

## **Purchase of Prior Service Under the College Or Municipal Pension Acts Policy**

**Purpose:** To define governing legislation and procedure required to purchase prior service under the College or Municipal Pension Acts.

**Policy:** The College may, by resolution, purchase any prior service for an employee who is a plan member.

**Applies to:** All employees who are contributors to the College or Municipal Pension Plans and are eligible for a monthly pension benefit.

**Procedure:** *COLLEGE PENSION PLAN:*

Requests should not be made until after the plan member is eligible for a monthly pension benefit.

If the College wishes to proceed with the purchase of service, the following procedures will apply:

- *the College Board must pass a resolution specifying the period of service to be recognized; the reason such period of service is recognized which could include:*
- *any part-time service on which contributions were not taken,*
- *any period of employment when the employee was exempt,*
- *any other service, whether with the College or other employer; and the extent to which the employee is required to share in the total cost, which may go up to 100%.*
- *The total cost must be paid in a lump sum by both the employee and the College and must be paid within 60 days of the calculation date or date of retirement, if earlier.*

*MUNICIPAL SUPERANNUATION PLAN:*

Requests should not be made until after the plan member is eligible for a monthly pension.

If the College wishes to proceed with the purchase of service, the following procedures will apply:

- *the College Board must pass a resolution specifying the period of service to be recognized; the reason such period of service is recognized which could include:*
  - *prior service where the plan member was not eligible to contribute as a result of age restrictions,*
  - *probationary period of employment prior to permanent appointment,*
  - *any other service on which contributions were not taken, such as the first 12 months of full time employment where the plan member was not permanent,*
  - *any part time service on which contributions were not taken,*
  - *any other service, whether with the College or not;*
- and the extent to which the employee is required to share in the total cost, not to exceed 50%.*
- *The total cost must be paid in a lump sum by both the employee and the College within 60 days of the calculation date or date of retirement, if earlier.*

**Replaces:**

Purchase of Prior Services Under the Pension (College) Act, Policy #4.1.5.5

**1. Policy Sponsor:** Director, Personnel Services

**2. Approvals:**

President: \_\_\_\_\_ Date: \_\_\_\_\_

Education Council Chair: \_\_\_\_\_ Date: \_\_\_\_\_

Operations Council Chair: \_\_\_\_\_ Date: \_\_\_\_\_

Board Chair: \_\_\_\_\_ Date: \_\_\_\_\_

**3. Amendments:**

President: \_\_\_\_\_ Date: \_\_\_\_\_

Education Council Chair: \_\_\_\_\_ Date: \_\_\_\_\_

Operations Council Chair: \_\_\_\_\_ Date: \_\_\_\_\_

Board Chair: \_\_\_\_\_ Date: \_\_\_\_\_

**4. Review Date:**

