

# Membership Handbook



# Correctional Officers

**Hired Prior to January 1, 2011** (La. R.S. 11:441 (D-E) and 11:601-606)

This chapter pertains to Correctional Officers, Security Personnel, and Probation and Parole Officers employed by the Louisiana Department of Public Safety and Corrections hired prior to January 1, 2011 (Correctional Officers). There are two different plans for Correctional Officers: the Primary Component and the Secondary Component.

Correctional Officers hired on or before December 31, 2001, were members of the Primary Component. On January 1, 2002, the Secondary Component was created. Those hired on or after January 1, 2002, are members of the Secondary Component. Those in the Primary Component have the choice to remain in the Primary Component or transfer to the Secondary Component. The choice to transfer to the Secondary Component is irrevocable. Correctional Officers who remained in the Primary Component may elect to transfer to the Secondary Component at any time.

Please refer to the chapters on Regular Members if a topic is not addressed in this chapter.

## **Contribution Rate (La. R.S. 11:62(5)(b))**

Members employed in both the Primary and Secondary Components currently pay a contribution rate of 9 percent.

HISTORICAL NOTE: Correctional Officers in the Primary Component paid a contribution rate of 8.5 percent until June 30, 1989. Beginning July 1, 1989, Correctional Officers pay a contribution rate of 9 percent. This change accompanied changes in retirement eligibility, survivor benefits, and disability benefits.

## **Retirement Eligibility**

If you are a member of the **Primary Component**, your retirement eligibility depends on your date of hire as a Correctional Officer.

If you were hired as a Correctional Officer *on or before August 15, 1986*, you become eligible for retirement upon reaching one of the following criteria:

- 10 years of service at age 60
- 20 years of service at any age. You must have at least 10 years of service credit as a Correctional Officer immediately prior to application for retirement.

If you were hired as a Correctional Officer *after August 15, 1986*, you become eligible for retirement upon reaching one of the following criteria:

- 10 years of service at age 60
- 20 years of service at age 50. You must have at least 10 years of service credit as a Correctional Officer immediately prior to application for retirement. If you have service credit other than as a Correctional Officer, only two-thirds of this service shall be counted to meet this criteria.
- 25 years of service at any age. You must have at least 10 years of service credit as a Correctional Officer immediately prior to application for retirement.
- 20 years of service at any age, with an actuarially reduced benefit. (Deferred Retirement Option Plan [DROP] participation and retirement with an Initial Benefit Option [IBO] are not available to members who choose this option.). The actuarial reduction is based on the number of months you are away from **eligibility for an unreduced retirement based on Regular Plan retirement eligibility, not Correctional Officer retirement eligibility**. This reduction can be affected depending on whether you are in state service or out of state service at the time of your retirement.

Regardless of your hire date, you also have the option to retire as a Regular Member (see the chapters on Regular Members for additional information).

If you are a member of the **Secondary Component** you will become eligible for retirement upon reaching one of the following criteria:

- 10 years of service at age 60
- 25 years of service at any age. Your last day worked must be as a Correctional Officer.

## **Benefit Accrual**

If you are a member of the **Primary Component**, you will accrue benefits at 2.5 percent of your average compensation per year. Your average compensation will be based on your highest successive 36 months of earnings. If you were employed before July 1, 1986, and did not terminate employment and receive a refund of their contributions, you will receive an additional \$300.00 per year added to your retirement benefit.

If you are a member of the **Secondary Component**, you will accrue benefits at 3.33 percent of your average compensation per year for each year in that plan. Your average compensation will be based on your highest successive 36 months of earnings.

If you have service in both the Primary and Secondary Component, your unused leave percentage will be pro-rated depending on the years of service.

Sue had prior employment under the Primary Component. She was hired in a position covered by the Secondary Component on October 1, 2006. She is retiring at age 51 with 30 years of service credit. She has an annual final average compensation of \$62,000.00, so her base retirement benefit would be calculated in the following manner:

$$\begin{array}{rcccccc}
 \$62,000.00 & \times & .025 & \times & 27.20 & = & \$42,160.00 \text{ per year} \\
 \text{average} & & \text{accrual} & & \text{years of service in} & & (\$3,513.33 \text{ per month}) \\
 \text{compensation} & & \text{rate} & & \text{Primary Component} & & 
 \end{array}$$

$$\begin{array}{rcccccc}
 \$62,000.00 & \times & .0333 & \times & 2.80 & = & \$5,780.88 \text{ per year} \\
 \text{average} & & \text{accrual} & & \text{years of service in} & & (\$481.74 \text{ per month}) \\
 \text{compensation} & & \text{rate} & & \text{Secondary Component} & & 
 \end{array}$$

**Total benefit = \$47,940.88 per year (\$3,995.07 per month)**

She has decided to convert 1.8 years of unused accumulated leave so her leave benefit would be calculated in the following manner:

$$\begin{array}{rcccccc}
 27.20 & / & 30.0 & = & .906 & \text{(rounded to 91\%)} \\
 \text{years of service in} & & \text{total years} & & & \\
 \text{Primary Component} & & \text{of service} & & & 
 \end{array}$$

$$\begin{array}{rcccccc}
 2.80 & / & 30.0 & = & .093 & \text{(rounded to 9\%)} \\
 \text{years of service in} & & \text{total years} & & & \\
 \text{Secondary Component} & & \text{of service} & & & 
 \end{array}$$

91% of her total leave credit of 1.8 years = 1.638 (rounded to 1.60)

9% of her total leave credit of 1.8 years = .162 (rounded to .20)

She will receive an accrual rate of 2.5% for 1.60 years and 3.33% for .20 years.

$$\begin{array}{rcccccc}
 \$62,000.00 & \times & .025 & \times & 1.60 & = & \$2,480.00 \text{ per year} \\
 \text{average} & & \text{accrual} & & \text{years of} & & (\$206.66 \text{ per month}) \\
 \text{compensation} & & \text{rate} & & \text{unused leave} & & 
 \end{array}$$

$$\begin{array}{rcccccc}
 \$62,000.00 & \times & .0333 & \times & .20 & = & \$412.92 \text{ per year} \\
 \text{average} & & \text{accrual} & & \text{years of} & & (\$34.41 \text{ per month}) \\
 \text{compensation} & & \text{rate} & & \text{unused leave} & & 
 \end{array}$$

**Total benefit for unused leave = \$2,892.92 per year (\$241.07 per month)**

$  \begin{array}{rcccccc}  \text{Total retirement benefit} & = & \$3,995.07 & + & \$241.07 & = & \$4,236.14 \text{ per month} \\  & & \text{retirement} & & \text{converted} & & \\  & & \text{benefit} & & \text{leave} & & \\  & & & & \text{benefit} & &   \end{array}  $
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## **Limits on Final Average Compensation (La. R.S. 11:403(5))**

When calculating your retirement benefit, the earnings used for your average compensation may be capped in order to avoid excessive spikes in compensation.

The earnings to be considered for the 13<sup>th</sup> through the 24<sup>th</sup> month shall not exceed 125 percent of the earnings of the 1<sup>st</sup> through the 12<sup>th</sup> month. The earnings to be considered for the final 12 months shall not exceed 125 percent of the earnings of the 13<sup>th</sup> through the 24<sup>th</sup> month.

## **Hazardous Duty Services Plan**

Correctional Officers hired prior to January 1, 2011, are eligible to join the Hazardous Duty Services Plan. Please refer to the chapter describing that plan's benefits and the options available for past service.

## **Retirement Options**

Members of the Primary and Secondary Components have the same retirement options as Regular Members.

## **Disability Benefits**

**Primary Component:** If the disability was sustained in the performance of official duties of a hazardous nature, the disability benefit will be 60 percent of your average compensation, regardless of your years of service. If the disability was not sustained in the performance of official duties of a hazardous nature, please see the chapter on Disability Retirement which describes the disability benefits for Regular Members.

**Secondary Component:** If the disability was sustained in the performance of official duties of a hazardous nature the disability benefit will be 40 percent of your average compensation, regardless of your years of service. If you have met the eligibility for Disability Retirement, the disability benefit will be the greater of 40 percent of average compensation or as provided under the Regular retirement formula. If the disability was not sustained in the performance of official duties of a hazardous nature, please see the chapter on Disability Retirement which describes the disability benefits for Regular Members.

## **Survivor Benefits**

Survivor benefits may be payable at your death to your beneficiary(*ies*). If you have at least five years of service credit, a survivor benefit will be payable to your qualified minor, physically handicapped, and/or mentally disabled child or children. If you have at least 10 years of service credit, with two years worked immediately prior to death, a survivor benefit will be payable to your spouse. If you are out of state service at the time of your death, you must have at least 20 years of service credit for your survivors to apply for benefits. If your death did not occur in the line of duty, you and your spouse must have been married for at least one year for your spouse to be eligible for survivor benefits.

## **Primary Component (killed in the line of duty):**

If you have a minor or totally physically handicapped or mentally disabled child or children and less than five years of service, LASERS will pay your minor child or children a benefit equal to 60 percent of your average compensation.

If you have a minor or handicapped/disabled child or children and five or more years of service, LASERS will pay your minor child or children a benefit equal to 75 percent of your average compensation.

If you have a spouse but do not have a minor or handicapped/disabled child, and had less than 25 years of service, LASERS will pay your spouse a benefit equal to 60 percent of your average compensation.

If you have a spouse but do not have a minor or handicapped/disabled child, and had 25 years or more of service, LASERS will pay your spouse a benefit equal to 75 percent of your average compensation.

If you have a spouse and minor or handicapped/disabled child or children, and had less than five years of service, LASERS will pay your spouse and child or children a benefit equal to 60 percent of average compensation (one-third to spouse and two-thirds to child or children).

If you have a spouse and minor or handicapped/disabled child or children, and had five years or more of service, LASERS will pay your spouse and child or children a benefit equal to 75 percent of average compensation (one-third to spouse and two-thirds to child or children).

## **Secondary Component (killed in the line of duty):**

If you have a minor or totally physically handicapped or mentally disabled child or children, and less than 25 years of service, LASERS will pay your minor child or children a benefit equal to 60 percent of your average compensation.

If you have a minor or handicapped/disabled child or children, and had 25 years or more of service, LASERS will pay your child or children a benefit equal to 75 percent of your average compensation.

If you have a spouse but do not have a minor or handicapped/disabled child, and had less than 25 years of service, LASERS will pay your spouse a benefit equal to 60 percent of your average compensation.

If you have a spouse but do not have a minor or handicapped/disabled child, and had 25 years or more of service, LASERS will pay your spouse a benefit equal to 75 percent of your average compensation.

If you have a spouse and minor or handicapped/disabled child or children, and had less than 25 years of service, LASERS will pay your spouse and child or children a benefit equal to 60 percent of average compensation (one-third to spouse and two-thirds to child or children).

If you have a spouse and minor or handicapped/disabled child or children, and had 25 years or more of service, LASERS will pay your spouse and child or children a benefit equal to 75 percent of average compensation (one-third to spouse and two-thirds to child or children).

## Department of Public Safety and Corrections Upgrade (La. R.S. 11:605)

The employees of the Department of Public Safety and Corrections listed below are eligible to upgrade all service credit earned as a member of the Primary Component, upon their election to join the Secondary Component:

- Warden
- Correctional officer
- Probation and parole officer
- Security personnel

An upgrade of service credit requires you to pay the system an amount which, on an actuarial basis, totally offsets the increased liability to the system resulting from the service credit being purchased.

### Application Process

To request an invoice to upgrade this service credit, you must submit to LASERS:

- *Form 16-03: Department of Safety & Corrections Upgrade Invoice Request*
- A \$150.00 nonrefundable actuarial calculation fee made payable to LASERS

If you decide to pay the invoice, and upgrade your service credit, you will accrue benefits at 3.33 percent of your average compensation for each year of upgraded service. Any such upgrade must be completed prior to retirement or participation in DROP. If you have participated in DROP, you may only upgrade credit earned after DROP participation provided that you have not retired. This election is irrevocable.

**It is highly recommended that an invoice be requested several months prior to the date needed.**

# LASERS

## **Contact Information**

**Location:** 8401 United Plaza Blvd. • Baton Rouge, LA 70809

**Mail:** P.O. Box 44213 • Baton Rouge, LA 70804-4213

**Phone:** (toll-free) 800.256.3000 • (local) 225.922.0600

**Web:** [www.lasersonline.org](http://www.lasersonline.org)

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