be submitted by your employer to the Division of Pensions and Benefits. Applications must be received within 30 days of the date you meet the eligibility requirements of the new retirement system.

If there has been a break in service of more than two consecutive years since your last pension contribution — or if you have withdrawn your account — you cannot transfer your prior TPAF contributions and service credit to the new retirement system. You will be enrolled in a new account with the new retirement system. Your new employer should file an Enrollment Application for the new retirement system with the Division of Pensions and Benefits.

*A TPAF member with three years or less of concurrent service in a Public Employees’ Retirement System account may, under certain conditions, transfer all service credit from one fund to the other, less any concurrent service credit.
**Note:** Members enrolling into the TPAF or PERS after a break in service of two or more years, will be enrolled under the membership tier in effect at the time the new TPAF or PERS employment begins.

**SERVICE CREDIT**

Since retirement benefits are based in part on accumulated service credit, it is important that you receive the correct amount of credit for the amount of time you work. You receive one month of service credit for each month you make a full pension contribution.

- Employees whose employers report service and contributions biweekly will receive one pay period of service credit for each pay period a full pension contribution is made.
- Employees paid on a ten-month contract from September through June will receive credit for the July and August that preceded September, if a full month's pension deduction is taken for September.

**VESTING**

You are vested in the TPAF after you have attained 10 years of service credit.

Being vested in the TPAF means that you are guaranteed the right to receive a retirement benefit. For **Tier 1** and **Tier 2** members this is when you reach age 60. For **Tier 3** and **Tier 4** members this is when you reach age 62. For **Tier 5** members this is when you reach age 65.

- If you are vested and terminate your employment, you must file a retirement application prior to receipt of any benefits for which you may qualify (see page 23 for the types of retirement including Deferred Retirement) or you may voluntarily withdraw from the retirement system (see page 57).
- If you are vested, terminate your employment without retiring or withdrawing, and return to covered employment within two consecutive years of the last pension contribution, you may continue to make contributions to — and accrue service in — the existing pension account.

**EXAMPLE:** A TPAF Tier 1 member with 15 years of service terminates employment at age 45 and accepts another TPAF eligible position six months later. In this case, the member can resume making contributions to the existing TPAF account and would retain their Tier 1 membership status.

- If you are vested, terminate your employment without retiring or withdrawing, and return to covered employment two or more years after the last pension contribution, you cannot resume contributions to the vested account. Instead you will be enrolled in a new TPAF account.

**EXAMPLE:** A TPAF Tier 1 member with 15 years of service terminates employment at age 45 and accepts another TPAF eligible position three years later. In this case, it has been over two consecutive years since the last TPAF contribution, and the member would be required to enroll under a new TPAF account as a Tier 5 member (see “Exceptions” on page 58 if laid off or terminated through no fault of your own).
• If you are not vested and you terminate employment before retiring, your options vary depending on the nature of your termination and/or your age at the time of your termination (see “Terminating Employment” on page 57).

CREDIT FOR MILITARY SERVICE AFTER ENROLLMENT

The federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) provides that a member who leaves employment to serve on active duty is entitled to certain pension rights upon return to employment with the same employer. If upon return — and within the time frames specified under USERRA — the member makes the pension contributions that would have been normally required, the military service will count for vesting, retirement eligibility, the calculation of the retirement benefit, and — if applicable — health benefits eligibility, as though the employee had not left.

When an employee returns from uniformed military service to TPAF covered employment, the employer should notify the Division of Pensions and Benefits no later than 30 days after the employee’s return by submitting a Request for USERRA-Eligible Service form. Once notified, the Division will provide the employee with a quotation for the cost for purchasing the service credit.

There is a time sensitive element to the USERRA purchase which differs from the other purchase of service credit provisions available to TPAF members. For additional information, see page 12, Military Service after Enrollment, as well as Fact Sheet #36, Military Service after Enrollment and USERRA.

PURCHASING SERVICE CREDIT

Since your retirement allowance is based in part on the amount of service credit posted to your account at the time of retirement, it may help you to purchase additional service credit if you are eligible to do so.

Only active members of the retirement systems are permitted to purchase service credit. An active member is one who has not retired or withdrawn, and who has made a contribution to the retirement system within two consecutive years of the purchase request.

In no case can you receive more than one year of service credit for any calendar or fiscal year. A dual member (see page 6) cannot purchase concurrent service from any other retirement system.

TYPES OF SERVICE ELIGIBLE FOR PURCHASE

If a type of service is not listed, it is not eligible for purchase.

Temporary Service

Members may be eligible to purchase service credit for temporary, provisional, or full-time substitute employment provided the employment was continuous and immediately preceded a permanent or regular appointment in a position covered by the TPAF.
Members are allowed to purchase temporary service rendered under a former membership in a New Jersey State-administered retirement system (PERS, TPAF, PFRS, SPRS).

**Leave of Absence without Pay**

Members may be eligible to purchase service credit for official leaves of absence without pay. The amount of time eligible for purchase depends on the “type of leave” that was taken.

- Up to two years may be purchased for leaves taken for personal illness.
- Up to three months may be purchased for leaves taken for personal reasons.
- Maternity leave is considered personal illness.*
- Child care leave is eligible for purchase as a leave for personal reasons.

A leave of absence without pay under a former membership in a New Jersey State-administered retirement system may be eligible for purchase.

If a member who is employed 10 months per year goes on an approved unpaid leave for personal reasons for the months of May, June, and/or September, the member will be allowed to purchase credit for the months of July and August as part of the leave of absence — up to a maximum of five months.

*Note: Leave of absence for union representation may also be available for purchase. This type of leave must be purchased quarterly and within 30 days of the end of each fiscal quarter. See the Application to Purchase Service Credit for Union Representation for additional information and instructions.

**Former Membership Service**

Members may be eligible to purchase all service credited under a previous membership in a New Jersey State-administered retirement system (TPAF, PERS, PFRS, SPRS) which has been terminated after two continuous years of inactivity in accordance with statute; or following the withdrawal of the contributions made under such membership by the member.

**Out-of-State Service**

Members may be eligible to purchase up to 10 years of service credit for public employment rendered with any state, county, municipality, school district, or public agency outside the State of New Jersey, provided the service rendered would have been eligible for membership in a New Jersey-administered retirement system had the service been rendered as a public employee in this State. This service is only eligible for purchase if the member is not receiving or eligible to receive retirement benefits from the out-of-state public retirement system.

*Note: Out-of-State Service requested for purchase after November 1, 2008, cannot be used to qualify for any State-paid or employer-paid health benefits in retirement.

*A certification from a physician that a member was disabled due to pregnancy and a resulting disability for the period in excess of three months is required. Otherwise, three months is the maximum period of purchase for maternity.

June 2016
U.S. Government Service

Members may be eligible to purchase up to 10 years of service credit for civilian service rendered with the U.S. government if the public employment would have been eligible for credit in a New Jersey State-administered retirement system had the service been rendered as a public employee in this State. This service is only eligible for purchase if the member is not receiving or eligible to receive retirement benefits from the federal government based in whole or in part on this service.

Note: U.S. Government Service requested for purchase after November 1, 2008, cannot be used to qualify for any State-paid or employer-paid health benefits in retirement.

Military Service before Enrollment

Members may be eligible to purchase service credit for up to 10 years of active military service rendered prior to enrollment provided the member is not receiving or eligible to receive a military pension or a pension from any other state or local source for such military service.

Active military service eligible for purchase means full-time duty in the active military service of the United States and includes full-time training duty, annual training duty, and attendance, while in the active military service, at a school designated as a service school by law or by the Secretary of the military department concerned. It cannot include periods of service of less than 30 days. It does not include periods of service of less than 30 days. It does not include weekend drills or annual summer training of a national guard or reserve unit or time spent as a cadet or midshipman at one of the military academies.

Active military service that has been combined with reserve component service to qualify for a military pension as a reserve component member may be eligible for purchase.

If you qualify as a veteran, you may be eligible to purchase an additional five years of military service (see “Important Purchase Notes”, page 13).

Military Service after Enrollment

Under the requirements of the federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), members may receive credit for military service rendered after October 13, 1994 (see page 10). However, under N.J.A.C. 17:1-3.10, USERRA eligible service will only be used toward vesting, retirement eligibility, the calculation of the retirement benefit, and — if applicable — the health benefits eligibility, if the employee pays the required pension contributions that would have been required if the employee had not left.

Note: There is a time sensitive element to this purchase (see Fact Sheet #36, Military Service after Enrollment and USERRA).

Uncredited Service

Members may be eligible to purchase any regular employment with a public employer in New Jersey for which the member did not receive service credit but which would have required compulsory membership in the retirement system at the time it was rendered.
Local Retirement System Service

Members may be eligible to purchase service credit established within a local retirement system in New Jersey if they were ineligible to transfer that service to the TPAF upon withdrawal from the local retirement system. This service is only eligible for purchase if the member is not receiving nor eligible to receive retirement benefits from that public retirement system.

**IMPORTANT PURCHASE NOTES**

- If you qualify as a non-veteran, you are eligible to purchase an aggregate of 10 years of service credit for work outside New Jersey (Out-of-State, Military, and U.S. Government Service).

- Out-of-State Service or U.S. Government Service, or service with a bi-state or multi-state agency, requested for purchase after November 1, 2008, cannot be used to qualify for any State-paid or employer-paid health benefits in retirement.

- If you qualify as a military veteran (see “Definition of a Veteran” on page 25), you may be eligible to purchase an additional five years of military service rendered during periods of war for an aggregate of 15 years of service outside New Jersey (Out-of-State, Military, and U.S. Government Service).

- To qualify for an Ordinary Disability Retirement, members need 10 years of New Jersey service; therefore, the purchase of U.S. Government, Out-of-State, or Military Service cannot be used to qualify for this type of retirement.

- Purchases of service credit are voluntary pension contributions and are not tax deferred unless funded by a rollover from another tax-deferred plan (see “Rollover for Purchase Payment” on page 17).

**COST AND PROCEDURES FOR PURCHASING SERVICE CREDIT**

You can receive an *estimate* of the cost of purchasing service credit by calling the Automated Information System at (609) 292-7524 or by using the online Purchase Calculator on the Member Benefits Online System (MBOS). See page iii for more information about registering for MBOS.

The cost of a purchase is based on four factors:

- A purchase factor based on your nearest age at the time the Division receives your purchase application (see chart on page 15);

- The higher of either your current annual salary or highest fiscal year salary (July - June) posted to your membership account;

- The years and months of service being purchased; and

- The type of service purchased.
The cost of the purchase will rise with an increase in your age and/or salary.

The cost of purchasing service is borne by both you and the participating employers with the important exceptions of Military Service before Enrollment, and U.S. Government Service — where statute specifically provides that the employer shall not be liable for any costs of the purchase. If you purchase U.S. Government Service or Military Service before Enrollment you, as the member, are responsible for the full cost; therefore, the cost quoted to you for purchasing these types of service will be twice the cost for other types of purchase.

Purchases of service credit are voluntary pension contributions and are not tax deferred unless funded by a rollover from another tax-deferred plan (see “Rollover for Purchase Payment” on page 17).

**Partial Purchases**

You may purchase all or part of any eligible service. If you make a partial purchase, you may purchase any remaining eligible service at a later date. The cost of any later purchase will be based upon your age and the annual salary or highest fiscal year salary at the time of your subsequent request to purchase.

**Estimating the Cost of a Purchase**

To estimate the cost of a shared purchase, multiply the higher of your current annual salary or highest fiscal year salary times the purchase factor corresponding to your nearest age (see chart on next page). The result is the cost of one year of service. Multiply this cost by the appropriate number of years being purchased. This procedure can be used for calculating the cost of Temporary Service, Former Membership, Leaves of Absence, Uncredited Service, Local Retirement System Service, and Out-of-State Service.

To calculate the purchase cost of Military Service before Enrollment or U.S. Government Service, the same procedure is used except the resulting cost is doubled.

*Note:* The cost of a purchase of Military Service after Enrollment under USERRA (see page 12) is based on the required pension contributions for the period of military service.

**EXAMPLE:** A member, age 45, earning $60,000 a year, wishes to purchase 18 months of Temporary Service: Purchase Factor (from chart) = 0.048761

\[
\text{Purchase Factor} \times \text{Annual Salary} \times \text{Time Being Purchased} = \text{Purchase Cost}
\]

\[
0.048761 \times 60,000 \times 1.5 \text{ years} = 4,388.49
\]

If the same member were to purchase 18 months of Military Service before Enrollment, the purchase cost would be $8,776.98 (twice the amount of the Temporary Service).

An online Purchase Cost Calculator and additional purchase of service credit resources are available for use on the Division of Pensions and Benefits Web site: [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions)
Applying to Purchase Service Credit

All purchase requests must be submitted using the Purchase Application program of the Member Benefits Online System (MBOS).

MBOS provides registered members with fast, efficient processing of purchase requests. You receive immediate confirmation and a follow-up e-mail that your application has been received.

Exceptions to the MBOS Purchase Application — While TPAF members are required to process purchase requests through MBOS, members are not able to use the MBOS Purchase Application for the following types of purchase:

- Members applying for the purchase of Military Service after Enrollment under the provisions of USERRA. To purchase this service the employer must submit the Request for USERRA Eligible Service form within the time frames required under the law (see page 12).
- Members applying for the purchase of Leave of Absence for Union Representation. This type of leave must be purchased quarterly and within 30 days of the end of each fiscal quarter. See the Application to Purchase Service Credit for Union Representation for additional information and instructions.

<table>
<thead>
<tr>
<th>Age</th>
<th>Purchase Factor</th>
<th>Age</th>
<th>Purchase Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>0.031379</td>
<td>45</td>
<td>0.048761</td>
</tr>
<tr>
<td>21</td>
<td>0.031759</td>
<td>46</td>
<td>0.049932</td>
</tr>
<tr>
<td>22</td>
<td>0.032158</td>
<td>47</td>
<td>0.051155</td>
</tr>
<tr>
<td>23</td>
<td>0.032578</td>
<td>48</td>
<td>0.052433</td>
</tr>
<tr>
<td>24</td>
<td>0.033018</td>
<td>49</td>
<td>0.053768</td>
</tr>
<tr>
<td>25</td>
<td>0.033480</td>
<td>50</td>
<td>0.055163</td>
</tr>
<tr>
<td>26</td>
<td>0.033964</td>
<td>51</td>
<td>0.056620</td>
</tr>
<tr>
<td>27</td>
<td>0.034471</td>
<td>52</td>
<td>0.058144</td>
</tr>
<tr>
<td>28</td>
<td>0.035002</td>
<td>53</td>
<td>0.05973</td>
</tr>
<tr>
<td>29</td>
<td>0.035558</td>
<td>54</td>
<td>0.061403</td>
</tr>
<tr>
<td>30</td>
<td>0.036139</td>
<td>55</td>
<td>0.063145</td>
</tr>
<tr>
<td>31</td>
<td>0.036748</td>
<td>56</td>
<td>0.064967</td>
</tr>
<tr>
<td>32</td>
<td>0.037384</td>
<td>57</td>
<td>0.066873</td>
</tr>
<tr>
<td>33</td>
<td>0.038048</td>
<td>58</td>
<td>0.068868</td>
</tr>
<tr>
<td>34</td>
<td>0.038743</td>
<td>59</td>
<td>0.070956</td>
</tr>
<tr>
<td>35</td>
<td>0.039469</td>
<td>60</td>
<td>0.073142</td>
</tr>
<tr>
<td>36</td>
<td>0.040227</td>
<td>61</td>
<td>0.072021</td>
</tr>
<tr>
<td>37</td>
<td>0.041019</td>
<td>62</td>
<td>0.070853</td>
</tr>
<tr>
<td>38</td>
<td>0.041847</td>
<td>63</td>
<td>0.069637</td>
</tr>
<tr>
<td>39</td>
<td>0.042711</td>
<td>64</td>
<td>0.068380</td>
</tr>
<tr>
<td>40</td>
<td>0.043613</td>
<td>65</td>
<td>0.067083</td>
</tr>
<tr>
<td>41</td>
<td>0.044555</td>
<td>66</td>
<td>0.065746</td>
</tr>
<tr>
<td>42</td>
<td>0.045539</td>
<td>67</td>
<td>0.064376</td>
</tr>
<tr>
<td>43</td>
<td>0.046567</td>
<td>68</td>
<td>0.062973</td>
</tr>
<tr>
<td>44</td>
<td>0.047640</td>
<td>69</td>
<td>0.061545</td>
</tr>
<tr>
<td></td>
<td></td>
<td>70+</td>
<td>0.060100</td>
</tr>
</tbody>
</table>
Please note that these are the only circumstances where paper purchase requests are permitted. Any paper Application to Purchase Service Credit received by mail will not be processed and the member will be mailed instructions on submitting the request through MBOS.

Upon receipt of your MBOS Purchase Application — and any required supporting documentation — a quotation of cost will be calculated provided that all purchase eligibility criteria are met. Processing times vary and a request cannot be completed until the Division receives all required verification of eligibility. It is the member’s responsibility to obtain certification of employment from a former employer for the purchase of Out-of-State or U.S. Government Service.

After the Division of Pensions and Benefits verifies employment, you will receive a Purchase Quotation Letter indicating the cost of any service approved for purchase. You must respond to the quotation letter within the specified time period.

When you agree to purchase a certain amount of service credit, the Division of Pensions and Benefits assumes that you will complete the purchase and credits your account with the entire amount of service, even if you are paying the cost through payroll deductions. Any estimates of retirement allowance you receive are based on the full amount of credit you agreed to purchase.

You may pay the cost of purchasing service credit:

• In one lump-sum payment.

• By having extra payroll deductions withheld from your pay. The minimum deduction is equal to one-half of your normal rate of contribution to the retirement system over a maximum period of 10 years and includes interest at the assumed rate of return of the retirement system.

• By paying a single down payment and having the remainder paid through payroll deductions.

• With a direct rollover or trustee-to-trustee transfer of tax-deferred funds from a qualified retirement plan (see page 17).

If you retire before completing a purchase, you may choose to receive prorated credit for the amount of service you have paid for, or you can pay the balance at the time of retirement to receive full credit (see Unsatisfied Balances, page 39).

A member who authorizes a purchase of service credit through payroll deductions may cancel those deductions at any time. No refunds will be made of any lump-sum payments, partial payments, or installment payments. The member will receive prorated service credit for the service purchased to the date installment payments cease. Any subsequent requests to purchase the remaining service credit shall be based on the laws and rules in effect on the date that the subsequent request is received.

If you have an outstanding arrears obligation for the purchase of additional service credit, interest may be assessed if there is a lapse of two years or more in payments toward the purchase.
If you have not made installment payments for the purchase of additional service credit in two years, your purchase will be canceled. You will receive pro rata credit for the service purchased to the date that the installment payments ceased. Any subsequent requests to purchase the remaining service credit shall be based on the laws and rules in effect on the date the subsequent request is received in the Division.

If you return from an approved leave of absence after two years, you may request that the original purchase be resumed. The purchase will be recalculated to include additional regular interest accrued between two years after the date of the last installment payment and the date the purchase is resumed.

**Rollover for Purchase Payment**

Members may pay for all or part of a purchase by transferring or rolling over tax-deferred funds from an eligible or qualified retirement savings plan. The types of plans from which a transfer or rollover can be made are:

- 401(a) qualified plan (including 401(k) plan) and 403(a) qualified annuity
- 403(b) - Tax-Sheltered Annuity Plan
- 457(b) - State and Local Government Deferred Compensation Plan
- IRA - With tax-deferred funds
  - Traditional IRA
  - Simple IRA (must have been open for two or more years)
  - Simplified Employee Pension Plan (SEP)
  - Conduit IRA
  - Rollover IRA

*Note: The Division cannot accept rollovers from a Roth IRA or a Coverdell Education Savings Account (formerly known as an Education IRA).*

Additional information on requesting a transfer or rollover of tax-deferred funds for the purchase of service credit is included in the purchase cost quotation letter you receive upon the Division’s determination of your eligibility to purchase service.

**LOANS**

If you are an active contributing member of the TPAF, you may be eligible to borrow from your pension account.

Loans are governed by the following conditions:

- **Service Credit** — You must have at least three years of pension service credit posted to your retirement system account. Pension contributions are posted to your account on a quarterly basis. It normally takes 45 days after the end of a quarter for your contributions to be posted to your account. For example, if you enrolled in the retirement system on January 1, 2015, you would not have three years posted to your account until March 2018, the posting date following the end of the quarter in which you attain three years.
• **Number of Loans Per Year** — You may borrow twice in any calendar year. This is determined by the date of the check, not the date of the request. For example, if you make a request for a loan on December 24th but the check is dated January 5th, the loan is considered your first for the new year.

• **Loan Amount** — The minimum amount you may borrow is $50, and loan amounts then increase in increments of $10.

  The maximum you may borrow is one-half of your contributions that are posted to your account, up to a maximum loan balance of $50,000, whichever is less, when added to the highest balance of any loan in the last 12 months.

  You may learn the amount you may borrow — and see different loan amount and repayment combinations — by using the online **Loan Application** on the Member Benefits Online System (MBOS), or by calling the Automated Information System at (609) 292-7524.

• **Interest Rate** — Interest is charged on the declining balance of the loan at a commercially reasonable rate set annually by the New Jersey State Treasurer. The current interest rate is posted on the Division of Pensions and Benefits Web site at: [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions)

  When you borrow, you will have the same interest rate for the life of your loan unless you borrow again in a different calendar year after the interest rate has changed. Every time you borrow, the entire outstanding balance is re-certified at the current year’s interest rate. The new loan must be repaid within five years of the original loan date.

  The interest rate is determined using the Prime Rate as of December 1st of the previous year plus 2.5 percent.

• **Administrative Fee** — An administrative processing fee applies to all pension loans. The administrative processing fee is set annually and is based on the actual costs associated with administering the pension loan program. The current administrative processing fee is posted on the Division of Pensions and Benefits Web site at: [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions)

• **Loan Repayment** — Loans must be repaid within five years. The minimum deduction toward the repayment of a loan is equal to the full pension contribution rate (see page 4) The maximum allowable deduction toward the repayment of your loan is 25% of your base salary.

  Provided that the minimum loan repayment amount will repay the loan balance within five years, the repayment amount of a loan will be similar whether you borrow $500 or $5,000; however, the repayment of a larger loan will continue for a longer period of time than for a smaller loan.

  Loan repayments will increase to more than the minimum deduction if the entire loan balance cannot be paid within the five year requirement (or if you have an outstanding loan and take another loan — see below).
If you have an outstanding loan balance and take another loan, the Internal Revenue Service requires that the new combined loan balance must be repaid within five years of the date of the first loan. This means that the repayment amount may be substantially higher to ensure full repayment of the total loan balance within five years of the issuance of the original loan. Furthermore, the requested loan amount may be reduced, or the loan request may be rejected, if the payroll deductions required to repay the loan within this five-year period would exceed the 25% of salary restriction in State law (see “Internal Revenue Service Requirements” on page 20).

You may learn the minimum deduction toward the repayment of a loan by using the online Loan Application on the Member Benefits Online System (MBOS), or by calling the Automated Information System at (609) 292-7524.

Applying for a Loan

All pension loan requests must be submitted using either:

- The Loan Application available by calling the Automated Information System at (609) 292-7524; or
- The Loan Application program of the Member Benefits Online System (MBOS).

Both the Automated Information System and MBOS provide fast, efficient processing of pension loan requests. You receive immediate confirmation that your loan application has been received.

See page iii for more information about registering for MBOS.

Exceptions to the MBOS Loan Application — While members are required to process loan requests through MBOS or the Automated Information System, some members may not be able to access the Loan Application for one of the following reasons:

- Members applying for a loan within 6 months of returning from a leave of absence;
- Members applying for a loan within 6 months of transferring to a new employer within the same retirement system, or between different retirement systems; or
- State employees paid on a supplemental payroll schedule.

In these cases your employer must complete a Certified Loan Request Form to verify your salary and/or certify that you are actively employed.

- If your employer was late in submitting the Report of Contributions for the quarterly posting, you may still be able to borrow, however, your employer must complete a Certified Loan Request Form to verify your salary, active pay status, and you may only borrow based on the prior quarter’s posted pension contributions.
- If you have established a security freeze on your pension account due to identity theft you cannot access MBOS and must contact the Division’s Identity Theft Coordinator to request a loan (for more information see Fact Sheet #72, Identity Theft and Your Benefits).

Please note that these are the only circumstances where paper loan requests are permitted.
Canceling a Loan — If you are not satisfied with a loan amount or the repayment schedule when you receive your loan check, you may cancel the loan by returning the original, un cashed and unmarked loan check. When a loan check is returned, the funds are deposited back into your retirement system account and will be available with the next quarterly posting.

*Note:* By cashing the loan check you are agreeing to the loan amount and the terms and conditions of the repayment schedule.

**Early Loan Repayment**

You may request a repayment figure for your full loan balance any time prior to the end of your regular repayment schedule. Only a lump-sum payoff of your full loan balance is permitted — partial payments are not allowed.

To request a lump-sum payoff, call the Automated Information System at (609) 292-7524, or request the payoff amount through MBOS by using the *Letters and Statements* application and selecting the Loan Payoff option. The *Loan Payoff Letter* will indicate the lump-sum payoff amount, the date by which the payment must be received, and the date on which scheduled loan repayments from payroll will end.

**Loans at Retirement, Death, or Termination of Employment**

You may apply for a loan regardless of your age. If you retire before repaying the outstanding balance of your loan, your loan payments will be carried into retirement. That is, your retirement allowance will be reduced by the same monthly amount you were paying towards your loan just prior to retirement. You may also repay your outstanding loan balance in one lump sum prior to retirement.

If you die before repaying your loan (either before or after retirement), the outstanding balance will be deducted from the proceeds of any benefits to be paid to your beneficiaries.

If you terminate employment and withdraw your contributions before repaying your loan, all your contributions less the loan balance will be returned to you (see “Internal Revenue Service Requirements” below).

**Internal Revenue Service (IRS) Requirements**

Internal Revenue Code Section 72(p) requires that loan balances cannot exceed $50,000 and must be repaid within five years. Furthermore, if you take a subsequent loan (or loans) and your original loan balance is not completely paid off, the repayment period will remain five years from the date of the first loan. The repayment rules on subsequent loans may result in either a substantial increase in your repayment amount — or may even limit the amount that you can borrow if the payroll deductions to repay the loan exceeds the 25% of base salary restriction on loan repayments.

The IRS regulations also require members to make timely payments toward outstanding loan balances. While it is your employer’s responsibility to withhold loan deductions from your salary, if you are out of work without pay, your employer has no salary from which to take deductions. Members who leave payroll with an outstanding loan balance will be notified after three months of nonpayment and offered the option of paying off the entire loan balance or making loan repayments through a monthly personal billing. You will be required
to pay your loan balance plus interest if you go off payroll. Again, the loan balance must be paid within five (5) years of the original loan. It is the member's responsibility to ensure that the loan balance is paid in full in accordance with IRS regulations.

Failure to repay the loan as scheduled (through either lump-sum payment, personal billing, or return to payroll) will result in the unpaid loan balance being declared in default. If a loan is in default, the loan balance is declared a taxable or “deemed distribution” and will be reported to the IRS. For the tax year in which the default occurs, the Division of Pensions and Benefits will send you a Form 1099-R for tax filing purposes in January of the following year. You will be required to include the portion of the loan representing before-tax contribution as income on your federal return. In addition, if you are under age 59½, you will be required to pay an additional 10% tax for taking an early pension distribution.

If you default on your loan, it will be your responsibility to make an estimated tax payment to the IRS to cover your tax liability on the deemed distribution; no withholding will be deducted from your account by the Division.

**Note:** Paying taxes on a defaulted loan balance does not negate the balance; you are still responsible for paying the loan balance and any interest that accrues on it. Any repayments will be returned to your account as after-tax contributions.

You may not take another loan until the deemed distribution is paid off. A deemed distribution cannot be canceled by resuming your loan payments or repaying the loan in full prior to the end of the tax year in which the default occurs. If you resume your loan repayments after the default, the payments received will be posted to your account as already-taxed contributions that will increase the nontaxable portion of your pension at retirement.

Unlike a normal pension distribution, a loan treated as a distribution cannot be rolled over to an IRA or other qualified retirement plan.

**SUPPLEMENTING YOUR PENSION**

In addition to your regular pension contributions, there are other opportunities to supplement your retirement income and possibly set aside money on a tax-deferred basis.

**Supplemental Annuity Collective Trust (SACT)**

The Supplemental Annuity Collective Trust (SACT) is a voluntary investment program that provides retirement income separate from, and in addition to, your basic pension plan. Your contributions are invested conservatively in the stock market. The program consists of two separate plans.

The SACT-Regular Plan is available to all actively contributing members of a New Jersey State-administered retirement system. Contributions to this plan are made after deductions for federal income tax.

The SACT-Tax Sheltered Plan (IRC Section 403(b)) is available to actively contributing members of public educational institutions. Contributions to this plan are made before deductions for federal income tax.
SACT brochures and enrollment packets are available on the Division of Pensions and Benefits Web site at: www.nj.gov/treasury/pensions/sact.shtml

You can also contact the SACT office by calling (609) 292-7524 or by writing to: Division of Pensions and Benefits, Supplemental Annuity Collective Trust, PO Box 295, Trenton, NJ 08625-0295.

Deferred Compensation Plans

TPAF members employed by a board of education may be eligible to contribute to an IRC Section 457 deferred compensation plan. Contact your employer to see if this type of plan is available to you.

TPAF members employed by the State are eligible to contribute to the New Jersey State Employees Deferred Compensation Plan (IRC Section 457). For plan and investment information, visit the State Employees Deferred Compensation Plan Web site at: www.prudential.com/njsedcp or call 1-866-NJSEDCP (1-866-657-3327). Other information about the plan is available by writing to: Division of Pensions and Benefits, New Jersey State Employees Deferred Compensation Plan, PO Box 295, Trenton, NJ 08625-0295.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established under the provisions of N.J.S.A. 43:15C-1 et. seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- Employees enrolled on or after July 1, 2007, in membership Tier 2, Tier 3, Tier 4, or Tier 5 of the TPAF who earn salary in excess of established “maximum compensation” limits.
- Employees otherwise eligible for enrollment in membership Tier 3 of the TPAF who do not earn the minimum annual salary for Tier 3 enrollment, (subject to adjustment in future years) but who earn at least the DCRP minimum annual salary of $5,000.
- Employees otherwise eligible for enrollment in membership Tier 4 or Tier 5 of the TPAF who do not work the minimum number of hours per week required for enrollment (35 hours per week for State employees or 32 hours per week for local government or local education employees) but who earn at least the DCRP minimum annual salary of $5,000.

The DCRP is administered for the Division of Pensions and Benefits by Prudential Financial. Prudential provides DCRP information, including information about investment and distribution options, on its New Jersey Defined Contribution Program Web site: www.prudential.com/njdcrcp

Employers and members can contact Prudential Financial by telephone through Prudential's toll-free number 1-866-653-2771.
In certain circumstances an eligible employee can voluntarily waive participation in the DCRP by submitting a DCRP Waiver Form to the Division of Pensions and Benefits.

Additional information about DCRP enrollment, contribution rates, plan benefits, and waiver can be found in Fact Sheet #79, DCRP for PERS and TPAF Members, Fact Sheet #80, DCRP for Elected and Appointed Officials, and Fact Sheet #82, DCRP if Ineligible for the PERS or TPAF, which are available on the Division’s Web site at: www.nj.gov/treasury/pensions

RETIREMENT

Applications for retirement must be filed through MBOS and received by the Division prior to the effective date of the retirement. It is the member’s responsibility to apply for retirement and ensure that all required documents are received by the Division of Pensions and Benefits within 90 days.

You must either apply for retirement or withdraw your contributions by April 1 following the calendar year in which you turn age 70½. If you do not take distribution by this date, you will be assessed a 50% IRS tax penalty on the account.

Types of Retirement

There are several types of retirement for which you may qualify.

Service Retirement

Available to Tier 1 and Tier 2 members upon reaching age 60 or older; or to Tier 3 and Tier 4 members upon reaching age 62 or older, or to Tier 5 members upon reaching age 65 or older. No minimum amount of pension service credit is required.

The formula to calculate the maximum annual pension for a Tier 1, Tier 2, or Tier 3 member is:

\[
\frac{\text{Years of Service}}{55} \times \text{Final Average Salary} = \text{Maximum Annual Allowance}
\]

The formula to calculate the maximum annual pension for a Tier 4 or Tier 5 member is:

\[
\frac{\text{Years of Service}}{60} \times \text{Final Average Salary} = \text{Maximum Annual Allowance}
\]

FOR EXAMPLE: A Tier 1 member with 22 years of service would receive 22/55 or 40% of Final Average Salary. You receive a slightly higher percentage for each additional month of service.

Note: A TPAF retirement allowance will not be paid if the calculated benefit is less than $25 per month.

• ‘Years of Service’ means the years and months of pension service credited to your account — including purchased service credit. It does not necessarily mean years and months of employment.
• ‘Salary’ means the base salary on which your pension contributions are based. It does not include extra pay for overtime or money given in anticipation of your retirement. Nor does it include additional salary for performing temporary or extracurricular duties beyond the regular school day or the regular school year.

• ‘Final Average Salary’ — for Tier 1, Tier 2, and Tier 3 members Final Average Salary means the average salary for the 36 months (30 months for employees with 10-month contracts) immediately preceding your retirement. If your last three years are not your highest years of salary, your allowance will be calculated using your three highest fiscal years (July - June) of salary.

For Tier 4 and Tier 5 members Final Average Salary means the average salary for the 60 months (50 months for employees with 10-month contracts) immediately preceding your retirement. If your last five years are not your highest years of salary, your allowance will be calculated using your five highest fiscal years (July - June) of salary.

Note: If your last years of salary are not your highest years, you must indicate it on your MBOS retirement application.

Early Retirement

Available to members who have 25 years or more of pension membership service credit before reaching age 60 for Tier 1 and Tier 2 members, or before age 62 for Tier 3 and Tier 4 members; or with 30 years or more of pension membership service credit before age 65 for Tier 5 members. The benefit is calculated using the appropriate Service Retirement formula; however, your allowance is permanently reduced if you retire prior to attaining certain ages as defined by your membership tier.

• For Tier 1 members who retire before age 55, your allowance is reduced 1/4 of 1% for each month (3% per year) under age 55.

• For Tier 2 members who retire before age 60, your allowance is reduced 1/12 of 1% for each month (1% per year) under age 60 through age 55, and 1/4 of 1% for each month (3% per year) under age 55.

• For Tier 3 and Tier 4 members who retire before age 62, your allowance is reduced 1/12 of 1% for each month (1% per year) under age 62 through age 55, and 1/4 of 1% for each month (3% per year) under age 55.

• For Tier 5 members who retire before age 65 with at least 30 years of service, your allowance is reduced 1/4 of 1% for each month (3% per year) under age 65.

Veteran Retirement

Available to qualified military veterans who remain in active employment until the effective date of retirement and who meet the minimum age and pension service credit requirements for a Veteran Retirement as of their retirement date.
The age requirements and formulas for calculating a Veteran Retirement are the same for all membership tiers.

A qualified military veteran may retire with:

• 25 years of service credit at age 55 or older; or
• 20 years of service credit at age 60 or older; or
• 35 years of service credit at age 55 or older.

• Veterans meeting the age requirement with between 20 and 34 years of service credit will retire with an annual benefit equal to 54.5% of the salary upon which pension contributions were based during the last year of employment or highest 12 consecutive months of base salary.

• Veterans with 35 or more years of service credit at age 55 or older are entitled to an annual allowance based on the following formula:

\[
\text{Years of Service} \times \text{Highest 12 Consecutive Months of Salary} = \text{Maximum Annual Allowance}
\]

Veteran members may retire on a Service Retirement if that provides a higher benefit.

**Establishing Veteran Status** — Individuals wishing to establish veteran status with the retirement system should submit a photocopy of their discharge papers (*Form DD 214*) showing both their induction and discharge dates to:

**NJ Department of Military and Veterans Affairs**
**ATTN: DVP-VBB**
**PO Box 340**
**Trenton, NJ 08625-0340**

Since the New Jersey Department of Military and Veterans Affairs also makes determinations of veteran’s preference for Civil Service and property tax appeals, a note should be attached to say that the discharge papers are being sent for pension purposes. Include your address on the note.

**Definition of a Veteran** — A veteran is a person who holds an honorable discharge from the military service of the United States who served during the following periods:

• World War II – September 16, 1940 to December 31, 1946
• Korean Conflict – June 23, 1950 to January 31, 1955
• Lebanon Crisis – July 1, 1958 to November 1, 1958
• Vietnam Conflict – December 31, 1960 to May 7, 1975
• Lebanon Peacekeeping Mission – September 26, 1982 to December 1, 1987
• Grenada Peacekeeping Mission – October 23, 1983 to November 21, 1983
• Panama Peacekeeping Mission – December 20, 1989 to January 31, 1990
• Operation Desert Shield/Storm – August 2, 1990 to February 28, 1991
• Operation Northern Watch/Southern Watch – August 27, 1992 to May 1, 2003
• Operation Restore Hope in Somalia – December 5, 1992 to March 31, 1994
• Operations Joint Endeavor/Joint Guard-Republic of Bosnia and Herzegovina – November 20, 1995 to June 20, 1998
• Operation Enduring Freedom – September 11, 2001 to present
• Operation Iraqi Freedom – March 19, 2003 to present

Veteran status can be granted for World War II, the Korean Conflict, or the Vietnam Conflict as long as the member had at least 90 days of continuous active military service, of which at least one day fell within the dates listed above. Any honorably discharged member of the American Merchant Marine who served at least 90 days between September 16, 1940 and December 31, 1946 also qualifies for veteran status.

Service with the Women’s Army Auxiliary Corps (WAAC) and Women’s Army Corps (WAC) may also qualify for veteran status.

For veteran status for the listed missions/operations after Vietnam, the member must have served at least 14 days in the country or region or on ships patrolling in the territorial waters of these nations.

• If the start of the member's service began on or after the beginning date of the war era, veteran status will be granted as long as any one of the 14 days of service fell on or within the dates listed above.

• If the start of the member's service was prior to the beginning date of the war era, then the member must have served all 14 days in the area within the dates specified for the conflict in order to be granted veteran status.

If the veteran was discharged because of a service-incurred disability during a period of conflict, the 90 or 14-day requirement for service is waived. Absent Without Leave (AWOL) periods must be deducted from active service and if this reduces the active service to less than the 90 or 14-day service requirement, veteran status will be denied.

Veteran status cannot be granted if an individual received a dishonorable discharge, a discharge from the draft, disenrollment from the Coast Guard Reserve, or a discharge from the reserve with no evidence of active service in time of war.

Veteran status cannot be granted if the individual service was:

• State Militia;
• Student training corps during World War II;
• Army of the Allies but not as a citizen of the United States at the time of such service;
• Military service during peacetime;
• Military service for training purposes. Also, courses of education and training under the Army Specialized Training Program or the Navy College;

• Training Program where the courses were a continuation of the individual’s civilian courses and were pursued to completion;

• As a cadet or midshipman at one of the service academies; or

• Any military service performed pursuant to the provisions of Section 511(d) of Title 10, United States Code, pursuant to enlistment in the Army National Guard or as a reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps or Coast Guard Reserve.

Deferred Retirement

Available to members who have at least 10 years of service credit and are not yet 60 years of age if a Tier 1 or Tier 2 member, or 62 years of age if a Tier 3 or Tier 4 member, or 65 years of age if a Tier 5 member, when they terminate employment. The retirement would be effective on the first of the month after attaining the appropriate Deferred Retirement age. The benefit is calculated using the appropriate Service Retirement formula.

You must file a retirement application for the Deferred Retirement to take effect. You may apply for a Deferred Retirement when you terminate covered employment or any time prior to attaining your Deferred Retirement age; otherwise your only payment option at retirement is the maximum allowance with no payment to a beneficiary. Under no circumstances can a Deferred Retirement become effective prior to the date the application is received by the Division of Pensions and Benefits.

If a member is removed from employment for cause, the member will be ineligible for Deferred Retirement.

If you return to TPAF covered employment before your Deferred Retirement becomes effective, you may cancel your retirement and are eligible to maintain your original TPAF membership tier status provided you have not withdrawn your membership and it has not been more than two consecutive years since your last pension contribution. If, however, there has been a break in service of more than two consecutive years since your last pension contribution, or if you have withdrawn your account, you will be enrolled in a new TPAF account under the “membership tier” in effect at the time you return to employment.

At any time before your Deferred Retirement becomes effective, you may change your mind and apply for a lump-sum withdrawal of all your pension contributions instead. However, once you cancel your Deferred Retirement and withdraw your contributions, all the rights and privileges of membership in the retirement system end.
Please note the following important information about your life insurance, health benefits coverage, loans, and purchase arrears if you are considering a Deferred Retirement:

- **Life Insurance** — Your life insurance coverage will end 31 days after you terminate employment and will not be in effect until your Deferred Retirement becomes payable. If you die before your Deferred Retirement becomes effective, the last named beneficiary will receive a return of your pension contributions. There is no life insurance benefit under these circumstances. However, during the 31-day period after you terminate employment you may convert your group life insurance coverage to a private policy with Prudential Financial. For more information see “Conversion: At Retirement” on page 53.

- **Health Benefits** — TPAF members with less than 25 years of service credit who are electing a Deferred Retirement cannot normally transfer their active health care coverage to the retired group of the School Employees’ Health Benefits Program (SEHBP) or the State Health Benefits Program (SHBP); however, members electing Deferred Retirement may be eligible for continuation of SEHBP or SHBP coverage under federal COBRA (*The Consolidated Omnibus Budget Reconciliation Act of 1985*) legislation for up to 18 months if they were covered by the SEHBP or SHBP just prior to terminating employment. If the actual retirement commences while the 18 months of COBRA coverage is in effect, the retiree may then transfer from the COBRA coverage and continue the SEHBP or SHBP coverage into retirement. If the 18 months of COBRA coverage ends before the retirement commences, the member will not be entitled to maintain health coverage through the SEHBP or SHBP. Participants should contact their employer to see if they qualify for COBRA continuation.

TPAF members with 25 or more years of service credit who were employed by a school board or a county college and who elect Deferred Retirement are eligible for State-paid SEHBP coverage when the Deferred Retirement becomes effective at age 60 (age 62 if a Tier 3 or Tier 4 member, or age 65 if a Tier 5 member).

- **Loans** — If you terminate employment, failure to repay a pension loan as scheduled may result in the unpaid loan balance being declared a taxable distribution that will be reported to the IRS. For more information about the IRS regulations regarding the repayment of pension loans, see page 20 (IRS Requirements).

- **Purchase Arrears** — If you have not made installment payments for the purchase of additional service credit in two years, your purchase will be canceled. You will receive pro rata credit for the service purchased to the date that the installment payments ceased. Any subsequent requests to purchase the remaining service credit shall be based on the laws and rules in effect on the date the subsequent request is received in the Division.

If you return from an approved leave of absence after two years, you may request that the original purchase be resumed. The purchase will be recalculated to include additional regular interest accrued between two years after the date of the last installment payment and the date the purchase is resumed.

- **Supplemental Compensation on Retirement (SCOR)** — State employees who retire on a Deferred Retirement are not eligible for payment for unused sick days under the SCOR program. See your payroll administrator for more information.
Ordinary Disability Retirement

Ordinary Disability Retirement is only available to Tier 1, Tier 2, and Tier 3 members.

**Note:** Under the provisions of N.J.S.A. 18A:66-39.1, Tier 4 and Tier 5 members may be eligible for disability insurance coverage after one year of continuous employment.

To qualify for an Ordinary Disability Retirement you must:

- Have an active TPAF account. Active membership ceases after discontinuance of pension contributions for more than two consecutive years. If more than two years have elapsed since the last contribution, and you terminated employment because you were totally and permanently disabled, and you continue to be disabled for the same reason(s), special rules apply; see N.J.A.C. 17:3-6.15 or contact the Division of Pensions and Benefits for more information;

- Have 10 or more years of New Jersey service credit (Out-of-State, Military, and U.S. Government civilian service purchases cannot be used to attain the 10 years);

- Be considered totally and permanently disabled (you must prove that you are physically or mentally incapacitated from performing your normal or assigned job duties or any other position that your employer may assign);

- Be disabled at the time you separated from service as a result of the alleged disability that renders you totally disabled; and

- Submit any and all medical reports or corroborating evidence on file that supports your disability within six months or your application will be canceled and you must refile.

**Note:** If the medical documentation supplied by you is not sufficient to support your claim of disability, you may be examined by physicians selected by the retirement system. The examination will be scheduled at no cost to you by the Division of Pensions and Benefits. Failure to appear at the initial examination will result in future exams being at the member’s expense. All medical information is kept confidential and only for use by the TPAF Board of Trustees in evaluating your application.

If you qualify and are approved for an Ordinary Disability Retirement, the annual benefit is equal to 43.6% of your Final Average Salary (FAS, see definition on page 24) or 1.64% of your FAS for each year of service credit, whichever provides the higher benefit.

The application process begins by filing an application for disability retirement with the Division of Pensions and Benefits through MBOS (see “Disability Retirement Applications” on page 37). The application review process requires information from your physicians and a release of health information related to your disability. The process also requires corroboration of your condition by at least two medical sources. The more complete the application and supporting information, the faster it can be evaluated, although the process may take six months or more.

**It is the applicant’s responsibility to arrange for all physicians’ statements, hospital records, and other health information to be sent to the Division of Pensions and Benefits.**
Your employer has the right to apply for an **Involuntary Disability Retirement** on your behalf. At the time of application, **State employers must provide a letter** from the Department’s highest ranking authority and **local employers must provide a copy of a resolution** adopted by the governing body. The letter/resolution must indicate the intent to involuntarily retire the employee and state that, in the employing authority’s opinion, the employee is “totally and permanently disabled” from fulfilling his or her job duties (employers should also include any pertinent medical records).

Once the Board of Trustees approves a member for a disability retirement allowance, the member’s retirement application cannot be withdrawn, canceled, or amended (except to change your retirement option selection provided that you file written notice with the Division of Pensions and Benefits within 30 days of the date of the Board’s approval or your retirement date, whichever is later; otherwise, the retirement option will remain and cannot be changed for any reason thereafter).

Approval for Workers’ Compensation or Social Security disability benefits has no bearing on your application for an Ordinary Disability Retirement. However, if you are approved for Ordinary Disability Retirement benefits and receive a Workers’ Compensation award, your Workers’ Compensation award may be reduced by the amount of your Ordinary Disability Retirement benefit. If you have any questions concerning this issue, please contact the Division of Workers’ Compensation at (609) 292-2515 or send e-mail to: dwc@dol.nj.gov

Disability retirees are subject to an annual earnings test (see Fact Sheet #15, *Disability Retirement Benefits*, for details).

**Accidental Disability Retirement**

Accidental Disability Retirement is only available to **Tier 1, Tier 2, and Tier 3** members.

**Note:** *Under the provisions of Chapter 3, P.L. 2010, Tier 4 and Tier 5 members may be eligible for disability insurance coverage after one year of continuous employment.*

To qualify for an Accidental Disability Retirement you must:

- Have an active TPAF account. Active membership ceases after discontinuance of pension contributions for more than two consecutive years. If more than two years have elapsed since the last contribution, and you terminated employment because you were totally and permanently disabled, and you continue to be disabled for the same reason(s), special rules apply; see N.J.A.C. 17:3-6.15 or contact the Division of Pensions and Benefits for more information;

- Be considered totally and permanently disabled (you must prove that you are physically or mentally incapacitated from performing your normal or assigned job duties or any other position that your employer may assign) as a “direct result of a traumatic event” (see definition of traumatic event, page 31) that happened during and as a direct result of carrying out your regular or assigned job duties;

- Be an active member of the TPAF on the date of the “traumatic event;”

- File an application for disability retirement through **MBOS** within five years of the date of the “traumatic event;”
• Provide any and all accident reports, witness reports, and corroborating evidence on file for any and all accidents for which you are filing; and

• Be examined by physicians selected by the retirement system. The examination will be scheduled at no cost to you by the Division of Pensions and Benefits. Failure to appear at the initial examination will result in future exams being at the member’s expense. All medical information is kept confidential and used only by the TPAF Board of Trustees in reviewing your claim.

• Be disabled at the time you separated from service as a result of a disability that renders you totally disabled.

If you qualify and are approved for Accidental Disability Retirement, your annual retirement allowance will be 72.7% of your salary at the time of the “traumatic event.”

‘Direct Result of a Traumatic Event’ has been defined by the courts as an occurrence that is:

• Identifiable as to time and place;

• Undesigned and unexpected;

• Caused by a circumstance external to the member (not the result of preexisting disease that is aggravated or accelerated by the work);

• Occurred during and as a result of the member’s regular or assigned duties;

• Was not the result of the member’s willful negligence; and

• Results in the member’s permanent and total incapacitation from performing his or her usual or any other duty.

Note: When there is an issue of mental incapacity, the member must also establish that the event that forms the basis for an accidental disability was objectively capable of causing a reasonable person in similar circumstances to suffer a disabling mental injury, based on a finding that the disability resulted from “direct personal experience of a terrifying or horror-inducing event that involves actual or threatened death or serious injury, or a similarly serious threat to the physical integrity of the member or another person.”

You may only file for one type of disability retirement, either Accidental or Ordinary Disability. The application process begins by filing an application for disability retirement with the Division of Pensions and Benefits through MBOS (see “Disability Retirement Applications” on page 37). The application review process requires information from your physicians, information from your employer with questions regarding the “traumatic event”, and a release of health information related to your disability. The more complete the application and supporting information, the faster it can be evaluated, although the process may take six months or more.

It is the applicant’s responsibility to arrange for all physicians’ statements, hospital records, and other health information to be sent to the Division of Pensions and Benefits.
Your employer has the right to apply for an **Involuntary Disability Retirement** on your behalf. At the time of application, **State employers must provide a letter** from the Department's highest ranking authority and **local employers must provide a copy of a resolution** adopted by the governing body. The letter/resolution must indicate the intent to involuntarily retire the employee and state that, in the employing authority's opinion, the employee is “totally and permanently disabled” from fulfilling his or her job duties (employers should also include any pertinent medical records).

Once the Board of Trustees approves a member for a disability retirement allowance, the member’s retirement application cannot be withdrawn, canceled, or amended (except to change your retirement option selection provided that you file written notice with the Division of Pensions and Benefits within 30 days of the date of the Board’s approval or your retirement date, whichever is later; otherwise, the retirement option will remain and cannot be changed for any reason thereafter).

Approval for Workers’ Compensation or Social Security disability benefits has no bearing on your application for **Accidental Disability Retirement**. However, if you receive periodic Workers’ Compensation benefits while receiving an Accidental Disability Retirement, the pension portion of your retirement allowance will be reduced dollar-for-dollar by the amount of the periodic benefits.

Disability retirees are subject to an annual earnings test (see Fact Sheet #15, *Disability Retirement Benefits*, for details).

If you apply for Accidental Disability Retirement and are found by the Board of Trustees to be totally and permanently disabled but **not** as a “direct result of a traumatic event”, you may be retired on an **Ordinary Disability Retirement** if you have the required service credit (see page 29). Pursuant to N.J.S.A. 43:15A-42.1, a Tier 4 or Tier 5 member of the PERS shall not be eligible for an ordinary or accidental disability retirement allowance, but shall be eligible for disability insurance coverage.

## OPTIONAL SETTLEMENTS AT RETIREMENT

You may want to leave a pension benefit to a beneficiary in addition to any life insurance for which you are eligible. When you complete your retirement application you will have to choose either the **Maximum Option** or one of eight other options that provide a pension benefit to your beneficiary. Selecting an option other than the Maximum Option will reduce your monthly retirement allowance. The amount of this reduction depends on the option you select and the maximum calculated benefit as determined by the IRS. Regardless of the selected payment option, your retirement benefits are paid for the remainder of your lifetime (see exceptions in “Reduction or Suspension of Your Benefits” on page 43).

Once your retirement becomes “due and payable” you cannot change your option selection. “Due and payable” is defined as 30 days after your retirement date, or 30 days after your retirement has been approved by the TPAF Board of Trustees, whichever is later.

- **Maximum Option** provides the highest retirement allowance payable. Upon your death all pension benefits will cease. If your death occurs before you have received distribution of all your accumulated pension contributions, with interest, the remainder of any
undistributed contributions will be paid to your beneficiary, along with any last retirement checks due and payable. If you are legally married or in a domestic partnership and choose the Maximum Option, State law requires that we notify your spouse or domestic partner of your choice.

Options A, B, C, and D pay a monthly allowance to a beneficiary upon your death for the lifetime of that beneficiary. Under any of these options, once your retirement has become due and payable, you cannot change the beneficiary, regardless of the circumstances. If your designated beneficiary dies before you, your monthly allowance increases to the Maximum Option amount. Your age and the age of the beneficiary determine your monthly allowance — the younger the beneficiary, the more your pension is reduced to account for the beneficiary’s longer life expectancy. Should you and your beneficiary die before all your accumulated pension contributions plus interest have been distributed in the form of a monthly allowance, the remainder will be paid to your estate.

Note: For Options A, B, C, and D, you may only designate one beneficiary.

- **Option A** provides that upon your death, your beneficiary will receive the same monthly allowance that you were receiving at the time of your death, for the duration of his/her lifetime.

- **Option B** provides that upon your death, your beneficiary will receive 75% of the monthly allowance that you were receiving at the time of your death, for the duration of his/her lifetime.

- **Option C** provides that upon your death, your beneficiary will receive 50% of the monthly allowance that you were receiving at the time of your death, for the duration of his/her lifetime.

- **Option D** provides that upon your death, your beneficiary will receive 25% of the monthly allowance that you were receiving at the time of your death, for the duration of his/her lifetime.

- **Option 1** sets aside an initial reserve based on your life expectancy. This reserve is then reduced each month by the amount of your initial monthly retirement allowance. Upon your death, the balance of the reserve, if any, is paid to your beneficiary(ies). If you exhaust your initial reserve, you will continue to receive your monthly retirement allowance for the rest of your life; however, there are no further pension benefits payable to your beneficiary(ies). You may designate more than one beneficiary for Option 1. A beneficiary may be a person, a charity, an institution, or your estate. You may change a beneficiary under this option at any time. Upon your death, your beneficiary may elect to receive the proceeds in a lump sum or as an annuity payable over a certain number of years.

Options 2, 3 and 4 pay a monthly allowance to a beneficiary upon your death, for the lifetime of that beneficiary. Under any of these options, once your retirement has become due and payable, you cannot change the beneficiary, regardless of the circumstances. If your designated beneficiary dies before you, your monthly allowance will not be increased nor can you name a new beneficiary. Your age and the age of the beneficiary determine
your monthly allowance — the younger the beneficiary, the more your pension is reduced to account for the beneficiary’s longer life expectancy. Should you and your beneficiary die before all your accumulated pension contributions plus interest have been distributed in the form of a monthly allowance, the remainder will be paid to your estate.

**Note:** For Options 2 and 3, you may only designate one beneficiary. For Option 4, you may designate more than one beneficiary.

- **Option 2** provides that upon your death, your beneficiary will receive the same monthly allowance that you were receiving at the time of your death, for the duration of his/her lifetime.

- **Option 3** provides that upon your death, your beneficiary will receive one-half of the monthly allowance that you were receiving at the time of your death, for the duration of his/her lifetime.

- **Option 4** provides that upon your death, your beneficiary(ies) will receive a specified fixed monthly allowance for the duration of his/her lifetime. Your allowance cannot be more than that provided under Option 2.

**Note:** Members should allow for additional processing time for Option 4 calculations with multiple beneficiaries.

Should a member apply for retirement, other than a Deferred Retirement, and die prior to the retirement becoming effective, the retirement benefit beneficiary may choose between the active death benefit or the retired optional settlement that the member selected. The member must have been eligible for retirement at the time of death for the beneficiary to be eligible to choose between active and retired death benefits.

**Age Limits on Nonspouse Beneficiaries**

For all options, you can name your spouse as your beneficiary regardless of your spouse's age. For Options C, D, 1, or 3, you can name someone other than your spouse as beneficiary regardless of age.

**Note:** Because the Internal Revenue Service is a federal agency, a civil union partner, or domestic partner as defined under New Jersey State law does not qualify as a “spouse” under these circumstances and would be subject to the age limitations described.

For Options 2, A, or B, if you are naming a beneficiary who is not your spouse, Internal Revenue Service regulations restrict the age of your beneficiary:

**For Options 2 and A (100% to beneficiary):**

- If you are age 70 or older at retirement, your nonspouse beneficiary can be no more than 10 years younger than you.

- If you are under age 70 at retirement, determine:
  1. the number of years difference between your age at retirement and age 70; and
  2. the number of years difference between your age at retirement and the age of your nonspouse beneficiary.
Subtract the age 70 difference from the difference in age between yourself and your beneficiary. The resulting age difference can be no more than 10 years younger than you.

For Option B (75% to beneficiary):
• If you are age 70 or older at retirement, your nonspouse beneficiary can be no more than 19 years younger than you.
• If you are under age 70 at retirement, determine:
  1.) the number of years difference between your age at retirement and age 70;
      and
  2.) the number of years difference between your age at retirement and the age of your nonspouse beneficiary.

Subtract the age 70 difference from the difference in age between yourself and your beneficiary. The resulting age difference can be no more than 19 years younger than you.

If you name a nonspouse beneficiary under Option 4, and the dollar amount of your beneficiary’s pension is more than half of your allowance, restrictions on your beneficiary’s age apply.

THE RETIREMENT PROCESS

The time frames in this section serve as a guide to help you understand the retirement process. Actual processing times may vary and cannot begin until the Division of Pensions and Benefits receives all the necessary information and forms from both you and your employer.

6-8 Months before Retirement

It is important to give yourself enough time to review your benefits and options. You should inquire about retirement at least six months before your retirement date.

Retirement Estimates — Members within 2 years of retirement can:

• Obtain an Estimate of Retirement Benefits using the Member Benefits Online System (MBOS). This provides you with a printable estimate of the retirement allowances available and the amount of your group life insurance benefits. If you provide the birth date of your beneficiary, MBOS will estimate not only the Maximum Option but alternate payment options. Using the MBOS Retirement Estimate Calculator allows you to obtain and compare estimates for different retirement dates. See page iii for more information about registering for MBOS.

• Hear an estimate of retirement benefits over the phone by calling the Division of Pension and Benefit’s Automated Information System at (609) 292-7524.

Your employer is not notified if you request a retirement estimate.

For long-term retirement planning, the Division also provides an online retirement estimate calculator that uses service and salary information that you provide. This calculator is available on our Web site at: www.nj.gov/treasury/pensions
4-6 Months before Retirement

Retirement Applications — It is your responsibility to file a retirement application with the Division of Pensions and Benefits.

Note: If you are applying for a disability retirement, see “Disability Retirement Applications” (see page 37).

All retirement applications must be submitted online using the Member Benefits Online System (MBOS). Using MBOS provides fast, efficient processing of your retirement application. See page iii for more information about registering for MBOS.

All retirements are effective on the first of a month. You can submit your retirement application no more than one year before your retirement date — and as late as the last business day prior to your retirement date — but four to six months advance filing is recommended. Under no circumstances can a retirement become effective prior to the date the application is received by the Division of Pensions and Benefits. Processing times vary and cannot begin until the Division has received all the necessary information and forms from both you and your employer.

• If you have not furnished proof of your age to the Division of Pensions and Benefits, you must do so when applying for retirement (see page 3 for acceptable proofs of age). Proof of age for your beneficiary is required if you choose Options A, B, C, D, 2, 3, or 4. If any proof of age documents are given under a maiden name, please identify them as such. Send photocopies of any proof of age documents, as we cannot guarantee that original documents will be returned. Please also be sure to write your pension membership number or last four digits of your Social Security number on all documentation that you submit. Your retirement application will not be processed until the Division receives copies of birth date evidence.

• Ask your employer to submit a Certification of Service and Final Salary to the Division of Pensions and Benefits.

• It is the applicant’s responsibility to ensure that all required forms — except for the employer certification — are submitted to the Division within 90 days of the Division’s receipt of your retirement application. Otherwise, the retirement application will be canceled and you will need to submit another application for a future retirement date.

• Multiple members (see page 5) cannot begin to collect retirement benefits until all employment covered by the TPAF is terminated.

• If applying for a Veteran Retirement, you must qualify as a military veteran for pension purposes. If you are not already listed as a veteran in the Division of Pensions and Benefits’ records, you must send a photocopy of your military discharge (Form DD 214) to the New Jersey Department of Military and Veteran Affairs (see page 24 for more information).
• **The designation of a beneficiary** named on a retirement application that is filed with and accepted by the Division of Pensions and Benefits supersedes any older designation of beneficiary on file. The designation is effective upon acceptance by the Division, even if the retirement date on the application is in the future or the member later cancels the retirement application.

When your application is submitted to the Division of Pensions and Benefits, **you will receive e-mail confirmation of its receipt.** You will also be sent a letter acknowledging receipt of your retirement application.

**Disability Retirement Applications** — An application for disability retirement must be submitted online using the Member Benefits Online System (MBOS). See page iii for more information about registering for MBOS.

The application review process requires information from your physicians and a release of health information related to your disability. **It is the applicant’s responsibility to arrange for all physicians’ statements and hospital records, to be sent to the Division of Pensions and Benefits.** You must provide any and all medical reports or corroborating evidence on file that supports your disability. The required documentation must be received within six months of the date of filing the disability application. If the documentation is not received, the retirement will be canceled and the member will need to complete a new disability application for a future date. You may only file for one type of disability retirement, meaning only Ordinary Disability or Accidental Disability, but not both.

The more complete the information, the faster it can be evaluated, although the process may take six months or more.

Supporting information for your application should be sent to:

- **Division of Pensions and Benefits**
- **Disability Review Unit**
- **PO Box 295**
- **Trenton, NJ 08625-0295**

See pages 29-32 for additional information about disability retirement benefits.

**Life Insurance** — The amount of your life insurance coverage through the TPAF decreases at retirement or terminates if you have less than 10 years of service credit. You may convert the dollar difference between the group coverage you had before retirement and the group coverage you will have after retirement to a non-group life insurance policy.

*To protect your conversion privilege it is suggested that you apply for conversion of your insurance at the time you file your retirement application with the Division of Pensions and Benefits (however, you cannot file to convert your life insurance any earlier than six months prior to your retirement date).*


A member must prove insurability when age 60 or older at the time of enrollment. This is validated through Prudential Financial.
Other Retirement Plans — If you participate in the following other retirement savings plans, you must inform them separately of your plans to retire.

- Contact the Supplemental Annuity Collective Trust (SACT) at (609) 292-7524 if you participate in SACT.

- Contact your employer provided Deferred Compensation Plan, or the State Employees Deferred Compensation Plan at 1-866-NJSEDCP, if you participate in the plan.

- Contact the Defined Contribution Retirement Program (DCRP) at 1-866-653-2771 if you participate in the DCRP.

Approximately 3 Months before Retirement

Health Benefits Coverage at Retirement — If you fall into one of the categories listed below, you will be offered coverage under the New Jersey School Employees’ Health Benefits Program (SEHBP) in retirement:

- Members already covered by the SEHBP through their employer. (If you are not eligible for State-paid or employer-paid coverage, you may continue the coverage into retirement by paying the appropriate premium.);

- Members employed by a board of education or a county college who retire with 25 or more years of service credit in one or more State- or locally-administered retirement systems or who retire on a disability retirement, even if their employer did not participate in the SEHBP. This includes members who elected Deferred Retirement with 25 or more years of service credit in one or more State- or locally-administered retirement systems. Eligibility is limited to full-time employees as defined by N.J.A.C. 17:9-4. The State may pay for some or all of the health benefit cost if you fall into this category;

- Members eligible for Medicare who retired from full-time employment at a board of education, vocational/technical school, or special services commission not participating in the SEHBP, provided you are participating in the health benefits plan of your employer and are enrolled in Medicare Parts A and B. You will be required to pay the full cost of the coverage; or

- Part-time State employees and part-time faculty at institutions of higher education that participate in the SEHBP if enrolled in the SEHBP at the time of retirement. You will be required to pay the full cost of the coverage.

*Note:* Enrollment for coverage as a retiree in the SEHBP is *not* automatic. **You must submit a health benefits Retired Coverage Enrollment Application to enroll.**

If you are 65 or older, contact your local Social Security Administration office for full Medicare enrollment. You must be covered by both Part A and Part B of Medicare to be eligible to enroll in the SEHBP at retirement.

If you **do not** qualify for retired SEHBP coverage under the criteria listed above, see your employer to explore other options that may be available for continuing your health coverage.
Approximately 1 Month before Retirement

Board Approval — Your retirement will be presented to the TPAF Board of Trustees for approval.

• Once approved, you will receive a Board Approval Letter. You have 30 days from the Board approval date or your effective retirement date (whichever is later) to request any change to your retirement date, option selection, or option beneficiary. If you wish to make a change after Board approval, your new selection must again be approved by the Board of Trustees. This may delay your first retirement check.

• You may choose to cancel your retirement within 30 days of your retirement date or Board approval date (whichever is later). This request must be in writing to the Division of Pensions and Benefits. Canceling your retirement does not guarantee continued employment with your employer.

Note: Members who are approved for Disability Retirement cannot cancel their retirement or change their date of retirement.

Approximately 2 to 4 weeks before Retirement

You will receive a Quotation of Retirement Benefits letter which shows your monthly retirement allowance with:

• The option you selected;

• A quote of any outstanding loan balance with repayment options; and

• Any other unsatisfied balance on your account (see below).

Unsatisfied Balances

Loans — If you retire with an outstanding loan balance, you may:

• Pay the loan in full prior to receiving any retirement benefits; or

• Continue your monthly loan repayment schedule, plus interest, into retirement.

Purchase Arrears — When you apply for a purchase of service credit, the Division of Pensions and Benefits assumes that the obligation will be paid before your retirement. Therefore, your account is credited with the full amount of service you have agreed to purchase. If this obligation has not been fully paid when you retire, your Quotation of Retirement Benefits will state the balance of your arrears (purchase) as of your retirement date. At that time, you must pay the balance of your arrears.

If you do not pay off the balance, the service credit which has not been paid for will be subtracted from your total years and months of service. This will reduce the amount of your retirement allowance and may even affect your eligibility to retire.

For Deferred Retirees who have an outstanding arrears obligation for the purchase of additional service credit, interest may be assessed if there was a lapse in payments of two years or more.
Shortages — A shortage in your pension account occurs when your employer does not deduct the proper pension contribution from your salary. You will be notified by the Division of Pensions and Benefits of the amount of any shortage. You are responsible for payment of any shortages at retirement.

No retirement will be paid until purchase arrears and shortage obligations have been satisfied.

**AFTER YOUR RETIREMENT DATE**

Statement of Retirement Allowance — You will receive a letter confirming your retirement and death benefits. The letter will also supply figures needed in filing your income tax return. Keep this with your important papers.

Due and Payable — Your retirement becomes “due and payable” after there has been a break in employment without pay of at least 30 days following your retirement date, or 30 days following approval of your retirement by the TPAF Board of Trustees, whichever is later.

Once your retirement becomes “due and payable” you cannot change your retirement date, option selection, or option beneficiary.

If you return to a TPAF eligible position before the 30 days have elapsed, on either a paid or voluntary basis, your retirement may be considered invalid and you could be required to reimburse the retirement system and reenroll in the TPAF (see ‘Employment after Retirement” on page 47 for additional requirements of a valid retirement).

**Note:** Employees who work a 10-month school year contract and retire on July 1 or August 1, must count the 30-day break in employment from the start of the following normal school year in September. The same is true if you return to your former employer/employee relationship before meeting the requirements of a “bona fide severance of employment,” having terminated your employment relationship for at least 180 days from your date of retirement.

Retirement Checks — Your first retirement check cannot be issued earlier than 30 days following your retirement date. If processing of your retirement is delayed, your first check will be retroactive to the date of your retirement.

Regular retirement checks are dated on the first of the month to cover the allowance for the previous month. For example, if you retire on July 1st, your first retirement check would be “due and payable” on August 1st and is payment for the month of July.

**Note:** A TPAF retirement allowance will not be paid if the calculated benefit is less than $25 per month.

Change of Address — It is important that you inform the Division of Pensions and Benefits of the change. You can change your address by:

- Using the Retiree Change of Address function in the Member Benefits Online System (MBOS) for retirees. See page iii for more information about registering for MBOS.

- Calling the Automated Information System at (609) 292-7524.
• Writing to the Division of Pensions and Benefits at: PO Box 295, Trenton, NJ 08625-0295. Be sure to include both your old and your new address and your retirement number or last four digits of your Social Security number.

**Direct Deposit/Electronic Funds Transfer (EFT)** — **Direct deposit of retirement checks is mandatory** (except for foreign mailing addresses). Direct deposit will prevent your retirement checks from being lost, stolen, or delayed in the mail.

You can sign up for Direct Deposit up to two months prior to your retirement date using the Direct Deposit/Electronic Funds Transfer application available to pending retirees on the Member Benefits Online System (MBOS).

• Registered retirees can also start or change direct deposit online, at any time, using MBOS. See page iii for more information about registering for MBOS.

You may also use the Authorization of Direct Deposit form which can be printed from the Division of Pensions and Benefits Web site.

Please allow approximately 60 days for a new direct deposit, or changes to an existing direct deposit, to begin.

**Withholding Federal and NJ State Income Tax** — The Division of Pensions and Benefits will provide for the withholding of federal and New Jersey State income tax from your retirement check.

The Division is obligated to withhold federal income tax unless you file a Form W-4P instructing us not to do so. The default withholding status for federal income tax is “married” with “three dependents”, regardless of your actual marital status or number of dependents.

New Jersey income tax withholding is voluntary, and none will be withheld unless you instruct us to do so. Please keep in mind that if you live outside New Jersey your retirement benefits are not subject to New Jersey State income tax, but may be subject to state or local taxes in the jurisdiction in which you reside. There is no provision for withholding any local or out-of-state taxes.

New retirees will automatically receive a federal Form W-4P and New Jersey Form NJ W-4P for withholding income tax. After that, you may obtain these forms by calling or writing the Division of Pensions and Benefits, or printing the forms from the Division’s Web site at: [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions)

Retirees can increase or decrease existing withholding amounts by calling the **Automated Information System** at (609) 292-7524.

Online federal and New Jersey W-4P applications are also available to retirees who are registered users of the **Member Benefits Online System (MBOS)**. See page iii for more information about registering for MBOS.

**The Division of Pensions and Benefits cannot provide tax advice.**

• Questions about your federal income tax should be directed to the Internal Revenue Service at 1-800-TAX-1040.

• Questions about New Jersey income tax should be directed to the New Jersey Division of Taxation at 1-800-323-4400.
Federal Income Tax after Retirement — Every January, the Division of Pensions and Benefits issues each retiree an annual Form 1099-R reflecting the taxable retirement allowance paid during the preceding tax year. The degree to which your pension is taxed, other than Accidental Disability Retirement, depends on whether or not the payments you receive have been previously taxed. Employee contributions made prior to 1987 were made with after-tax dollars. That is, they were federally taxed prior to being made. Contributions for the purchase of service credit are also made with after-tax dollars unless funded by a rollover from another tax-deferred plan.

If you began contributing to the pension plan in 1987 or after, and you have not made a purchase of service credit, your entire pension is subject to federal income tax because your contributions have never been taxed.

If you contributed to the pension plan before 1987, or if you have made a purchase of service credit since 1987, your pension is immediately taxable based on the “expected return rule.” Part of your retirement allowance comes from your own pension contributions that were already taxed, and the Internal Revenue Service (IRS) allows you to recover these contributions tax-free. This recovery is spread out over your expected lifetime or the combined lifetime of you and your beneficiary, according to IRS life expectancy tables. This means that a small “tax-exclusion amount” of each monthly retirement check is tax-free. The remainder of the monthly benefit is subject to federal income tax.

If you retired on an Accidental Disability Retirement — or if you are a surviving spouse receiving Accidental Disability or Accidental Death benefits — the Division of Pensions and Benefits currently reports your benefit as exempt from federal income tax.

Ordinary Disability Retirement benefits are subject to federal tax to the same extent as other pensions. Any federal tax questions should be referred to the IRS at 1-800-TAX-1040.

NJ State Income Tax after Retirement — If you live in New Jersey, you will be subject to New Jersey State income tax when you have recovered in pension checks the amount of pension contributions you made to the retirement system while working. However, if you will not recover your total contributions within three years of retirement, contact the New Jersey Division of Taxation at 1-800-323-4400, or see the NJ Gross Income Tax Return Form 1040 instructions to determine how your pension is taxed.

If you are receiving an Ordinary Disability or Accidental Disability retirement allowance, your pension is exempt from New Jersey income tax if you are under age 65. When you reach age 65, your disability pension is treated as a regular pension and is considered taxable for New Jersey income tax.

Cost-of-Living Adjustment — N.J.S.A. 43:3B-2, the Pension and Health Benefit Reform Law, suspended Cost-of-Living Adjustments (COLA) for retirees of all retirement systems. Please note, however that there is no reduction to any COLA increases that were already added to retiree benefits prior to June 28, 2011, the effective date of the law.

Prior to the suspension of COLA, the Pension Adjustment Program provided an annual Cost-of-Living Adjustment to eligible retirees and their survivors who received a monthly retirement allowance from the TPAF. The COLA was based on the initial retirement
allowance; however, if the retiree chose Option 1, the COLA was calculated using the Maximum Option amount. Prior Cost-of-Living Adjustments are shown under the Current Earnings section of the retirement benefit Statement of Allowances and Deductions (check or EFT stub).

For additional information about COLA – including the calculation examples – see Fact Sheet #18, Cost-of-Living Adjustments.

Retirees can also verify current allowance and deduction information at any time using the Member Benefits Online System (MBOS) or by calling the Automated Information System at (609) 292-7524.

See page iii for more information about using or registering for MBOS, or using the Automated Information System.

**Social Security** — Your pension is not reduced by any Social Security benefits you may receive. There is an earnings test for people receiving Social Security benefits who are under Social Security’s full-benefit retirement age. Check with the Social Security Administration at 1-800-772-1213 for information on earnings limits before accepting employment after retirement.

### REDUCTION OR SUSPENSION OF YOUR BENEFITS

Normally, you will receive retirement benefits as long as you live. Your benefits, however, could be reduced or suspended if:

- You return to a position covered by the TPAF and are required to reenroll (see Fact Sheet #86, Post-Retirement Employment Restrictions).
- You return to employment within 180 days of retirement to your former employer, even in a volunteer capacity.
- You have an outstanding purchase arrears balance or a shortage in your account at the time of your retirement.
- You receive salary from your employer for service rendered after your date of retirement.
- You waive your right to a portion of any pension to which you are entitled.
- As an Accidental Disability retiree, you receive periodic Workers’ Compensation benefits after your retirement date.
- As a disability retiree, you fail to appear for a periodic medical re-examination when requested to do so.
- As a disability retiree, you fail to file your annual statement of earnings if requested.
- As a disability retiree, your employment income exceeds the amount allowable by law. The Division of Pensions and Benefits monitors the earnings history of retired members. If any discrepancies are found, excess retirement benefits must be repaid to the TPAF.
You fail to file a Certificate of Eligibility when you are asked to do so. This certificate is necessary, for example, if you or one of your beneficiaries has a change in marital status.

You are incarcerated (although the Board of Trustees may permit the continuance of your benefits to your dependents).

An accounting error is made and the TPAF must be repaid.

Your pension is normally exempt from any liens against it. Exceptions are: tax liens imposed by the federal Internal Revenue Service and court orders for child support, alimony, or equitable distribution.

A court order is effective only when you withdraw your funds or when you begin to receive monthly retirement payments. It is the responsibility of the member to be certain that the Division is provided with copies of all court orders, and to comply with them.

Divorce or Dissolution of a Civil Union/Domestic Partnership

The retirement system will implement matrimonial/civil union dissolution court orders granting alimony, child support, or equitable distribution.

Matrimonial/civil union dissolution orders regarding your withdrawal from the retirement system will take effect if you voluntarily apply to withdraw your TPAF account (see page 57).

Matrimonial/civil union dissolution orders regarding your retirement will not take effect until you retire and begin receiving a monthly retirement allowance. The court order can designate a specific dollar amount or percentage, or a percentage based on the number of years of pensionable service you accrued during the marriage/civil union, to be withheld from your retirement allowance. The amount withheld is sent directly from the Division of Pensions to your former spouse/partner unless the order specifies another payee (i.e. a probation department).

Any court ordered withholding paid to your former spouse/partner from your retirement allowance will terminate upon your death or the death of the former spouse/partner.

If the former spouse/partner is designated as the beneficiary under a TPAF pension option — either voluntarily by the member or by court order — the surviving former spouse/partner is entitled to the survivor’s benefit for as long as he or she lives.

If another person is designated as the beneficiary of the pension option, the divorced spouse/partner cannot receive any equitable distributions from the survivor’s benefit.

Group Life Insurance — In cases of divorce or dissolution, N.J.S.A. 3B:3-14 states that even if your Designation of Beneficiary form indicates a former spouse/partner and/or relatives of the former spouse/partner as beneficiaries for life insurance (and/or return of pension contributions if an active employee) they cannot receive the benefit. Therefore, the pension and/or life insurance proceeds become payable to your remaining primary beneficiaries, if any, contingent beneficiaries, if any, or your estate. However, the following exceptions will be honored and considered valid:
• Court orders are filed that specifically designate your former spouse/partner to receive an active pension and/or life insurance benefit; or

• You file a Designation of Beneficiary after the final date of judgment that names your former spouse/partner and/or relatives of your former spouse/partner as the (active pension and/or) life insurance beneficiary.

**Misconduct**

The receipt of retirement benefits is expressly conditioned upon the rendering of honorable service by a public officer or employee. Your benefits may be reduced or forfeited if you are convicted of a crime in any way related to your employment, or if you are suspended or dismissed from your employment.

In accordance with N.J.S.A. 43:1-3.1, the court may order the forfeiture of all or part of the retirement allowance in certain cases.

Also, in accordance with N.J.S.A. 43:1-3, the Board of Trustees is required to order the forfeiture of all or part of the retirement allowance of a member for misconduct during public service, which renders the service, in whole or in part, dishonorable. The Board evaluates the member's disciplinary and/or criminal charges using the following 11 factors to determine whether the member's public service is considered honorable.

1. The employee's length of service;

2. The basis for retirement, i.e., age, service, disability, etc. (includes the effective date of retirement);

3. The extent to which the employee's pension has vested;

4. The duties of the particular employment;

5. The employee's public employment and service (includes the date of last pension contribution);

6. The employee's other public employment and service;

7. The nature of the misconduct or crime, including the gravity or substantiality of the offense, whether it was a single or multiple offense and whether it was continuing or isolated;

8. The relationship between the misconduct and the employee's public duties;

9. The quality or moral turpitude or the degree of guilt and culpability, including the employee's motives and reasons, personal gain and the like;

10. The availability and adequacy of other penal sanctions; and

11. Other personal circumstances relating to the employee bearing upon the justness of the forfeiture.
The Division of Criminal Justice in the Department of Law and Public Safety and the County and Municipal Prosecutor’s Offices are required to inform the Division of Pensions and Benefits whenever a public official or employee is prosecuted or convicted. State and Local public employers are also required to notify the Division of Pensions and Benefits whenever a public employer takes formal disciplinary action to remove a member from public office or employment for cause on charges of misconduct or delinquency. In these cases, the Board of Trustees will consider all relevant documentation to render a determination on any appropriate action.

The Board will suspend processing of a member’s application for retirement pending the receipt of the final disposition of charges against the member. All claims for retirement, death benefits, or the return of the member’s contributions cannot be processed until the criminal or administrative matter has been resolved to the satisfaction of the Board of Trustees. The Division will postpone action on all claims where there is pending litigation against the member’s employment. In this case, the Division will hold all applications or requests in abeyance until such time as the matter is fully resolved. Once all the required information is provided to the Division, the Board of Trustees will consider each case on its own merits.

New Jersey law stipulates that a retired member is not eligible to collect retirement benefits if the retiree is confined in a penal institution as a result of a conviction of a crime involving moral turpitude. The law provides that an eligible dependent may continue to collect a retirement benefit if they can prove to the satisfaction of the Board of Trustees that they rely on the retiree’s benefits for their maintenance.

The member should contact the Division’s Board of Trustee Administration Office, in writing, if any of the conditions listed above should occur in order to obtain more specific instruction on how to proceed.

For additional information, see Fact Sheet #76, Honorable Service, which is available on the Division of Pensions and Benefits Web site at: www.nj.gov/treasury/pensions

EMPLOYMENT AFTER RETIREMENT

For most TPAF retirees, working for private industry, the federal government, or a government agency in another state will not affect your retirement benefits. (Disability retirees are subject to an annual earnings test, see Fact Sheet #15, Disability Retirement Benefits.)

For TPAF retirees who resume public employment in New Jersey after retirement, there are several areas of concern. To learn about the rules and regulations regarding post-retirement employment, please see Fact Sheet #86, Post-Retirement Employment Restrictions, at: www.nj.gov/treasury/pensions/fact-sheets.shtml
ACTIVE AND RETIRED DEATH BENEFITS

Noncontributory and Contributory Group Life Insurance

As an active employee you may be covered by two types of group life insurance:

- **Noncontributory Group Life Insurance** is provided by your employer through the retirement system. There is no cost to you for this coverage.

- **Contributory Group Life Insurance** is life insurance for which you pay. The cost of the insurance is 0.4% (.004) of your base salary.

  **Note:** The employer pays the contributory group life insurance premium for covered TPAF members who are age 70 and older.

The law requires that you must be covered by contributory insurance for the first 12 months of your membership. After the 12 months have elapsed, you may voluntarily withdraw from contributory insurance coverage if you wish. A properly completed *Notice of Withdrawal from Contributory Group Life Insurance* must be filed with the retirement system before contributory coverage can be canceled. The cancellation cannot be retroactive. **Once you have canceled this coverage, you cannot be reinstated during your current membership and your premium deductions will not be refunded.**

Withdrawal from contributory insurance coverage applies only to the membership under which the cancellation is exercised. A member who cancels contributory insurance coverage and then withdraws from membership in the TPAF shall, upon subsequent reenrollment in the TPAF, be subject to new contributory life insurance coverage.

Employees who are age 60 or older at the time of enrollment are **ineligible** for either noncontributory or contributory coverage until they take and pass a medical examination. This is validated through Prudential Financial.

Both Noncontributory and Contributory Group Life Insurance are covered by policies issued by the insurance carrier (Prudential Financial).

The amount of death benefits paid to your beneficiaries at your death depends on three factors:

- Your membership status at the time of death;

- Your salary; and

- Your age (if you are a disability retiree).

**Coverage for Active Members**

When an active member dies, not as a result of an accident during regular or assigned duties (see “Accidental Death Benefit” on page 55), the named beneficiaries are entitled to the payment of group life insurance benefits and the return of the member's accumulated pension contributions with interest.
Active Group Life Insurance Amounts

<table>
<thead>
<tr>
<th>Age at Death</th>
<th>Member with Noncontributory Insurance Only</th>
<th>Member with Both Noncontributory and Contributory Insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any age</td>
<td>1½ times salary</td>
<td>3½ times salary</td>
</tr>
</tbody>
</table>

**Note:** The definition of salary in this chart is the total base salary upon which your pension contributions were based during the year preceding your death during active service. If death occurs within the first year of enrollment, the amount of the noncontributory insurance is based on the base salary earned until the date of death. The amount of contributory insurance, however, is based on the full annual base salary.

Coverage for Retired Members

Life insurance for retired members of the TPAF who enrolled on or after July 1, 1971, is payable only if the member retired with 10 or more years of pension service credit or retired on a disability retirement.

When a retired member dies, the named beneficiaries are entitled to the payment of any group life insurance benefits. Pension option beneficiaries are selected separately by the member at the time of retirement (see “Optional Settlements at Retirement” on page 32).

Retired Group Life Insurance Amounts

<table>
<thead>
<tr>
<th>Type of Retirement</th>
<th>Member with Noncontributory Insurance Only</th>
<th>Member with Both Noncontributory and Contributory</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Death Before Age 60</td>
<td>Death After Age 60</td>
</tr>
<tr>
<td>Disability</td>
<td>1½</td>
<td>3/16</td>
</tr>
<tr>
<td>Early &amp; Veteran</td>
<td>3/16</td>
<td>3/16</td>
</tr>
<tr>
<td>Deferred</td>
<td>None</td>
<td>3/16</td>
</tr>
<tr>
<td>Service</td>
<td>N/A</td>
<td>3/16</td>
</tr>
</tbody>
</table>

**Note:** The fractions shown above are multiplied by the total base salary upon which pension contributions were based during the year preceding retirement or the highest contractual year.

Choosing a Beneficiary

When a member is enrolled in the TPAF, the new member’s estate is the beneficiary on record until the Division of Pensions and Benefits receives a new and properly completed Designation of Beneficiary.

Active members must complete the Designation of Beneficiary online using the Member Benefits Online System (MBOS). See page iii for more information about registering for MBOS.
When you submit the *Designation of Beneficiary*, you name beneficiaries for both your group life insurance benefits and the return of your pension contributions. You may name any person, organization, your estate, or trust as beneficiary. You may change your designation at any time during your active membership by submitting a new and properly completed *Designation of Beneficiary*.

**At retirement**, you are asked on your retirement application to name a beneficiary(ies) for pension benefits and separately name beneficiaries for group life insurance benefits. Some restrictions apply to who may be named for pension benefits (see “Optional Settlements at Retirement” on page 32), however, you may name any person, organization, your estate, or trust as beneficiary for group life insurance benefits.

- The designation of a beneficiary on a retirement application that is filed with and accepted by the Division of Pensions and Benefits supersedes any older designation of beneficiary on file. The designation is effective upon acceptance by the Division, even if the retirement date on the application is in the future or the member later cancels the retirement application.

Retirees may also change group life insurance designations at any time during retirement by filing a new and properly completed *Designation of Beneficiary*.

- Retirees should complete the Designation of Beneficiary online using the Member Benefits Online System (MBOS). See page iii for more information about registering for MBOS.

- As of the date of this publication, retirees may also mail a *Retiree Designation of Beneficiary* form to the Division of Pensions and Benefits. The form is available under “Forms and Publications” on the Division’s Web site at: [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions)

If you have additional questions regarding designations, please see Fact Sheet #68, *Designating a Beneficiary*.

For your protection, beneficiary designations cannot be accepted or confirmed over the telephone or by e-mail. Members can verify beneficiary designation on MBOS. Otherwise, the Division will only accept a written request from the member to verify the beneficiary designation on file.

**Payment of Group Life Insurance**

Group life insurance benefits for active members can be paid in one of several ways (group life insurance for retirees must be paid in a lump sum). The options are:

- **Lump Sum** — A single payment to your beneficiary.

- **Annuity Certain** — Equal installments over a selected period of years.

- **Life Annuity** — Paid monthly to your beneficiary for life.
Death benefits cannot be paid until all the necessary information, including proper proof of death and claim forms, have been received from your beneficiary by the Division of Pensions and Benefits.

To report a death, contact the Office of Client Services at (609) 292-7524. A certified death certificate, obituary, or the employer’s P-29 form is required to open the claim.

**Taxation of Group Life Insurance Payments**

Information regarding death claim payments is supplied to the New Jersey Division of Taxation, in accordance with their requirements. A beneficiary or beneficiaries may be considered by the Division of Taxation to be personally liable for any and all inheritance and/or estate taxes until paid.

**Group Life Insurance and Leave of Absence**

Your group life insurance coverage will continue in full force for an official leave of absence without pay under the following conditions:

- Up to two years while on an official leave of absence for personal illness. In this case, contributions are not necessary to continue coverage under the contributory plan.

- Up to one year while on an official leave to fulfill a residency requirement for an advanced degree or as a full-time student at an institution of higher education. In this case, contributions are necessary to continue coverage under the contributory plan.

- Up to 93 days while on official leave for personal reasons (also family leave). In this case, contributions are necessary to continue coverage under the contributory plan (see note).

An official leave of absence requires documentation that establishes the nature of the leave and the continuing relationship between the employer and the member.

**Note:** You may continue contributory life insurance coverage during these periods by forwarding to the Division of Pensions and Benefits a completed Personal Insurance Contribution Remittance card and a check made payable to “TPAF CGIPF”. The amount due to cover the premium is 0.004 of your monthly base salary in effect at the time you went on leave. To keep your contributory life insurance in effect, this premium must be paid within 31 days of the start of the official leave of absence. It is the member’s responsibility to make contributory life insurance premium payments directly to the Division. The Personal Insurance Contribution Remittance card is available from your employer or on the Division’s Web site at: [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions)

**Taxation of Group Life Insurance Premiums**

The Internal Revenue Service classifies all employer-provided life insurance coverage over $50,000 as a fringe benefit subject to taxation. The amount of life insurance coverage is not taxable but rather the premium required to pay for the life insurance coverage is taxable.

To determine the taxable amount, if any, add the amount of your noncontributory coverage to your contributory coverage then subtract $50,000 from that total. The premium rates are then applied to the remaining life insurance amount. The premium costs for the life insurance
are determined by the IRS based on your age (see chart below) and your salary. The premiums you pay for your contributory coverage (.004 x salary) are subtracted from the premium costs determined by the IRS. The remaining premium cost (if any) is the taxable amount and is added to your income on the Form W-2 for that year.

**EXAMPLE:** A TPAF member is age 52 and has both Contributory and Noncontributory Group Life Insurance coverage.

The member’s annual base salary is $60,000. The member’s life insurance coverage totals $210,000 (3.5 x $60,000).

The fringe benefit amount is determined by subtracting $50,000 from the total benefit amount, $210,000. That equals $160,000 ($210,000 - $50,000).

According to the IRS, the premium cost for an individual 52 years of age is $2.76 per $1,000 of coverage. The premium cost in this example is $441.60 (160 x $2.76).

Under the TPAF, members pay premiums equal to 0.4% of base salary for contributory coverage. In this example the member pays $240.00 per year for life insurance coverage (.004 x $60,000).

The net taxable value of the premiums is $201.60 ($441.60 - $240.00) and would be added to this member’s Form W-2. This does not mean that the member would pay an additional $201.60 in taxes but that $201.60 would be added to the member’s taxable wages for the year.

<table>
<thead>
<tr>
<th>AGE</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under age 25</td>
<td>$ 0.60</td>
</tr>
<tr>
<td>25-29</td>
<td>0.72</td>
</tr>
<tr>
<td>30-34</td>
<td>0.96</td>
</tr>
<tr>
<td>35-39</td>
<td>1.08</td>
</tr>
<tr>
<td>40-44</td>
<td>1.20</td>
</tr>
<tr>
<td>45-49</td>
<td>1.80</td>
</tr>
<tr>
<td>50-54</td>
<td>2.76</td>
</tr>
<tr>
<td>55-59</td>
<td>5.16</td>
</tr>
<tr>
<td>60-64</td>
<td>7.92</td>
</tr>
<tr>
<td>65-69</td>
<td>15.24</td>
</tr>
<tr>
<td>70 and older</td>
<td>24.72</td>
</tr>
</tbody>
</table>

* These rates are subject to change by the IRS.
Waiving Noncontributory Group Life Insurance over $50,000

TPAF members are permitted to waive their Noncontributory Group Life Insurance over $50,000 to avoid a possible federal and State tax liability on that benefit.

Waivers of partial amounts are not permitted. Any member who waives noncontributory insurance, must waive the total amount of noncontributory coverage in excess of $50,000.

Even if a member waives the noncontributory insurance over $50,000, there still may be a federal tax liability for some TPAF members who have contributory insurance coverage.

In the example shown above, the member’s noncontributory coverage equals $90,000 (1.5 x $60,000). In this example the member could waive $40,000 of noncontributory coverage because members are only permitted to waive noncontributory coverage over $50,000. The net taxable value would be reduced to $91.20 by subtracting the premium for $40,000 ($110.40) from the taxable premium shown above ($201.60 - $110.40).

You may waive your Noncontributory Group Life Insurance coverage in excess of $50,000 by completing a Waiver of Group Life Insurance in Excess of $50,000 form and submitting it to the Division of Pensions and Benefits. The form is available from the Division of Pensions and Benefits or your employer. The waiver form must be received by the Division before December 31 in order to be effective January 1 of the following calendar year. Once a waiver form has become effective it shall be irrevocable for the entire calendar year. The waiver will remain in effect until you submit a reinstatement form to the Division. The reinstatement will become effective the following January 1.

If a waiver is in effect at the time of termination of employment or retirement, you will not be permitted to convert any amount of your Noncontributory Group Life Insurance coverage over $50,000.

Before completing the waiver, you should completely understand the ramifications of waiving your noncontributory insurance. For more information, refer to Internal Revenue Service Publication 525, Taxable and Nontaxable Income.

CONVERSION OF GROUP LIFE INSURANCE

If you are covered by group life insurance while employed, the coverage ends 31 days after you cease employment (whether for reasons of retirement, termination of employment, or leave of absence without pay).

You are eligible to convert your group life insurance coverage to an individual policy with Prudential Financial, without medical examination and at your own expense, when you retire, terminate employment, or lose coverage while on a leave of absence without pay.

Conversion to a Prudential policy is guaranteed (you cannot be denied coverage for health or other reasons), but it may be more expensive or less suitable to your needs than other policies for which you may qualify from Prudential or other insurance carriers. You should consider contacting other insurance carriers and compare the available policies and costs before you decide to purchase the conversion policy. (Other carriers may accept or reject your application based on their evaluation of the status of your health and other factors.)
If you wish to purchase a conversion policy, you have a one-time option to do so prior to the 31st day after you cease employment. After that date, you will not be eligible to purchase a conversion policy.

You may convert your life insurance to any individual, non-group policy customarily offered by Prudential. You cannot convert to term insurance or a policy containing disability benefits. Under a guaranteed conversion, the premiums you would pay would be at Prudential’s “standard” rates for the type of policy to which you would be converting rather than the “preferred” rates that would be used for applicants in good health. The individual policy will be effective at the end of the 31-day conversion grace period. If you do not convert to an individual policy by the end of the 31-day period, your coverage will end.

To initiate the purchase of a conversion policy, you must contact Prudential Financial through any of its local offices, or by calling 1-855-364-7783 (do not contact the Division of Pensions and Benefits about conversion).

You will need to provide your group insurance policy numbers, as follows:

- **G-14800** — This is the policy number for the basic Noncontributory Group Life Insurance for the TPAF.

- **G-14300** — This is the policy number for the Contributory Group Life Insurance for the TPAF.

The conversion policy can be for any amount of insurance up to the amount you had while employed. In the case of a retirement, the maximum amount you can purchase will be reduced by the amount of any life insurance you will automatically receive in retirement under your retirement plan.

To protect your conversion privilege it is suggested that you send your application for conversion to Prudential with at least one month’s premium, at the time you file your retirement application with the Division of Pensions and Benefits (however, you cannot file to convert your life insurance any earlier than six months prior to your retirement date).

The following sections provide more detailed information about conversion policies for the specific situations of retirement, termination of employment, leave of absence, and return to public employment.

### Conversion: At Retirement

**Service, Early, or Veteran Retirement** — If you retire with **10 or more years** of service credit in the retirement system, the amount of your group life insurance will be substantially reduced when you retire. You will automatically be covered by this insurance and do not need to do anything to qualify. The amount of your coverage and the amount available for conversion will be listed in the *Quotation of Retirement Benefits* that you will receive prior to your retirement.

If you retire on a service retirement with **less than 10 years** of service credit in the retirement system, you will not be entitled to any group life insurance in retirement.
The reduction (or elimination) of your life insurance coverage will be effective 31 days after your termination of employment or date of retirement, whichever is earlier. If you wish to supplement this coverage with either a conversion policy from Prudential or another type of policy from either Prudential or another insurance carrier, it would be best to begin exploring your options at least four months prior to your retirement.

**EXAMPLE:** If you had group life insurance of $168,000 through the retirement system while employed, and that life insurance coverage drops to $73,500 at retirement, you can purchase up to $94,500 in life insurance coverage under an individual non-group policy by contacting a Prudential agent within 31 days following your termination of employment.

**Deferred Retirement** — If you retire on a Deferred Retirement, your life insurance coverage will end 31 days after termination of employment. Any life insurance coverage to which you are entitled upon retirement will not take effect until you reach age 60 if you are a Tier 1 or Tier 2 member, or age 62 if you are a Tier 3 or Tier 4 member, or age 65 if you are a Tier 5 member, and begin to receive retirement benefits.

You have the one-time option to purchase a conversion policy prior to the 31st day after termination of employment (not at the time that you reach normal retirement age). The maximum amount of coverage that you may purchase will be the difference between the amount of coverage you had while employed and the amount of coverage that you will automatically receive when you begin to receive retirement benefits.

**Disability Retirement** — If you are approved for a disability retirement and had life insurance coverage in effect while an active employee, you will automatically be covered by Noncontributory Group Life Insurance until you reach age 60. The amount of this coverage will be 1¼ times your highest contractual year's salary if you are covered by contributory life insurance or 1½ times that salary if you are covered by the noncontributory life insurance only. At age 60, your life insurance coverage reduces to 7/16 of your highest contractual year’s salary if you are covered by contributory insurance or 3/16 of that salary if you are covered by the noncontributory insurance only.

You will have the option to purchase a conversion policy up until the day you reach age 60. The maximum amount of coverage that you may purchase will be the difference between the amount of noncontributory coverage you had while employed and the amount of coverage that you will automatically receive when you reach the age of 60.

If you also had contributory insurance while employed, you may convert the amount of your contributory insurance until 31 days after termination of employment. Whether or not you exercise this option, you will still have the option to convert the noncontributory portion of your life insurance up until the day that you reach age 60.

**Note:** For information on continuing life insurance coverage while your disability retirement benefits are being processed, see “Group Life Insurance and Leave of Absence” on page 50.
Conversion: Termination of Employment or Leave of Absence

If you terminate employment without applying for retirement or your insured period during a leave of absence expires, you will continue to be covered for the next 31 days. Up until the end of that 31-day period, you may convert your group life insurance, without medical examination, to any individual policy customarily offered by Prudential except term insurance or a policy containing disability benefits.

**EXAMPLE:** If you had group life insurance of $96,000 through the retirement system while employed, that coverage is eliminated at termination of employment. You can purchase up to $96,000 in life insurance coverage under an individual non-group policy by contacting a Prudential agent before 31 days following your termination of employment.

Conversion: Return to Public Employment

If you return to public employment after the purchase of a conversion policy, you must discontinue your individual conversion policy. If you do not drop the individual policy, you are not entitled to our group policy as an active member.

Group Life Insurance Coverage while Receiving Workers’ Compensation without Pay

If you are disabled due to an illness or injury that is a direct result of your regular job duties, you may be out of work on an official leave of absence for illness. If so, your Contributory and Noncontributory Group Life Insurance will automatically continue for the duration of the leave of absence, up to two years, and will be paid for by your employer.

During the interval between the time you are without pay and the actual receipt of the Workers’ Compensation award, you must be on an official leave of absence granted by your employer.

**ACCIDENTAL DEATH BENEFIT**

If you die as a result of an accident during the performance of your regular or assigned duties, and your death is not a result of willful negligence, your eligible beneficiaries may be entitled to an Accidental Death Benefit in addition to any group life insurance benefit (see Active and Retired Death Benefits page 47).

- **N.J.S.A. 18A:66-46** provides an Accidental Death Benefit to eligible beneficiaries of an active TPAF member who dies as a result of service in either the reserve component of the Armed Forces of the United States or the National Guard while on federal active duty on or after June 1, 2008. The benefit is the same as if the member died as a result of an accident sustained in the performance of TPAF duties.

If an Accidental Death Benefit is approved by the Board of Trustees, your widow, widower, civil union partner, or eligible domestic partner (see definitions on page 56) is paid an annual pension of 50% of your Final Salary. This benefit is a lifetime benefit to your widow, widower, or partner unless he or she remARRIES or enters into a new civil union or domestic partnership.
‘Final Salary’ is the total base salary on which your pension contributions were based during the last year (10 or 12 months) before your death or the accident which led to your death.

If there is no eligible widow, widower, or partner or if the widow, widower, or partner remarries or enters a new civil union or domestic partnership, a pension is paid to your eligible children in these amounts:

- 50% of Final Salary to three or more eligible children, shared equally;
- 35% of Final Salary to two eligible children, shared equally; or
- 20% of Final Salary to one eligible child.

If there is no eligible widow, widower, partner, or children, a pension will be paid to your eligible dependent parent(s) in these amounts:

- 25% of Final Salary to one eligible parent; or
- 40% of Final Salary to two eligible parents.

Your eligible beneficiaries for an Accidental Death Benefit are:

- **Widow or Widower** — A person to whom you were married before the date of death and to whom you continued to be married until the date of your death, and who was receiving at least one-half support from you in the 12 months immediately preceding your death or the accident which led to your death. A photocopy of the Marriage Certificate is required for verification.

- **Civil Union Partner** — A person of the same sex as defined by N.J.S.A. 37:1-29, with whom you were partnered in a civil union until the date of your death and who was receiving at least one-half support from you in the 12 months immediately preceding your death or the accident which led to your death. A photocopy of the New Jersey Civil Union Certificate or a valid certification from another jurisdiction that recognizes same-sex civil unions is required for verification (see Fact Sheet #75, Civil Unions, for details).

- **Domestic Partner** — A person of the same sex as defined by N.J.S.A. 26:8A-3, with whom you were partnered in a domestic partnership until the date of your death and who was receiving at least one-half support from you in the 12 months immediately preceding your death or the accident which led to your death. For an employee of a local public entity, the local entity’s governing body must have adopted a resolution to provide domestic partner pension benefits. A photocopy of the New Jersey Certificate of Domestic Partnership dated prior to February 19, 2007, or a valid certification from another jurisdiction that recognizes same-sex domestic partners is required for verification (see Fact Sheet #71, Benefits Under the Domestic Partnership Act, for details).

- **Child(ren)**, defined as your unmarried child(ren):
  - Under the age of 18; or
  - Of any age who at the time of your death is disabled because of mental or physical incapacity and is incapable of substantial gainful employment because of the impairment. This incapacity must last or be expected to last for a continuous period of not less than 12 months as affirmed by the Medical Board.
• **Parent** defined as your parent(s) who was(were) receiving at least one-half support from you in the 12 months immediately preceding your death or the accident which led to your death. If your parent remarries after your death, benefits cease.

## WITHDRAWAL FROM THE RETIREMENT SYSTEM

### When Membership Ends

Your active membership in the TPAF ends 30 days after your retirement date or 30 days after the approval of your retirement by the TPAF Board of Trustees, whichever is later; or if:

- You die;
- You end your employment and withdraw your contributions from the TPAF; or
- You have not been contributing to the retirement system for two consecutive years.

— If you have *less than* 10 years of TPAF service credit, two consecutive years is the limit for inactive membership before a TPAF account expires (on page 58).

— If you have *10 years or more* of TPAF service credit, your TPAF account is vested. This means that you are guaranteed the right to receive a retirement benefit based on that service and salary provided you file an application for retirement through MBOS (see “Vesting” on page 9). However, two consecutive years remains the limit for inactive membership. If you return to TPAF covered employment after two or more years without a payroll contribution, you will be re-enrolled in a new TPAF account under the membership tier in effect at the time that you return.

### Terminating Employment

If you terminate employment before you are eligible to retire, your options regarding your TPAF account vary depending on your vesting status at the time of your termination (see “Vesting” on page 9).

If you are vested when you terminate employment, you can apply for a Deferred Retirement, with payments to begin at age 60 if you are a **Tier 1** or **Tier 2** member, age 62 if you are a **Tier 3** or **Tier 4** member, or age 65 if you are a **Tier 5** member (see “Deferred Retirement” on page 27). You must file an application for retirement through MBOS before the requested date of retirement. The distribution must commence no later than April 1 of the calendar year following your 70½ birthday.

If you are *not* vested before you terminate employment, you will *not* be eligible to receive a monthly retirement benefit before your account expires — unless you are age 58 or older if a **Tier 1** or **Tier 2** member, age 60 or older if a **Tier 3** or **Tier 4** member, age 63 or older if a **Tier 5** member, or eligible for an Accidental Disability Retirement benefit.

If you terminate employment before vesting, you can choose to:

- Make an immediate withdrawal of your contributions; or
• Leave your contributions in your account with the TPAF and retain all the service credit you have earned, in the event you return to covered employment and resume membership. As a general rule (see “Exceptions” listed later in this section), if you do not resume active membership within two consecutive years, your account will automatically expire and you will be requested to withdraw your contributions.

If your account expires or you elect to voluntarily withdraw your personal contributions, all service credit under this membership is canceled. If you later return to TPAF covered employment, you may be eligible at that time to purchase the service (see “Purchasing Service Credit” on page 10) and have it credited to your new account.

Expired Accounts

If your membership has been inactive for 18 consecutive months, you are not vested, and you have not filed for and received a withdrawal of contributions, the Division of Pensions and Benefits will send an Expiration Notice to your last known address (and a copy to your last employer in case they have a more current address). The Expiration Notice is a reminder that your money is still being held in the retirement system. When notified, you should submit an Application for Withdrawal through MBOS since contributions left in the system for over two years do not accrue interest.

If two consecutive years have passed and the Division of Pensions and Benefits has been unable to contact you — or you do not reply to the Expiration Notice by submitting an Application for Withdrawal — your account will expire.

Should you return to covered employment before the two-year period ends, you have the option of reinstatement, an Intrafund Transfer, or an Interfund Transfer if you otherwise qualify (see “Transfers” on page 7).

Should you return to covered employment after your account has expired or you have withdrawn your account, you will be treated as a new member in all respects. Service credit from a former membership may be purchased by members returning to the retirement system after you complete the withdrawal of money from a former account.

Exceptions

Your TPAF membership will not end two years after your last contribution if:

• You are granted an official leave of absence by your employer (your two-year inactive period will not begin until your leave of absence ends);

• You lose your job through no fault of your own, either laid off or your position is abolished. Your inactive membership can be extended up to 10 years for the purpose of return to employment.

For an extension to be granted in these cases, you must submit documentation from your employer showing that your leave of absence was officially extended or that your employment was not terminated voluntarily or for cause.
This extension **only** gives you the right to retain your contributions and service credit in the retirement system should you again obtain public employment. It gives you no other right to benefits. Therefore, you **cannot** qualify for a retirement benefit unless you return to TPAF employment during the period of extended inactive membership in order for your account to be reactivated. You would then be eligible to apply for a retirement allowance provided that you meet all other qualifications for retirement under your membership tier.

**EXAMPLE:** If you were age 55 with five years of service credit at the time of layoff, your account could remain inactive for reemployment purposes until you reach age 65; however, you **would not be able to qualify for retirement benefits unless you returned to active employment before filing for retirement.**

**Note:** If you return to TPAF employment after the end of an extended inactive membership (more than two years after the end of an approved leave of absence or more than ten years after losing your job through no fault of your own), your account will have expired and you will be enrolled in the TPAF membership tier in effect when you return.

**Withdrawing Contributions**

If you terminate covered employment before retirement, you may withdraw all of your contributions with two percent interest, less any outstanding loan balance or other obligations. No interest is paid if you were a member for less than three years. You may withdraw only the money you have contributed and partial withdrawals are not permitted. **Upon your withdrawal, all rights and privileges of membership end.**

Since the employer/employee relationship must be severed, no withdrawal will be paid if there are unresolved legal matters concerning your termination of employment.

Multiple members (see page 5) cannot withdraw their contributions until they have terminated employment in every position covered by the TPAF.

**All withdrawal requests must be submitted using the Application for Withdrawal program of the Member Benefits Online System (MBOS).**

See page iii for more information about registering for MBOS.

In accordance with federal law, income tax must be withheld on certain pension distributions that produce an annual taxable income of $200 or more unless the taxable amount is directly rolled over into an individual retirement arrangement (IRA) or a new employer’s retirement plan (if applicable). To qualify, this direct rollover must occur within 60 days of the withdrawal check date. If payment is made directly to you, the taxable portion is subject to 20% federal income tax withholding. In addition, if you receive payment before you reach age 59½ and you do not roll over the taxable amount, you may have to pay an extra tax equal to 10% of the taxable portion of any payment. If you have any questions concerning this federal law, call the Internal Revenue Service at 1-800-829-1040.

You may call the Division of Pensions and Benefits Automated Information System at (609) 292-7524 for general information concerning withdrawals or information pertaining to your particular withdrawal claim.
If you are a Tier 1 or Tier 2 member age 60 or older, a Tier 3 or Tier 4 member age 62 or older, or a Tier 5 member age 65 or older, and have 10 years or more of service credit when you file for withdrawal, you must waive any rights you have to a retirement or death benefit. At the time you apply for withdrawal, the Division will indicate how to obtain an estimated amount of any retirement benefit and will require a signed waiver of such benefits, should you still wish to withdraw. You must take a distribution by no later than April 1 following the calendar year in which you turn 70½.

No withdrawal application can be processed until all the necessary information has been received from you and your former employer.

**WORKERS’ COMPENSATION**

As long as you are receiving Workers’ Compensation benefits (either temporary or permanent), you retain the same status as an active member. You cannot withdraw from the TPAF while you are receiving Workers’ Compensation, have a claim pending, or are involved in litigation regarding Workers’ Compensation unless the employer/employee relationship is severed and you complete a waiver of retirement benefits.

Your employer is obligated by statute to pay your pension contribution based on the full salary you were receiving immediately before you start receiving Workers’ Compensation benefits, even if the total compensation you receive is less than 100% of your full salary.

Your employer is not obligated to make voluntary contributions such as loans or purchase arrears payments. However, as the employee, you must continue to make contributions, or the balances may be deemed as distributions.

*Note: N.J.S.A. 18A:66-53(j) provides that a TPAF member receiving Workers' Compensation is not required to make contributions for continuation of contributory group life insurance.*

The employer’s obligation to make pension contributions for members receiving Workers’ Compensation ceases when:

- The employee voluntarily files for a retirement allowance that is subsequently approved;
- The employer files an Involuntary Disability Retirement application for the employee that is subsequently approved;
- The employee voluntarily resigns from employment for reasons other than the inability to perform the job’s functions due to the incident that was the basis for the Workers’ Compensation claim; or
- The employee is terminated by the employer for reasons unrelated to a Workers’ Compensation award.

If you are approved for Ordinary Disability Retirement benefits and receive a Workers’ Compensation award, your Workers’ Compensation award may be reduced by the amount of your Ordinary Disability Retirement benefit.

If you are approved for Accidental Disability Retirement benefits and receive periodic Workers’ Compensation benefits, the pension portion of your retirement allowance will be reduced dollar-for-dollar by the amount of the periodic benefits.

For additional information, see Fact Sheet #45, *Workers’ Compensation.*
APPEALS

If you wish to appeal any administrative decision of the Division of Pensions and Benefits, address your appeal to:

Secretary to the Board of Trustees
Teachers’ Pension and Annuity Fund
Division of Pensions and Benefits
PO Box 295
Trenton, New Jersey 08625-0295

Your appeal to the Board of Trustees must include a copy of the administrative decision, a detailed explanation of your basis for disagreement with the decision, and all supporting documentation that you wish to be considered by the Board.

If your appeal concerns a denial of membership it will be automatically transmitted as a contested case to the Office of Administrative Law (OAL).

Appeals on other topics are addressed by the Board of Trustees which will issue a written determination.

If you disagree with the determination of the Board of Trustees, you may request a formal hearing before an Administrative Law Judge within the Office of Administrative Law (OAL), by sending a written statement to the Board of Trustees within 45 days from the date of the Board's decision. State in detail the reasons for your disagreement with the Board's determination and submit any and all supporting documentation if you have not already done so. If no such written statement is received within the 45-day period, the determination shall be considered final.

If your request for a formal hearing is approved by the Board of Trustees, the Board will submit the matter to the OAL. Upon completion of this hearing, the Administrative Law Judge will submit to the Board an initial decision which the Board may adopt, reject, or modify. If the Board rejects or modifies the initial decision, it shall issue a detailed findings of fact and conclusions of law which will become the Board's final administrative determination and may then be appealed to the Superior Court, Appellate Division.

When the Board of Trustees reviews your request for a hearing in the OAL, it determines whether the matter involves contested facts or is solely a question of law. If the appeal involves solely a question of law, an OAL hearing is not likely to be approved. In that case, the Board shall reject your hearing request and issue detailed findings of fact and conclusions of law. These findings and conclusions will become the Board's final administrative determination and may be appealed to the Superior Court, Appellate Division.

Benefits and provisions of the Teachers' Pension and Annuity Fund are subject to changes by the legislature, courts, and other officials. While this booklet outlines the benefit and contribution schedules of the Teachers' Pension and Annuity Fund, it is not a final statement. Complete terms governing any employee benefit program are set forth in the New Jersey Statutes Annotated. Regulations, new or amended, are published in the New Jersey Register by the State Office of Administrative Law supplementing the New Jersey Administrative Code.
TEACHERS’ PENSION AND ANNUITY FUND

HANDBOOK EVALUATION FORM

Please rate the following aspects of this handbook:

1. Explanation of the provisions of the Teachers’ Pension and Annuity Fund.

- [ ] Excellent
- [ ] Above Average
- [ ] Average
- [ ] Below Average
- [ ] Poor

2. Ease of use (readability, ease in finding needed information, etc.).

- [ ] Excellent
- [ ] Above Average
- [ ] Average
- [ ] Below Average
- [ ] Poor


- [ ] Excellent
- [ ] Above Average
- [ ] Average
- [ ] Below Average
- [ ] Poor

4. I found the following section(s) or subject(s) helpful:

________________________________________________________________________

________________________________________________________________________

5. I found the following section(s) or subject(s) confusing:

________________________________________________________________________

________________________________________________________________________

6. Questions or comments:

________________________________________________________________________

________________________________________________________________________

If you need an answer to a question, be sure to include your full name, last four digits of your Social Security number or TPAF membership number, a daytime telephone number, and return address:

Name: _________________________________________________________________

SSN or Member Number: _______________________________ Phone:_____________________

Address: _________________________________________________________________

Please mail your completed evaluation form to:

Division of Pensions and Benefits
ATTN: Office of Communications
PO Box 295
Trenton, NJ 08625-0295
pensions.nj@treas.nj.gov

Thank you for your time and consideration in completing and returning this evaluation.