

## **Contract Service Buy Back**

(M.G.L. c.32, §4(1)(s))

To purchase creditable service for service provided to the Commonwealth as a “contract employee”, a member of the State Employees’ Retirement System (“SERS”) must meet the following requirements:

- Must currently be a member in service of SERS with at least ten (10) years of state service. (This does not include other service time with cities, towns or counties of the Commonwealth).
- The contract employee service being purchased must have immediately preceded membership or re-entry into SERS.
- The contract service being purchased must have been service to the Commonwealth, not service to a city, town, county or other governmental entity.
- The job description of the contract service position must have been substantially similar to the job description the member held upon becoming an employee and a member of the SERS.
- The maximum amount of contract service eligible to be purchased is four (4) years.
- Eligible part-time contract service shall be credited on a proportional basis.
- The cost to purchase contract service is the amount equal to that which would have been withheld as regular retirement deductions for the contract service as if the service had been rendered as a state employee, and the individual had been a member of the SERS, plus buyback interest of 4.125%.

Prior to purchasing any eligible contract service, a member must complete the Contract Service Buyback Form and submit to the State agency where the contract service was provided and submit the required documentation to the State Retirement Board for review and approval.

No creditable service shall be allowed unless the member provides documentation of the contract service satisfactory to the State Retirement Board’s requirements.

Once the member is notified by the Board that he/she is eligible to purchase contract service, he/she must within 180 days after the notice either: (1) purchase the service via a lump sum payment; or, (2) enter into an installment payment agreement.

Please note, if the 180-day period expires without action by the member, the contract service will no longer be eligible for purchase.

If you have any additional questions, please contact the Buy Back Department of the State Retirement Board at (617) 367-7770 x6.