

Title	White Paper on Employees Purchasing Retirement while on LOA
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Purchase of SDRS While on Approved Leave

Under SDCL 3-12-85, employees can purchase their retirement. When an employee is purchasing the EE and ER share under SDCL, BDCA 101 must be used for total amount due to be paid in Amount 1 – EE Only. This is not to be confused with a purchase of previous years. There is a different BDCA code that should be used (BDCA 140).

Therefore, if an employee's LWB is \$1000.00, the employee is responsible for EE (60.00) and ER (60.00) share totaling \$120.00 to be placed in Amount 1 on BDCA 101. ***BDCA 100 can only be used for those salaries paid by employer and should always have an equal match to the employee.

To set this up, go to PDAEDN and create new benefit by placing 101 in BDCA Code. Then create the anticipated dollar amount for that BDCA and place both EE and ER in Amount 1. Save.

To end this, go to Options, Create New Effective Date. Enter End of Pay Period for which it ends and change Active to Terminated Status.

SDCL 3-12-85: Service credit for leave of absence--Contributions to cover period of absence. A member taking a leave of absence authorized by his employer may receive credited service during such leave if employee and employer contributions are made to the system during such leave by or on behalf of the employee. Such contributions shall be at the rates in effect during such leave and shall be based on the member's rate of compensation immediately prior to such leave. Such contributions shall be transmitted to the system at least monthly. For purposes of calculation of benefits, the member shall be considered to have received compensation during the period of such leave at the rate used to calculate the contributions made during such leave. If contributions are not made during such leave, the member may receive credited service for such leave by making, or having made on his behalf, contributions as provided in § 3-12-83.

Source: SL 1967, ch 303, § 9; SDCL, § 3-12-31; SL 1968, ch 216, § 1; SL 1970, ch 25, § 9; SL 1973, ch 27; SL 1974, ch 35, § 42; SL 1980, ch 31, § 7.