



# SERVICE CREDIT POLICY

## PURPOSE

The purpose of this policy is to establish that service credit cannot exceed one (1) year in a 12-month period.

## POLICY

The number of hours worked by SCERS members during a normal/scheduled workweek varies by different job classification, bargaining unit, and/or worksite. Regardless, the service credit accrued or available for a normal, scheduled workweek is referred to as "regular service" and excludes overtime. One (1) year of service credit shall reflect the regular, full-time hours worked under a particular work schedule for that year. Service credit cannot exceed one (1) year in a single calendar year or other 12-month period.

## EFFECTIVE DATE

Beginning with the pay period commencing on or after April 28, 2019, SCERS will limit service credit to one (1) year in a 12-month period.

## APPLICATION

Regular service at SCERS is benchmarked to a standard schedule of 40 hours per week, or 80 hours per biweekly pay period. Accordingly, those members who work a standard schedule can expect to accrue one year of service credit by working 40 hours per week for 52 weeks (and making all the contributions required of full-time employees).

Members who work any full-time, alternate schedule that is more or less than 40 hours per week can also expect to accrue one year of service credit by working that alternate schedule for 52 weeks (and making all the contributions required of full-time employees).

For example, members who work a 7/12 schedule (the equivalent of 84 hours per biweekly pay period) can accrue one year of service credit by working that schedule for 52 weeks. Service credit under the 7/12 schedule cannot exceed one (1) year.

If a member works a full-time, standard schedule for part of a year and also works a full-time, alternate schedule for the other part of year, the member will receive one (1) year of service credit.

After this policy is adopted by the Board of Retirement and goes into effect, SCERS will not allow or recognize service accruals in excess of one (1) year for any calendar year or other 12-month period.

## **BACKGROUND**

In accordance with Board policy adopted in August 1999, SCERS has been crediting additional service to members who work under a 7/12 schedule. Under the policy, these members have been able to earn more than one year of service credit for each year of service. The SCERS Board has concluded that this administrative practice should be discontinued prospectively. This policy supersedes the Board action on August 19, 1999, that authorized additional service credit for 7/12 schedules, and applies to any alternate schedule, for service accrued on or after April 28, 2019.

## **RESPONSIBILITIES**

Executive Owner: Chief Benefits Officer

## **POLICY HISTORY**

<b>Date</b>	<b>Description</b>
10/18/2023	Board amended policy
04/15/2020	Board approved amendment to policy.
05/14/2019	Typo corrected in Background section regarding effective date.
04/17/2019	Board approved final policy.
11/05/2018	Board approved Discussion Draft for comment.
08/19/1999	Board approved Agenda Item 8.