



Changes to Purchasing URS Service Credit

If you work for a Utah public employer and are in the Utah Retirement System’s Noncontributory or the Contributory Retirement System you can purchase years of service credit. You can use money from your 401(k) or 457 with no tax penalties to purchase years of service credit.

If you have 4 years or more of URS service credit, at any time in your career, you can purchase:

1. Any of your exempt service (i.e. seasonal or temporary service)
2. Any refunded or forfeited Utah public service credit
3. Any Full-Time public service while on an approved leave of absence
4. Any long – and short – term disability benefit periods.
5. Any Utah service credit that does not meet eligibility requirement, but the hours you worked are at least 20 or more per week

If you have 25 years or more URS service credit OR are age 65, you can purchase future service credit. You must retire within 15 days when you purchase future years of service. If you purchase future service credit and then choose not to retire within the 15 days, the money is returned to you and the future years purchased are forfeited.

The purchase price to by either category of years of service credit is increasing beginning January 1, 2011. URS has released their new website calculator estimating the increase purchase price for purchasing years of service credit after 1/1/2011 on their website at <http://www.urs.org/>.

URS’ actuaries calculate the increase service price cost by looking at an employee’s age, how many years of service he/she has and his/her salary. The increased purchase price will be phased in over a 2 year period, January 1, 2011 – January 1, 2013.

| Increased costs phased in over the next 2 years | How much of the current costs will be included: | How much of the new costs will be included: |
|--|--|--|
| 1/1/2011-12/31/2011 | 2/3 cost from the old costs | 1/3 costs from the new costs |
| 1/1/2012-12/31/2012 | 1/3 cost from the old costs | 2/3 costs from the new costs |
| 1/1/2013+ | The increased cost will cost and employee the entire new cost. | |

UPEA believes it is important that you know the full extent of your benefits and rights. If you have any questions, please don’t hesitate to contact UPEA.