



**NORTH DAKOTA**  
PUBLIC EMPLOYEES  
RETIREMENT SYSTEM

# Service Purchases

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NDPERS

# What are Service Purchases?

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## Defining Service Credit

1. A service credit represents a month of service.
2. Each additional month of service credit increases your future monthly retirement benefit.
3. You receive one month of service credit for each month that retirement contributions are received by NDPERS on your behalf.

## Defining Service Credit Purchases

The option to buy service credits (months or years) that will impact your retirement benefit formula by increasing your Years of Service (YOS) factor.

01

Meet normal  
retirement sooner

02

Increase your  
monthly retirement  
benefit (pension)

03

Increase your Retiree  
Health Insurance  
Credit (RHIC) – first  
enrolled *before 2020*

Reasons to Purchase Service Credit

# Purchasing Service Credit and My Future Retirement Benefit

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## Retirement Formula



- Whenever one of the factors in your retirement formula increases, your future retirement benefit increases.
- Purchasing service credit increases your YOS.

# Types of Service Credit

You can purchase different types of service credit.

1. Generic (*after you are vested*)
2. Unused sick leave upon leaving employment
3. Previous public employment\* such as:
  - Military (*up to 48 months*)
  - Leave of Absence/Seasonal
  - State
  - Federal
  - Legislative

*\*Must deplete the retirement plan associated with the previous public employment*

# When and how much?

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## Timing

- Purchasing earlier in your career is typically less expensive
- Purchasing closer toward the end of your career is typically more expensive

## Cost

- Run your OWN estimate on Member Self Service
- How many service credits do you want to buy?
- Is the cost worth the investment?
- Is this the best way to invest your money?

# Compare

## NO PURCHASE

Estimate based on employment ending in September 2022 with no additional service.

These are projected estimates and are subject to validation at the time you retire.

### RETIREMENT BENEFIT OPTIONS

Single Life Benefit:	\$2,540.20
50% Joint & Survivor Benefit:	\$2,417.00
100% Joint & Survivor Benefit:	\$2,304.98
Ten (10) Year Term Certain Benefit:	\$2,447.48
Twenty (20) Year Term Certain Benefit:	\$2,248.33

### RETIREE HEALTH INSURANCE BENEFIT OPTIONS (RHIC)

Standard Health Credit:	\$108.33
Alternate 50% Joint & Survivor Health Credit:	\$103.08
Alternate 100% Joint & Survivor Health Credit:	\$98.30

## SERVICE CREDIT PURCHASE OF 60 MONTHS

ADDITIONAL \$556.92 PER MONTH AT A COST OF \$66,721.92

Estimate based on employment ending in September 2022 with 60M

These are projected estimates and are subject to validation at the time you retire.

### RETIREMENT BENEFIT OPTIONS

Single Life Benefit:	\$3,126.40
50% Joint & Survivor Benefit:	\$2,974.77
100% Joint & Survivor Benefit:	\$2,836.90
Ten (10) Year Term Certain Benefit:	\$3,012.29
Twenty (20) Year Term Certain Benefit:	\$2,767.18

### RETIREE HEALTH INSURANCE BENEFIT OPTIONS (RHIC)

Standard Health Credit:	\$133.33
Alternate 50% Joint & Survivor Health Credit:	\$126.86
Alternate 100% Joint & Survivor Health Credit:	\$120.98

THESE ARE EXAMPLES – ALL PURCHASE COSTS DIFFER

	No Purchase	With Purchase
100% J&S	\$2,304.98	\$2,836.90
RHIC - reimbursement of after tax premium for health, dental, vision or long term care	\$108.33	\$133.33
	\$2,413.31	\$2,970.23
Monthly increase		\$556.92
Generic Purchase		\$66,721.92
Total		\$66,721.92
# of years for return on investment (ROI)		9.98

Is it worth the investment?

If you invested \$66,721.92, could your investment professional guarantee \$556.92 per month for the rest of your life?



# Service Purchase Steps

## **Step 1:** Request a Service Purchase Contract

- Online through Member Self Service (MSS)
- Submit a Request for Purchase Information (SFN 53718)

Be specific in your request and include:

- ✓ number of months (service credits) you would like to purchase
- ✓ Dollar amount you want to spend
- ✓ dates (MM/DD/YYYY) of previous public service\*

\*Purchases of other public service will require additional documentation outlined in the service purchase agreement you will receive from NDPERS.

**Step 2:** Submit all required forms and additional documentation as requested by NDPERS

**Step 3:** Choose a Payment Method

# Payment Methods

Purchase with after-tax payment via personal check

Purchase with a payment plan (before or after-tax payroll deductions)

Purchase with a combination of after-tax funds, rollover, and payments

## **Paying for retirement portion only**

- Purchase the retirement portion of the service with pre-taxed, qualified funds such as a 457, 403(b), 401K, IRA, etc.

## **Paying for RHIC only**

- Purchase RHIC after-tax dollars (*not applicable for those hired in or after 2020*)

# Service Purchase Contract

1. Review the information and total cost.
2. Consider your options.
  - STOP: take no action and the contract expires
  - CONTINUE: complete forms and submit payment by deadline
3. Understand the total cost and payment methods.
  - Tier 1- or 2-member (first enrolled before 2020): total cost is divided into 1) retirement and 2) Retiree Health Insurance Credit (RHIC)
  - Tier 3-member: total cost is retirement only

If either forms or payment are not received on time, the purchase will be void.

## RE: PURCHASE OF SERVICE CREDIT

Dear Member,

As requested, your cost to purchase 60 months is \$59,500.22

Your purchase cost is allocated between two funds: (1) your retirement benefit and (2) your retiree health credit. Of your purchase cost, \$56,395.97 is the retirement benefit portion and \$3,104.25 is the health credit portion. The RHIC portion must be paid with after-tax dollars.

This cost quote is valid for 90 days from the date of this letter. **To secure your cost, the member is responsible for ensuring all monies and accompanying paperwork is completed and received at NDPERS by the deadline of September 01, 2020 or by the 15th of the month following the month of termination of employment, whichever occurs first.**

If you elect the rollover option, the following items must be completed and returned to NDPERS:

- **Rollover/Transfer Request for Service Credit Purchases SFN 52059:** One form is required for each rollover. It is the member's responsibility to work with the provider for completion of this form and ensure the rollover dollars and form are received by NDPERS. Since it may take up to 30 days for your plan administrator/provider company to process your request for the transfer of funds, you will need to send the paperwork to them as soon as possible
  - RHIC portion of \$3,104.25 must be paid up front in a lump sum with after-tax dollars.

- **Purchase Payment Election Form SFN 53757**

The method for calculating the cost to purchase is done on an actuarial basis. Your purchase cost is determined using the following factors: *current age, years until normal retirement age, current average salary, current retirement credit, and actuarial information [i.e. life expectancy and projected investment rates]* at the time the purchase was calculated. Future adjustments to wages or service credit will not result in cost recalculation of a purchase that has already been completed.

The money that you contribute towards purchasing retirement service credit is deposited directly into your member account balance. Your member account balance consists of all monthly employee contributions, any vested employer contributions, purchase payments, and interest.



NDPERS • 400 East Broadway • PO Box 1657 • Bismarck • North Dakota 58502-1657  
 (701) 328- 3900 • 1-800-803-7377 • Fax 701-328-3920

**PART A MEMBER INFORMATION**

Name (Last, First, Middle)	NDPERS Member ID
Last Four Digits of Social Security Number	Date of Birth

**PART B TYPE OF SERVICE PURCHASE**

Unused Sick Leave

Other

**PART C PAYMENT ELECTION**

Lump Sum (Make Check Payable to NDPERS)

Rollover from Eligible Plan – Payment must be accompanied by "Rollover Request for Service Credit Purchase SFN 52059" Number of Rollovers? (SFN 52059 is required for each rollover)

Monthly Amount \$  
 The minimum payment must be no less than \$50.00 a month or large enough to pay the current interest and portion of the principal to complete the purchase contract in a 15 year time period.

Check  
 Payroll Deduction (Complete Part D)  After Tax  
 Pre-Tax

Quarterly Amount \$  
 This dollar amount can not be less than \$150.00 quarterly or large enough to pay the current interest and portion of the principal to complete the purchase contract in a 15 year time period.

Check  
 Payroll Deduction (Complete Part D)  After Tax  
 Pre-Tax

Semiannual \$  
 This dollar amount can not be less than \$300.00 semiannually or large enough to pay the current interest and portion of the principal to complete the purchase contract in a 15 year time period.

Check  
 Payroll Deduction (Complete Part D)  After Tax  
 Pre-Tax

Annual \$  
 This dollar amount can not be less than \$600.00 annually or large enough to pay the current interest and portion of the principal to complete the purchase contract in a 15 year time period.

Check  
 Payroll Deduction (Complete Part D)  After Tax  
 Pre-Tax

**PART D SUPPLEMENTAL INFORMATION**

No  
 Yes, Planned Retirement Date: \_\_\_/\_\_\_/\_\_\_

2. Number of months you are purchasing: #

**PART E PAYROLL DEDUCTION INFORMATION**

I understand that if I have elected to make payment through payroll deduction, I will need to make the necessary arrangements with my employer. I understand that if electing to have payroll deduction on a **pre-tax basis, SFN 54004 is also required.** This authorization is given to allow my employer and NDPERS to share payroll information as needed. This information will be used for the sole purpose of evaluating and administering purchase payments. I understand that the duration of this authorization is for the term of my purchase inquiry or contract. I understand that information given to NDPERS will remain confidential among the parties involved. I agree that a photographic copy of this authorization is as valid as the original.

Member's Signature \_\_\_\_\_ Date \_\_\_\_\_

**PART E MEMBER'S AUTHORIZATION**

I have elected to purchase additional service credit and to make payment as indicated on this form.

Member's Signature \_\_\_\_\_ Date \_\_\_\_\_

# Purchase Payment Election (SFN 53757)

SFN 53757 tells NDPERS what type of service you are purchasing and how you are paying for your purchase.

**Part B:** Select “Other” for all purchases except “Unused Sick Leave”

**Part C:** Select payment method

- All personal check – lump sum
- Rollover – if rollover, note how many rollovers
- Pre- or post-tax payments (choose frequency, pre- or post-tax and amount)
- Combination



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**PART A MEMBER INFORMATION**

Name (Last, First, Middle)	NDPERS Member ID
Last Four Digits of Social Security Number	Date of Birth

**PART B TYPE OF SERVICE PURCHASE**

Unused Sick Leave  Other

**PART C PAYMENT ELECTION**

Lump Sum (Make Check Payable to NDPERS)

Rollover from Eligible Plan – Payment must be accompanied by "Rollover Request for Service Credit Purchase SFN 52059" Number of Rollovers? (SFN 52059 is required for each rollover)

Monthly Amount \$ \_\_\_\_\_  
 The minimum payment must be no less than \$50.00 a month or large enough to pay the current interest and portion of the principal to complete the purchase contract in a 15 year time period.

Check  
 Payroll Deduction (Complete Part D)  After Tax  
 Pre-Tax

Quarterly Amount \$ \_\_\_\_\_  
 This dollar amount can not be less than \$150.00 quarterly or large enough to pay the current interest and portion of the principal to complete the purchase contract in a 15 year time period.

Check  
 Payroll Deduction (Complete Part D)  After Tax  
 Pre-Tax

Semiannual \$ \_\_\_\_\_  
 This dollar amount can not be less than \$300.00 semiannually or large enough to pay the current interest and portion of the principal to complete the purchase contract in a 15 year time period.

Check  
 Payroll Deduction (Complete Part D)  After Tax  
 Pre-Tax

Annual \$ \_\_\_\_\_  
 This dollar amount can not be less than \$600.00 annually or large enough to pay the current interest and portion of the principal to complete the purchase contract in a 15 year time period.

Check  
 Payroll Deduction (Complete Part D)  After Tax  
 Pre-Tax

**PART D SUPPLEMENTAL INFORMATION**

1. Are you planning on retiring within the next 12 months?  
 No  
 Yes, Planned Retirement Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

2. Number of months you are purchasing  
 \_\_\_\_\_ #

**PART E PAYROLL DEDUCTION INFORMATION**

I understand that if I have elected to make payment through payroll deduction, I will need to make the necessary arrangements with my employer. I understand that if electing to have payroll deduction on a pre-tax basis, SFN 54004 is also required. This authorization is given to allow my employer and NDPERS to share payroll information as needed. This information will be used for the sole purpose of evaluating and administering purchase payments.

I understand that the duration of this authorization is for the term of my purchase inquiry or contract. I understand that information given to NDPERS will remain confidential among the parties involved. I agree that a photographic copy of this authorization is as valid as the original.

Member's Signature \_\_\_\_\_ Date \_\_\_\_\_

**PART E MEMBER'S AUTHORIZATION**

I have elected to purchase additional service credit and to make payment as indicated on this form.

Member's Signature \_\_\_\_\_ Date \_\_\_\_\_

# Purchase Payment Election (SFN 53757)

## Part D: Supplemental Information - Why does NDPERS care?

1. Because if you are leaving employment before the 90-day due date, you will need to pay your purchase in full by the 15<sup>th</sup> of the month after the month you leave employment.
2. If you plan to make payments, then it may shorten the amount of payment time.
3. Write the number of months you are purchasing

## Part E: Sign and date if making payments

## Part F: Sign and date

You will return the purchase payment election form with a personal check for the retiree health insurance credit (RHIC) amount of the purchase (if Tier 1 or 2) even if you are doing a rollover and/or making payments. If making the entire purchase with after-tax dollars, write a check for the full amount.



**ROLLOVER/TRANSFER REQUEST FOR SERVICE CREDIT PURCHASE**  
 NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM  
 SFN 52059 (Rev. 04-2018)

NDPERS • 400 East Broadway • Suite 505 • PO Box 1657 • Bismarck • ND • 58502-  
 (701) 328-3900 or (800) 803-7377 • Fax: (701) 328-3920

The North Dakota Public Employees Retirement System (NDPERS) is an eligible plan under Section 401(a) of the Code. NDPERS may accept an eligible rollover distribution/transfer of **pre-tax dollars** from another eligible retiree's purpose of purchasing service credit. An eligible retirement plan includes only a 401(a) plan, a 401(k) plan, a 403(b) IRA, the Federal Employees Retirement System (FERS) Thrift Savings Plan, or a 401(c) Keogh plan whose deposits are (k). In addition, NDPERS can accept a trustee-to-trustee transfer from a 403(b) or a 457 Plan. The amount rolled into NDPERS cannot exceed the retirement benefit portion of the purchase cost and must be made in a lump sum payment to accompany the rollover/transfer to allow NDPERS to process it as an eligible rollover distribution/transfer.

PLEASE READ IMPORTANT INFORMATION PRINTED ON THE BACK OF THIS FORM

**PART A TO BE COMPLETED BY NDPERS**

Name (Last, First, Middle)		NDPERS Member ID
Last Four Digits of Social Security Number		Date of Birth (mm/dd/yyyy)
Type of Service Credit	Number of Months of Credit	Maximum Rollover/Transfer \$

**PART B TO BE COMPLETED BY MEMBER REQUESTING ROLLOVER/TRANSFER**

I request that NDPERS accept my eligible rollover distribution/transfer, not to exceed the retirement benefit portion of the purchase cost. Furthermore, I agree to pay the associated Retiree Health Credit portion of the purchase cost within 30 days of receipt of the rollover and prior to the purchase expiration date. I also certify that if this deposit to NDPERS is from a distribution/transfer that all required withholding amounts have been withheld from such distribution.

Type of Account	<input type="checkbox"/> 401(a) <input type="checkbox"/> 401(k) <input type="checkbox"/> 401(c) Keogh <input type="checkbox"/> 403(b) <input type="checkbox"/> 403(c)
	<input type="checkbox"/> FERS Thrift Savings Plan <input type="checkbox"/> Traditional IRA
Plan/Provider Company Name	Amount of Rollover/Transfer from Plan/Provider \$
Signature of Member (Required)	Date of Signature Telephone Number

**PART C TO BE COMPLETED BY ADMINISTRATOR OF ELIGIBLE RETIREMENT PLAN OR CUSTODIAN**

Name of Qualified Plan or Custodian of Eligible IRA	Total Rollover/Transfer Amount \$	Telephone Number
Mailing Address	City	State
Verify Account Type	<input type="checkbox"/> 401(a) <input type="checkbox"/> 401(k) <input type="checkbox"/> 401(c) Keogh <input type="checkbox"/> 403(b) <input type="checkbox"/> 403(c)	
	<input type="checkbox"/> FERS Thrift Savings Plan <input type="checkbox"/> Traditional IRA	
Date of Rollover/Transfer (Required)		

As administrator of the above-named eligible plan or custodian/trustee of a traditional IRA, I certify that this distribution is of **pre-tax dollars** and is an eligible retirement plan that meets the requirements of the IRC.

Signature of Provider Representative (Required for State of ND 457 Plan only)	Date
Signature of Plan Administrator or IRA Custodian (Required)	Title Date

TA TD / OCTPAYXFR

# Rollover/Transfer Request for Service Credit Purchases (SFN 52059)

Part A: Completed by NDPERS

Part B: Completed by you (you cannot roll more than the amount listed in Part A)

Part C: Completed by your provider

- You will work with your provider to complete the rollover form. NDPERS Companion Plan: NDPERS will send the rollover form to Companion Plan carrier.
- SFN 52059 should be returned to NDPERS by the provider or you by the purchase contract due date.
- The provider should send a check to NDPERS for your benefit. After-tax funds are accepted.

# Purchasing (Converting) Unused Sick Leave



Upon leaving employment



Cost determined by a conversion formula



May be more or less than your employer pay out



Confirm with your employer if and how much you were paid out for sick leave



NDPERS sends you a request for payment

# Compare Reasons to Convert Unused Sick Leave

## NO CONVERTED SICK LEAVE

Your estimated benefit is calculated assuming the following information:

Benefit Multiplier:	2.00%	Marital Status:	Married
Age at Retirement:	65.5	Retirement Date:	August 01, 2025
Years of Service Credit:	19.2500	Account Balance:	\$154,093.38
Final Average Salary:	\$7,643.83		

Benefit Sub-Type: Normal Retirement (Unreduced)

No purchase

### RETIREMENT BENEFIT OPTIONS

Single Life Benefit:	\$2,942.87
50% Joint & Survivor Benefit:	\$2,734.22
100% Joint & Survivor Benefit:	\$2,553.53
Ten (10) Year Term Certain Benefit:	\$2,865.18
Twenty (20) Year Term Certain Benefit:	\$2,685.96

### RETIREE HEALTH INSURANCE BENEFIT OPTIONS (RHIC)

Standard Health Credit:	\$96.25
Alternate 50% Joint & Survivor Health Credit:	\$89.43
Alternate 100% Joint & Survivor Health Credit:	\$83.52

## CONVERTED SICK LEAVE

## INCREASE YOUR BENEFIT BY \$65.79 PER MONTH

Your estimated benefit is calculated assuming the following information:

Benefit Multiplier:	2.00%	Marital Status:	Married
Age at Retirement:	65.5	Retirement Date:	August 01, 2025
Years of Service Credit:	19.6667	Account Balance:	\$154,093.38
Final Average Salary:	\$7,643.83		

Benefit Sub-Type: Normal Retirement (Unreduced)

Includes 5M of SL at approximate cost of \$5832.24.

### RETIREMENT BENEFIT OPTIONS

Single Life Benefit:	\$3,006.58
50% Joint & Survivor Benefit:	\$2,793.41
100% Joint & Survivor Benefit:	\$2,608.81
Ten (10) Year Term Certain Benefit:	\$2,927.21
Twenty (20) Year Term Certain Benefit:	\$2,744.11

### RETIREE HEALTH INSURANCE BENEFIT OPTIONS (RHIC)

Standard Health Credit:	\$98.33
Alternate 50% Joint & Survivor Health Credit:	\$91.36
Alternate 100% Joint & Survivor Health Credit:	\$85.32



	Without Purchase	With purchase
Single Life	\$2,942.87	\$3,006.58
RHIC	\$96.25	\$98.33
	\$3,039.12	\$3,104.91
Monthly increase		\$65.79
# months to purchase (rounded up)	5	4.039238315
FAS		\$7,643.93
Contribution		15.26%
SL purchase		\$5,832.32
Generic Purchase		0.00
Total		\$5,832.32
# of years for return on investment (ROI)		7.39

## Conversion of Sick Leave and Cost

Conversion formula = Number of sick leave hours / 173.3, rounded up

Cost = Final Average Salary X Months to Purchase X Plan Contribution Rate

Pay NDPERS for converted sick leave

Adds additional service months to your future retirement benefit

Since you did not work these months of sick leave, the funding of the retirement plan for that month must come from you

Begin the process by completing the Conversion of Unused Sick Leave Application – Defined Benefit (SFN 58358)

## Paying to Convert Unused Sick Leave

## Getting Started: Sick Leave Purchase - Conversion

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Complete the SFN 58358 no later than your last month of employment.

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Closer to the end of your employment, NDPERS will verify your sick leave with your employer.

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NDPERS will send you a request for payment. It will include a Purchase Payment Election (SFN 53757) and a Rollover/Transfer Request for Service Credit Purchase (SFN 52059), if requested.



**CONVERSION OF UNUSED SICK LEAVE APPLICATION- DEFINED BENEFIT**  
 NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM  
 SFN 58358 (Rev. 07-2018)

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 (701) 328-3900 or (800) 803-7377 • Fax (701) 328-3920

**PART A PARTICIPANT IDENTIFICATION**

Name (Last, First, Middle)	NDPERS Member ID
Last Four Digits of Social Security Number	Date of Birth (mm/dd/yyyy)

**PART B NOTICE TO MEMBER**

I understand that I have the opportunity to convert any unused sick leave that I accrued with my employer as of my date. Payments can be made to NDPERS as an after-tax payment through a personal check or as a pre-tax payment a direct rollover or trustee-to-trustee transfer of an eligible fund towards the retirement portion of the sick leave. I have had the opportunity to speak to a financial planner and NDPERS regarding my election and to ask any questions concerning this election. I understand that this election must be made prior to disbursement of any retirement. My election regarding payment is indicated in Part D or Part E.

**PART C HOURS OF UNUSED SICK LEAVE**

Projected number of hours of unused sick leave [formula = hours ÷ 173.3 = months] (rounded up) \_\_\_\_\_  
 Number of months you wish to convert \_\_\_\_\_

**PART D APPLICATION FOR AFTER TAX PAYMENT THROUGH PERSONAL CHECK**

I elect to convert my unused sick leave and to pay for it through an after-tax payment. I understand that NDPERS will provide the cost for the sick leave conversion following my termination of employment. I will have until the 15<sup>th</sup> of the month following my month of termination to pay for the conversion. I understand that I must submit payment by the 15<sup>th</sup> of the month prior to my first retirement check date as not to delay the payment of this first benefit.

OR

**PART E APPLICATION FOR PRE-TAX PAYMENT THROUGH DIRECT ROLLOVER/TRANSFER**

I elect to convert my unused sick leave and to pay for the retirement portion of the conversion through a pre-tax direct rollover or transfer from an eligible fund source. I understand that by electing this option, NDPERS will determine the estimated cost 60 days prior to my termination date and will provide this information to me. The direct rollover or transfer will be received by NDPERS by the 15<sup>th</sup> of the month following my month of termination. If I elect to use a direct rollover transfer, I will submit payment for the retiree health insurance credit portion by personal check. The final cost will be calculated upon my termination. If there is a difference between the sick leave balance or conversion payment and the amount that I paid, then only the amount of sick leave available as of the date of termination will be added to my record. The funds for the over-payment cannot be returned due to the pre-tax nature of the funds. My member account balance will be credited with the full amount of funds received from the rollover or transfer. If an underpayment occurs, I will pay the remaining amount by the 15<sup>th</sup> of the month following my month of termination date. I authorize my employer to document my expected salaries for the 60 days prior to my termination of employment under section F.

**PART F EMPLOYER SALARY VERIFICATION - COMPLETE IF PART E ELECTED BY MEMBER**

Indicate Month(s) and Projected Salary		
Month	Year	Indicate Projected Gross Salary
		\$
		\$
		\$

The salaries above are the projected gross salaries that this individual is expected to earn within 60 days of the employment termination date. To the best of my knowledge and belief, the information that I have provided on this form is correct.

Signature of Authorized Agent	Date
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**PART G MEMBER ELECTION**

To the best of my knowledge and belief, the information that I have provided on this form is correct. I understand that "Conversion of Unused Sick Leave Application SFN 58358" must be received and date stamped at NDPERS before the last working day of the month in which I terminate employment. Late applications will be VOID.

Member's Signature	Date
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# Conversion of Unused Sick Leave Application – Defined Benefit (SFN 58358)

SFN 58358 must be received by NDPERS no later than the last day working day of the month in which you terminate employment or are no longer accruing.

**Part C:** Enter your approximate number of sick leave hours and how many months it will convert to

**Part D and E :** Indicate your payment method

- You may purchase all of the service with an after tax payment via personal check
- You may purchase the retirement portion of the service with pre-taxed, qualified funds such as a 457, 403(b), 401K, IRA, etc.
- The RHIC is always paid with after tax dollars and represents about 1.14% of the purchase (Tier 3 employees will not have a RHIC)

**Part F:** If rolling funds, you will need your employer to complete, sign and date

**Part G:** You sign and date

The completed forms and funds are due by the 15<sup>th</sup> of the month after the month you leave employment.

# Forms & Payment: Sick Leave Purchase - Conversion

## Payment Methods

- Pre-taxed qualified funds such as a 457, 403(b), 401K, IRA, etc.
- After-tax funds
- Rolling funds,
  - You will work with your provider to complete the rollover form.
  - The completed form should be returned to NDPERS. A check should be sent to NDPERS for your benefit. You can always purchase this portion with after-tax funds.

## Forms

- You will return the purchase payment election form with a personal check for the retiree health insurance credit (RHIC) amount of the purchase. If making the entire purchase with after-tax dollars, write a check for the full amount.
- The completed forms and funds are due by the 15<sup>th</sup> of the month after the month you leave employment or stop accruing sick leave hours.

# Contact NDPERS

## Customer Service

Call: (701) 328-3900 or  
TF:(800) 803-7377

Email: [ndpers-info@nd.gov](mailto:ndpers-info@nd.gov)

Fax: 701-328-3920

## Online Resources

Website: [ndpers.nd.gov](http://ndpers.nd.gov)

[Member Self Service \(MSS\)](#)



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RETIREMENT SYSTEM**