ARTICLE 14. INDIANA STATE TEACHERS' RETIREMENT FUND

Rule 1. Definitions

35 IAC 14-1-1 Applicability

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2; IC 5-10.4; IC 5-10.5

Sec. 1. The definitions in this rule apply throughout this article. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-1; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-1) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-1) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-2 "Annuity savings account" or "ASA" and "rollover savings account" or "RSA" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-2-3

Sec. 2. (a) "Annuity savings account" or "ASA" means an individual account consisting of member contributions and the interest credits on those contributions in the guaranteed fund or the gain or loss in market value on those contributions in the alternate investment program.

(b) "Rollover savings account" or "RSA" consists of a member's funds transferred to INPRS from another qualified plan plus any interest or earnings. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-2; adopted Dec 16, 2009: 20100106-IR-550090990ONA; adopted Sep 11, 2015: 20150923-IR-035150302ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-1.2) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-2) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-3 "Board" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-3; IC 5-10.5

Sec. 3. "Board" means the board of trustees of the Indiana state teachers' retirement fund. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-3; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-2) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-3) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-4 "Classroom disability" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-5-1

Sec. 4. "Classroom disability" refers to a medically confirmed inability to continue classroom teaching due to a mental or physical condition that is not necessarily of sufficient severity to meet Social Security disability guidelines. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-4; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-2.2) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-4) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-5 "Covered position" or "covered employment" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-2-1; IC 5-10.2-3-6; IC 5-10.4-4-1

Sec. 5. "Covered position" or "covered employment" means a position or employment covered by either the Indiana state teachers' retirement fund or the public employees' retirement fund. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-5; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-2.4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-5) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-6 "De minimis account" or "de minimis amount" defined

Authority: IC 5-10.2-2-1; IC 5-10.5-4-2
Affected: IC 5-10.2-3; IC 5-10.4-4

Sec. 6. "De minimis account" or "de minimis amount" means an inactive, retired, retired for disability, suspended, or deceased member's ASA account whereby no regular and continuing contributions are being received and the account has a balance of which the value is less than the actual cost of making a distribution of the balance to the member or the member's beneficiary. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-6; adopted Apr 21, 2010: 20100505-IR-550100241ONA; errata filed Jun 2, 2010, 3:01 p.m.: 20100616-IR-550100241ACA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-2.6) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-6) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-7 "De minimis overpayment" defined

Authority: IC 5-10.2-2-1; IC 5-10.5-4-2
Affected: IC 5-10.2-3; IC 5-10.4-4

Sec. 7. "De minimis overpayment" means an active, inactive, retired, retired for disability, suspended, or deceased member's ASA account which received an overpayment totaling not more than ten dollars ($10). *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-7; adopted Dec 17, 2010: 20101229-IR-550100778ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-2.7) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-7) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-8 "Earns" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-8

Sec. 8. "Earns" means:
(1) income;
(2) salary;
(3) money;
(4) wages; or
(5) fees;
accrued for the performance of services whether or not the remuneration has been paid. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-8; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-2.8) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-8) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-9 "Employer" or "employing unit" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3; IC 5-10.4-4-1; IC 5-10.4-4-11; IC 20-24-1-4

Sec. 9. "Employer" or "employing unit" refers to public school districts, including charter schools as defined by IC 20-24-1-4, the state of Indiana, Ball State University, Indiana State University, University of Southern Indiana, and Vincennes University.

(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-9; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-3) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-9) by P.L.23-2011, SECTION 22, effective July 1, 2011.

35 IAC 14-1-10 "Employer contribution or share" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-2-6; IC 5-10.4-4-4

Sec. 10. "Employer contribution or share" refers to contributions, exclusive of the annuity savings account, made to the Indiana state teachers' retirement fund by employers to provide funding for the defined benefit portion of the member's pension benefit. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-10; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-10) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-11 "ERM" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-2; IC 5-10.4-7-6; IC 5-10.4-7-8

Sec. 11. "ERM" means the employer reporting and maintenance system, a web-enabled software application that manages employer and member data and collects members' wages and contributions. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-11; adopted Apr 21, 2010: 20100505-IR-550100241ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-4.4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-11) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-12 "Executive director duties and authority" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-3-5

Sec. 12. The director shall have authority to:
(1) act on applications for benefits;
(2) enter into agreements and sign contracts on behalf of the fund pursuant to and in accordance with procurement policies established by the board;
(3) develop, institute, and enforce fund personnel and administrative policies;
(4) perform duties as is necessary to effectuate the statutory purposes of the fund; and
(5) perform duties as may be assigned by the board.
(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-12; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-4.6) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-12) by P.L.23-2011, SECTION 22, effective July 1, 2011.

35 IAC 14-1-13 "In service", "active service", or "serve" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10-8-7; IC 5-10.2-3-1; IC 5-10.2-3-7.5; IC 5-10.4-4-2

Sec. 13. (a) "In service" or "active service" refers to active teaching or employment in any of the positions covered in IC 5-10.4-4-1, or approved leave from active service where a member is entitled to service credit while still under contract, employed, or while receiving state disability benefits.

(b) For purposes of the determination of service credit under IC 5-10.4-4-2, "in service", "active service", or "serve" means physically performing covered employment duties in any one (1) day or fraction thereof. The terms also include service by a member who is a state employee and who is entitled to service credit for the time the member is receiving disability benefits under a disability plan established under IC 5-10-8-7. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-13; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Dec 16, 2009: 20100106-IR-550090990ONA; adopted Apr 26, 2013: 20130508-IR-035130167ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-13) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-14 "Interest credits" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-6

Sec. 14. "Interest credits" means the amount of money that is attributed to amounts invested in the guaranteed program pursuant to the interest credit rate set by the board. For purposes of IC 5-10.2-3-6, the term also includes earnings in the alternative investment programs. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-14; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-5.4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-14) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-15 "License" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-1; IC 5-10.4-4-1

Sec. 15. "License" means a teaching license issued by the Indiana state board of education or the Indiana professional licensing agency. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-15; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-6) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-15) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-16 "PERF" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2; IC 5-10.4

Sec. 16. "PERF" refers to the Indiana public employees' retirement fund. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-16; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-6.4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-16) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-17 "Qualified dependent" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-7.5

Sec. 17. "Qualified dependent" refers to a dependent of a member who had the required years of credit prior to the member's death in service or while eligible to receive but prior to applying for retirement or disability benefits and is either under eighteen (18) years of age at the time of the member's death or is determined to have, at the time of the member's death, a disability that meets Social Security guidelines and was present prior to the dependent's eighteenth birthday. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-17; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25*

IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-7) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-17) by P.L.23-2011, SECTION 22, effective July 1, 2011.

35 IAC 14-1-18 "Qualified spouse" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-7.5

Sec. 18. "Qualified spouse" refers to a current spouse who was married to a member for at least two (2) years at the time of the member's death in service or while eligible to receive retirement or disability retirement but before applying for those benefits. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-18; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-8) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-18) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-19 "Record keeper" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4

Sec. 19. "Record keeper" means a third party service provider that provides bookkeeping services for TRF members' individual ASA investment trading transactions and individual accounts, including daily valuations of accounts. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-19; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-8.5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-19) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-20 "Regularly employed" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-4-1

Sec. 20. "Regularly employed" refers to employment with covered employers, as a person described in IC 5-10.4-4-1. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-20; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-10) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-20) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-21 "Reserve accounts" defined

Authority: IC 5-10.4; IC 5-10.5-4-2
Affected: IC 5-10.4-2-6

Sec. 21. "Reserve accounts" refers to TRF accounts for current and future benefit payments. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-21; adopted Apr 21, 2010: 20100505-IR-550100241ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-10.5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-21) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-22 "Sabbatical" or "professional leave" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-4-7; IC 20-28-10-1; IC 20-28-10-2; IC 20-28-10-3

Sec. 22. "Sabbatical" or "professional leave" refers to a leave of absence for additional education or professional experience

which will directly enhance the member's performance of covered employment. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-22; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-11) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-22) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-23 "Separate accounts" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-7-10

Sec. 23. Separate accounts within the 1996 account shall only be required in the event the board adopts individual employer contribution rates for each school corporation. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-23; 11.5; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-11.5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-23) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-24 "Supplemental contract" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-4-1; IC 5-10.4-4-2

Sec. 24. "Supplemental contract" refers to a teaching contract for evening or summer school employment in the public schools in a position which has been officially approved and certified by the Indiana state board of education. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-24; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-12) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-24) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-25 "Benefit accrual date" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2; IC 5-10.4-5-8

Sec. 25. (a) For members who choose not to delay their retirement date after ceasing employment, the benefit accrual date is the date in which a member ceases service.

(b) For all other members, the benefit accrual date is their retirement date chosen pursuant to IC 5-10.2-4-1.3 and in accordance with IC 5-10.2-4-1(d)(3). *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-25; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-12.5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-25) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-26 "Sick leave" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-4-7

Sec. 26. For purposes of IC 5-10.4-4-7, "sick leave" means a leave of absence taken by the member due to the member's illness or injury or other condition for which the member has a right to accrue, be paid, or take leave pursuant to the sick leave policy of the member's employer or as part of the member's teacher contract. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-26; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-12.8) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-26) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-27 "Target date fund" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-2-4; IC 5-10.2-3-10; IC 5-10.4-4-13

Sec. 27. "Target date fund" means an investment fund that links a member's investment portfolio to the member's expected retirement date utilizing an investment allocation as approved by the board. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-27; adopted Jun 11, 2010: 20100623-IR-550100397ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-12.9) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-27) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-28 "Teacher" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-3; IC 5-10.4-4-1

Sec. 28. "Teacher" refers to teachers, principals, superintendents, those enumerated in IC 5-10.4-4-1 as members of the Fund, or supervisory personnel who are licensed by the Indiana state board of education or the Indiana professional licensing agency and regularly employed by covered employers. The term does not include:

(1) dormitory staff;
(2) grounds or facility management personnel;
(3) secretarial staff;
(4) occupational therapists;
(5) physical therapists;
(6) counselors; or
(7) other similar positions;

whereby the employee is not licensed by the state board of education or the Indiana professional licensing agency as a teacher. The board shall have the final determination on whether a position is within the meaning of the term. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-28; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-13) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-28) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-29 "TRF" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2; IC 5-10.4

Sec. 29. "TRF" refers to the Indiana state teachers' retirement fund. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-29; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-13.4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-29) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-1-30 "Uniform contract" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-4-1

Sec. 30. "Uniform contract" refers to a teaching contract for a single year in a position which has been officially approved and certified by the Indiana state board of education or the Indiana professional licensing agency. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-30; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-14) to the Board of Trustees*

of the Indiana Public Retirement System (35 IAC 14-1-30) by P.L.23-2011, SECTION 22, effective July 1, 2011.

35 IAC 14-1-31 "Withdrawal" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-6

Sec. 31. "Withdrawal" means the disbursement to a member of the assets held in the member's annuity savings account at any time prior to retirement. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-1-31; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-1-15) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-1-31) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

Rule 2. Administrative Matters

35 IAC 14-2-1 Withholding of benefit payment

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4

Sec. 1. Benefit payments may be withheld under any of the following circumstances:
(1) Order of the board.
(2) To offset the overpayment of benefits to a member or beneficiary until the overpayment is repaid to the fund.
(3) Pending investigation after three (3) consecutive monthly benefit checks have been returned by the United States Postal Service as undeliverable.
(4) After notification of a member's death.
(5) Pursuant to court order.
(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-1; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-1) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-1) by P.L.23-2011, SECTION 22, effective July 1, 2011.

35 IAC 14-2-2 Bank accounts

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-2-14; IC 5-10.4-5-14

Sec. 2. Neither the member nor the member's authorized agent may instruct the fund to directly deposit benefit payments to a trust or a bank account that does not permit the member or the member's authorized agent access to the funds so held. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-2; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-2) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-2) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-2-3 Direct deposit

Authority: IC 5-10.2-2-1; IC 5-10.5-4-2
Affected: IC 5-10.2-4-1.2

Sec. 3. (a) It is the policy of TRF that direct deposit is the preferred method for monthly benefit distributions to members and beneficiaries. Except as provided below, monthly benefit distributions shall be made by direct deposit.

(b) A member or beneficiary who does not wish to have direct deposit may request a waiver of the requirement on a form approved by TRF.

(c) The reason for requesting the waiver must be designated on the form. TRF shall grant a member or beneficiary's waiver for any of the reasons enumerated in IC 5-10.2-4-1.2(c) *[IC 5-10.2-4-1.2 was repealed by P.L.127-2015, SECTION 1, effective July 1, 2015.]*.

(d) TRF may grant a waiver when it is determined that the facts of a particular case warrant the waiver of the requirement of direct deposit.

(e) A member or beneficiary who is in pay status as of July 1, 2009, and is receiving monthly benefits in a manner other than direct deposit shall not have the monthly benefit stopped for receiving monthly benefits in a manner other than direct deposit. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-3; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-2.2) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-3) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-2-4 Administrative review and appeals of staff action

Authority: IC 5-10.5-4-2
Affected: IC 4-21.5-3-5; IC 4-21.5-3-28; IC 5-10.4-2-1; IC 5-10.5

Sec. 4. (a) The purpose of this rule is to establish procedures to process petitioner appeals of TRF staff action, determinations, or decisions referred to as "staff action" in accordance with and pursuant to the Indiana Administrative Orders and Procedures Act (Act), IC 4-21.5-3.

(b) Pursuant to IC 4-21.5-3-28, the executive director (ED) as the board's delegate is the ultimate authority and has set forth the following review process to be followed before a final order is issued:

(1) TRF will issue an initial determination of its response to a questioned action.

(2) The initial determination will be sent by certified mail to the stakeholder with a summary of the member's right to administrative review.

(3) Pursuant to IC 4-21.5-3-5, the petitioner will have fifteen (15) days from receipt of TRF's initial determination to appeal in writing.

(4) Upon receipt by TRF a copy of the appeal will be sent to the administrative law judge (ALJ) assigned to the matter.

(5) The assigned ALJ may set a prehearing conference to discuss issues of discovery and motions for summary judgment and to determine a briefing schedule.

(6) If an evidentiary hearing is required, TRF will provide space which is equipped with a recording device to conduct the hearing or engage a court reporter to make a record of the hearing if necessary.

(7) Once the ALJ has entered a decision and recommended order, the petitioner will have fifteen (15) days to object to the ALJ's decision.

(8) The ED will make a final determination to affirm, modify, or dissolve the ALJ's order. The executed final order will be mailed by certified mail to the ALJ and petitioner.

(9) The petitioner has thirty (30) days from receipt of the final order to petition a court of jurisdiction for judicial review.

(10) If no petition for judicial review is filed within the thirty (30) day time period, the file is closed.

(11) This rule shall be interpreted to conform to the Act and shall be implemented pursuant to and in accordance with the Act.

(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-4; adopted Dec 16, 2009: 20100106-IR-550090990ONA; errata filed Jan 19, 2010, 12:48 p.m.: 20100203-IR-550100043ACA; adopted Nov 19, 2010: 20101208-IR-550100723ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-2.5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-4) by P.L.23-2011, SECTION 22, effective July 1, 2011.

35 IAC 14-2-5 Benefit payments pending appeal

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4; IC 5-10.4-5-9; IC 34-13-1-6

Sec. 5. (a) A member who elects to exercise the right to appeal an adverse decision issued by TRF may receive benefit payments less the disputed amount while the matter is pending. Should the matter be resolved in the member's favor, future benefits

will be adjusted accordingly and a lump-sum payment for past benefits due shall be issued within sixty (60) days. If, however, the necessary information has not been provided or was delayed, the sixty (60) day period will be extended accordingly.

(b) Whenever, by final decree or judgment, a sum of money is adjudged to be due to a person, the judgment shall draw an annual rate of interest as described in IC 34-13-1-6. The fund shall not pay prejudgment interest. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-5; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-3) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-5) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-2-6 Estimate of future benefits

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4; IC 5-10.4-5-9

Sec. 6. (a) The fund shall provide written estimates of future retirement benefits to a member upon request by the member in a manner prescribed by the board.

(b) The calculation is only an estimate, and a final calculation will be rendered upon a vested member's retirement from service or death, whichever is earlier.

(c) Estimates are provided as a courtesy, and the fund accepts no liability in the event of error. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-6; filed Oct 5, 1992, 5:00 p.m.: 16 IR 705; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-6) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-2-7 Interest credited to annuity savings and rollover accounts

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-2-4; IC 5-10.2-3-10; IC 5-10.4-4-13

Sec. 7. (a) Contributions to the annuity savings account received by the fund that have not been allocated by the member will be credited to the guaranteed fund.

(b) Contributions to a rollover account established under IC 5-10.2-3-10 that have not been allocated by the member shall be credited to the money market fund.

(c) Notwithstanding subsection (a), once TRF engages the services of a record keeper, and said record keeper is authorized to perform daily valuation services and other such services as required and necessary to effectuate this subsection, contributions to the annuity savings account received by the fund that have not been allocated by the member will be credited to a target date fund established for the annuity savings account.

(d) Notwithstanding subsection (b), once TRF engages the services of a record keeper, and said record keeper is authorized to perform daily valuation services and other such services as required and necessary to effectuate this subsection, contributions to the rollover savings account received by the fund that have not been allocated by the member will be credited to a target date fund established for the rollover savings account. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-7; filed Oct 5, 1992, 5:00 p.m.: 16 IR 705; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Jun 11, 2010: 20100623-IR-550100397ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-6) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-7) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-2-8 ASA valuation

Authority: IC 5-10.2-2-1; IC 5-10.2-2-3; IC 5-10.5-4-2
Affected: IC 5-10.2-3; IC 5-10.2-4

Sec. 8. (a) A member may direct an allocation in the amount credited to the member among the guaranteed program and

any available alternative accounts subject to the following conditions:

(1) A member may select any combination of the guaranteed program or any of the available alternative accounts in one percent (1%) increments.

(2) A member's selection remains in effect until a new selection is made.

(3) On the effective date of a member's selection, TRF's record keeper shall reallocate the member's existing balance or balances in accordance with the member's direction, based on:

(A) for an alternative investment program balance, the market value on the effective date; and

(B) for any guaranteed program balance, the account balance on the effective date.

(b) TRF shall allow a member to make a change or selection at least once a day. TRF shall implement the member's selection the same day the selection is received by TRF, unless such selection is received after 4:00 p.m. EST on a business day, or anytime on a weekend or holiday, or any other date the New York Stock Exchange is closed, then TRF will implement the member's selection beginning the next business day after the selection is received. This date is the effective date of the member's selection.

(c) When a member who participates in the alternative or guaranteed investment programs transfers the amount credited to the member from one (1) alternative investment program to another alternative investment program or to the guaranteed program, the amount credited to the member shall be valued at the market value of the member's investment, as of the effective date of the member's selection.

(d) When a member who participates in an alternative investment program retires, becomes disabled, or suspends membership and withdraws from the fund, the amount credited to the member shall be the market value of the member's investment as of the day after INPRS receives the member's application for distribution or annuitization at retirement, disability, or suspension and withdrawal, plus contributions received after that date.

(e) When a member who participates in an alternative investment program dies, within five (5) business days after the date of death notification is received by TRF, the entire amount in the member's annuity savings account will be moved into the guaranteed program or a fixed value account, set at the same rate as the guaranteed program. Such death notification shall be on a form or in a manner approved by TRF. The amount credited to the member's account and moved to the fixed value account shall be the market value of the member's investment as of the day the amount in the member's annuity savings account is moved to the fixed value account.

(f) Subject to and in accordance with the distribution provisions of IC 5-10.2-3 and IC 5-10.2-4, in the event that the member has designated beneficiaries, beneficiary accounts will be established for each beneficiary and the pro rata share of all monies in the member's ASA will be moved to the respective beneficiary account and invested in the guaranteed program or a fixed value account, set at the same rate as the guaranteed program until claimed or forfeited under IC 5-10.2-3. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-8; adopted Dec 16, 2009: 20100106-IR-550090990ONA; adopted Sep 16, 2011: 20110928-IR-035110563ONA; adopted Mar 6, 2015: 20150318-IR-035150060ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-6.1) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-8) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-2-9 Undistributed income

Authority: IC 5-10.4; IC 5-10.5-4-2
Affected: IC 5-10.4-2-6

Sec. 9. After complying with IC 5-10.4-2-6(a)(1), TRF shall distribute any remaining undistributed income reserve on a pro rata basis, based on the balance at the beginning of the accounting period which shall be at least quarterly, to all remaining reserve accounts within the pre-1996 account and the 1996 account. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-9; adopted Apr 21, 2010: 20100505-IR-550100241ONA; errata filed Jun 2, 2010, 3:01 p.m.: 20100616-IR-550100241ACA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-6.4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-9) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-2-10 Definition of compensation

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-3; IC 5-10.4-5-6

Sec. 10. (a) Subject to subsections (b) and (c), "basic salary" or "annual compensation" means all compensation that is included as gross income as reported on the member's W-2 for covered service by a covered employer, plus the amounts stated in IC 5-10.2-4-3 that are not paid directly to the member.

(b) Unless otherwise required by law, a licensed teacher employed by a school corporation as a teacher and who under a standard teacher contract or separate contract is also employed to provide extracurricular student activities, those activities being generally described as voluntary activities sponsored by the school, for student involvement in public performances, contests, athletic competitions, demonstrations, displays, and club activities, is performing covered employment and compensation for such employment is included as basic salary.

(c) "Basic salary" does not include investment incentive bonus compensation paid under an investment incentive bonus plan established by the INPRS board, and no contributions are to be paid on such compensation.

(d) Compensation of not more than two thousand dollars ($2,000) pursuant to and in accordance with IC 5-10.2-4-3(e) may be used in the total annual compensation from which the average of the annual compensation is determined.

(e) A member's basic salary or annual compensation must be certified by an official of the employing unit who has knowledge of and access to the records. A member may not certify his or her basic salary or annual compensation. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-10; filed Oct 5, 1992, 5:00 p.m.: 16 IR 705; filed Jul 26, 2000, 2:48 p.m.: 23 IR 3089; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; filed Apr 8, 2004, 3:23 p.m.: 27 IR 2496; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Nov 19, 2008: 20081126-IR-550080887ONA; adopted Dec 16, 2009: 20100106-IR-50090990ONA; adopted Jun 29, 2012: 20120718-IR-035120397ONA; adopted Sep 14, 2012: 20120926-IR-035120542ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-7) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-10) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-2-11 Jury duty

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-3

Sec. 11. Payments to members arising out of jury duty may be included as compensation. The payments shall be handled in either of the following ways:

(1) The employing unit may pay the teacher the difference between the jury duty pay and the teacher's basic salary.

(2) The teacher may turn over jury duty pay to the employing unit, and the employing unit will then pay the teacher the full basic salary.

(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-11; filed Oct 5, 1992, 5:00 p.m.: 16 IR 705; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-8) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-11) by P.L.23-2011, SECTION 22, effective July 1, 2011.

35 IAC 14-2-12 Worker's compensation and sick leave

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-3

Sec. 12. (a) Unless otherwise provided in law and subject to subsections (b) through (d), creditable service shall be earned by a member injured during the scope of his or her employment and paid benefits under the Workmen's Compensation Act or the State Personnel Act; however, no service credit shall be given for a period of time during which TRF or PERF disability benefits were paid.

(b) The combination of worker's compensation and sick leave payments made by the employing unit may not exceed the member's basic salary.

(c) The member must pay to the fund the statutory contributions out of the amounts received pursuant to worker's compensation.

(d) The employing unit must provide written verification of the facts surrounding the payment of worker's compensation benefits and the amount of the member's basic salary. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-12;*

filed Oct 5, 1992, 5:00 p.m.: 16 IR 706; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-9) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-12) by P.L.23-2011, SECTION 22, effective July 1, 2011.

35 IAC 14-2-13 Overpayment of benefits

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-3-8

Sec. 13. If a member, survivor, or beneficiary receives an overpayment of retirement benefits due to an administrative error, failure to inform the fund of reemployment, or any other reason, the member, survivor, or beneficiary has an obligation to repay the erroneous payments to the fund. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-13; filed Oct 5, 1992, 5:00 p.m.: 16 IR 706; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-2-10) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-2-13) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-2-14 Disclaimer of interest in benefits

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2; IC 5-10.4; IC 32-17.5

Sec. 14. (a) A member or beneficiary may disclaim in whole or part an interest in the benefits or assets held by TRF of which the member or beneficiary is otherwise entitled pursuant to the Uniform Disclaimer of Property Act (Act) and in accordance with this rule.

(b) A disclaimer made under the Act is not a transfer, an assignment, or a release.

(c) The disclaimer shall be in writing, titled "Disclaimer", identifying the interest to be disclaimed, and signed by the disclaimant.

(d) Any interest disclaimed in accordance with this rule shall pass as if the disclaimant had died immediately before the time of the distribution and such disclaimer is irrevocable once delivered to TRF. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-14; adopted Sep 16, 2011: 20110928-IR-035110563ONA)*

35 IAC 14-2-15 Member name changes

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2; IC 5-10.4-4-1

Sec. 15. TRF may accept member name changes from the member's employer on behalf of the member for administration of TRF business. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-15; adopted Sep 16, 2011: 20110928-IR-035110563ONA; adopted Sep 11, 2015: 20150923-IR-035150302ONA)*

35 IAC 14-2-16 Actuarial rule

Authority: IC 5-10.4
Affected: IC 5-10.4

Sec. 16. Two (2) forms of benefit payments are considered to be actuarially equivalent if the expected present value of future payments are the same. For TRF, the expected present value of the pension portion of the benefit is calculated based on six and seventy-five hundredths percent (6.75%) interest rate and the 2013 Static Mortality table for males and females, projected five (5) years using Scale AA, and weighted 50/50. The expected present value of the annuity portion of the benefit is calculated using the 2013 Static Mortality table for males and females, projected five (5) years using Scale AA, and weighted 50/50 and prior to January 1, 2017, and after October 1, 2015, an interest rate equal to the greater of similar annuities in the private market or four and one-

half percent (4.5%). After January 1, 2017, the interest rate used will be equal to similar annuities in the private market. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-16; adopted Sep 14, 2012: 20120926-IR-035120542ONA; adopted Sep 11, 2015: 20150923-IR-035150302ONA)*

35 IAC 14-2-17 ASA and RSA annuity interest

Authority: IC 5-10.2-2-1; IC 5-10.2-2-3; IC 5-10.5-4-2
Affected: IC 5-10.2-3; IC 5-10.2-4; IC 5-10.5-4-2.6

Sec. 17. (a) Whenever a member elects to annuitize the member's ASA or RSA, the annuitized interest rate will be applied beginning with the date of the distribution of the annuity and the annuity will be calculated prospectively from that date regardless whether the distribution was deferred under IC 5-10.2-4-2(c), there is a retroactive disability payment under IC 5-10.2-4-6, or there is a retroactive benefit payment under IC 5-10.2-4-8.2.

(b) The annuity interest rate is determined by IC 5-10.5-4-2.6 and this rule. Except for as set forth in subsection (c), the annuity interest rate that will be applied is the rate in effect as of the retirement date as determined under IC 5-10.2-4-1.3, the disability retirement date, or the member's retirement date due to election made under IC 5-10.2-4-8.2.

(c) Except as provided in IC 5-10.5-4-2.6, when a member elects to defer receiving, in any form, the member's annuity savings account under IC 5-10.2-4-2(c), the annuity interest rate that will be applied is the rate in effect as of the date INPRS receives the member's postretirement payment of ASA election form.

(d) When a member elects to change their survivor beneficiary or pension option, or both, under IC 5-10.2-4-7.2, the annuity interest rate that will be applied is the rate in effect as of the date INPRS receives the member's election form.

(e) For example, Julia is a seventy-five (75) year old active member with twenty-five (25) years of creditable service. She makes an election under IC 5-10.2-4-8.2 to begin receiving benefits relating back to the date she was first eligible to make the election (five (5) years ago). Julia elects to annuitize her ASA. The annuity is calculated and interest rate is the rate in effect on the retirement date Julia selects. Julia will receive five (5) years of retroactive pension benefits using only twenty (20) years of service credit in the pension calculation. Because Julia's ASA account was actively earning interest, gains, or losses during the five (5) year period before Julia made the election, and the ASA had not been annuitized during this period, the annuitized interest rate will be applied beginning with the actual date of distribution of the annuity. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-2-17; adopted Apr 26, 2013: 20130508-IR-035130167ONA; adopted Jun 20, 2014: 20140820-IR-035140335ONA; adopted Mar 6, 2015: 20150318-IR-035150060ONA; adopted Sep 11, 2015: 20150923-IR-035150302ONA)*

Rule 3. Suspension of Membership

35 IAC 14-3-1 Suspension of membership; withdrawal of contributions

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-5; IC 5-10.2-3-6; IC 5-10.4-4-13

Sec. 1. No withdrawal of the member's contributions shall be made when the member is currently under a contract to serve in a covered position, while in active service, or on an approved leave of absence from such a position. A withdrawal may proceed only after the member's employing unit has verified that the member is no longer employed and advised the fund of the termination date. Employer verification is not required whenever more than one (1) year lapses from the date of the member's separation from employment and contributions to the fund cease. An application for voluntary withdrawal of contributions submitted by the member is an affirmation by the member that the member has separated from employment. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-3-1; filed Oct 5, 1992, 5:00 p.m.: 16 IR 706; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Dec 17, 2010: 20101229-IR-550100778ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-3-1) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-3-1) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-3-1.2 Suspension and withdrawal of ASA without employer separation

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-5; IC 5-10.2-3-6; IC 5-10.3-6; IC 5-10.4

Sec. 1.2. For withdrawals after the effective date of this rule, in accordance with Section 905 of the Pension Protection Act of 2006, and unless otherwise prohibited by law, a PERF or TRF participant, who is not age and service eligible for a retirement benefit, who:

(1) is no longer working in PERF or TRF covered service with an employer;

(2) is actively working with the same employer; and

(3) is working in a non-PERF or non-TRF covered position;

may suspend and withdraw the amounts in their ASA pursuant to IC 5-10.2-3-5 and IC 5-10.2-3-6 if the participant is at least sixty-two (62) years of age at the time the participant applies for the withdrawal. For example, Josh has worked in a PERF covered position for four (4) years. Josh is promoted to a non-PERF covered position with the same employer. When Josh is sixty-two (62) years of age, he may withdraw his ASA so long as he is not working in a TRF or PERF covered position and is not age and service eligible to receive a PERF or TRF retirement benefit. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-3-1.2; adopted Mar 6, 2015: 20150318-IR-035150060ONA; adopted Sep 11, 2015: 20150923-IR-035150302ONA)*

35 IAC 14-3-2 Membership following the withdrawal of contributions

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-6.5; IC 5-10.4-4-13

Sec. 2. (a) Except as provided under IC 5-10.2-3-6.5, a member is not entitled to receive benefits after membership is suspended and the amount held in the annuity savings account withdrawn unless the member returns to covered employment in Indiana and remains employed long enough to earn at least one-half (1/2) year of service credit. However, if member shows to the satisfaction of the fund that there was bona fide intent to return to employment and comply with this rule and the employee was capable of performing such employment, but was prevented from working for the requisite period due to illness, injury, death of the employee, or other reason, which occurred subsequent to the date of the reemployment, then such reemployment period requirement may be waived. Time spent on an employer approved leave of absence granted under the Family Medical Leave Act (FMLA) or pursuant to a leave granted under IC 5-10.4 taken during the reemployment period shall be used in determining whether the person met the requirements of this section provided that the member returned to covered employment immediately after termination of such leave.

(b) Should the fund become aware that a member has reemployed in a covered position within thirty (30) days after having requested the withdrawal and if no withdrawal distribution has been made, the fund will not make the withdrawal distribution and the suspension of membership shall be automatically deferred and the member shall not be eligible for such refund. The member shall notify the fund immediately upon accepting such employment. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-3-2; filed Oct 5, 1992, 5:00 p.m.: 16 IR 706; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Dec 16, 2009: 20100106-IR-550090990ONA; adopted Dec 17, 2010: 20101229-IR-550100778ONA; adopted Apr 26, 2013: 20130508-IR-035130167ONA; adopted Jun 20, 2014: 20140820-IR-035140335ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-3-2) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-3-2) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-3-3 Reinstatement of creditable service after suspension of membership

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-5; IC 5-10.2-3-6; IC 5-10.4-4-13

Sec. 3. A member who returns to active service after suspension of membership shall receive credit for prior service when the member is reemployed in a covered position for at least one-half (1/2) year. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-3-3; filed Oct 5, 1992, 5:00 p.m.: 16 IR 706; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from*

the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-3-3) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-3-3) by P.L.23-2011, SECTION 22, effective July 1, 2011.

35 IAC 14-3-4 Repayment after withdrawal

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-5; IC 5-10.4-4-13

Sec. 4. A member who has withdrawn the assets held in an annuity savings account shall not be permitted to repay the assets in order to establish eligibility for a benefit. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-3-4; filed Oct 5, 1992, 5:00 p.m.: 16 IR 706; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-3-4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-3-4) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-3-5 Automatic distribution of ASA assets

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-5; IC 5-10.2-3-6

Sec. 5. (a) Whenever a member is suspended pursuant to IC 5-10.2-3-5(c), the fund shall conduct an investigation to locate the member.

(b) Reasonable costs of locating the member may be charged against the member's ASA.

(c) Pursuant to IC 5-10.2-3-6(d), whenever a valid address can be determined for the member, the fund shall automatically make a lump-sum distribution to the member from the member's ASA not to exceed one thousand dollars ($1,000).

(d) Contemporaneously with the distribution, the fund shall serve notice to the member explaining the reason for the distribution.

(e) Pursuant to IC 5-10.2-3-6(b), if the member is not located and does not claim his monies within five (5) years after suspension, the monies shall be credited to the fund and the fund shall retain the monies until the member or the member's beneficiary claims them with no further interest credits or earnings after the monies are credited to the fund. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-3-5; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-3-5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-3-5) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-3-6 Unclaimed ASA assets within dormant accounts

Authority IC 5-10.2-2-1; IC 5-10.5-4-2
Affected: IC 5-10.2-2-3; IC 5-10.2-2-4

Sec. 6. (a) Whenever a vested member's account has received no contributions for a period of twenty (20) years and it has been determined by TRF that the member is otherwise age and service eligible to receive a benefit, the fund may conduct an investigation to locate the member.

(b) Reasonable costs of locating the member or the member's beneficiary may be charged against the member's ASA.

(c) If the member or the member's beneficiary is not located after an investigation to locate the member, the monies in the member's ASA shall be credited to the fund and the fund shall retain the monies until the member or the member's beneficiary claims the monies with no further interest credits or earnings after the monies are credited to the fund. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-3-6; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-3-6) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-3-6) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-3-7 De minimis accounts

Authority: IC 5-10.2-2-1; IC 5-10.5-4-2
Affected: IC 5-10.2-3-6; IC 5-10.4-4

Sec. 7. (a) If after suspension, retirement, retirement for disability, death withdrawal, or other withdrawal, an inactive member's ASA account balance is below the de minimis amount as such amount is determined by TRF, TRF may close the member's account and credit the residual amount to the fund without further notice.

(b) A member or the member's beneficiary may claim the amount credited to the fund and the account may be adjusted for gains, losses, or interest earnings unless otherwise limited by statute by petitioning TRF in writing.

(c) If the credited amount is from a suspended member's account, no gains or earnings shall be credited to the member's account in accordance with IC 5-10.2-3-6. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-3-7; adopted Apr 21, 2010: 20100505-IR-550100241ONA; errata filed Jun 2, 2010, 3:01 p.m.: 20100616-IR-550100241ACA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-3-6.5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-3-7) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-3-8 De minimis overpayments

Authority: IC 5-10.2-2-1; IC 5-10.5-4-2
Affected: IC 5-10.2-3-6; IC 5-10.4-4

Sec. 8. If an active, inactive, retired, retired for disability, suspended, or deceased member's ASA account is below the de minimis amount as determined within 550 IAC 2-1-2.7, TRF may elect to not collect the overpayment from the member. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-3-8; adopted Dec 17, 2010: 20101229-IR-550100778ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-3-7) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-3-8) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-3-9 Refund of contributions following election to begin receiving benefits

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-2; IC 5-10.2-4-8.2; IC 5-10.4

Sec. 9. A member who makes an election to continue making contributions under IC 5-10.2-3-2 after making an election to begin or continue receiving retirement benefits under IC 5-10.2-4-8.2 may not withdraw such contributions and earnings until the member has separated from covered service. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-3-9; adopted Apr 26, 2013: 20130508-IR-035130167ONA)*

Rule 4. Membership

35 IAC 14-4-1 Membership in the fund

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-2; IC 5-10.4-4-1; IC 5-10.4-4-11; IC 20-24-1-4; IC 20-31-9-4; IC 20-31-9.5-7

Sec. 1. (a) Membership in the fund shall be compulsory for all teachers licensed by the Indiana state board of education or its successor who are regularly employed pursuant to a uniform or supplemental teaching contract to perform educational or administrative services in the public schools of the state of Indiana. Licensed substitute teachers who have at least an associate's degree and who have taught at least one hundred twenty (120) days in any one (1) school year or at least sixty (60) days in any two (2) school years are also required to become members of the fund. Required contributions must be paid to the fund for each covered teacher.

(b) Membership in the fund is compulsory for employees of the fund, and all licensed teachers regularly employed in state educational institutions supported solely by the state who devote their entire time to teaching or in state benevolent, charitable, or correctional institutions. Required contributions must be paid to the fund.

(c) Membership is optional for regularly contracted faculty and professional staff at Ball State University, Indiana State University, University of Southern Indiana, and Vincennes University who are designated as eligible by the board. The universities shall petition the board before new teachers are given the opportunity to join the fund. Both employer and employee contributions must be paid to the fund.

(d) Membership in the fund is optional for employees and officials of a governing body and the Indiana state board of education who were licensed as teachers by the Indiana state board of education or the Indiana professional licensing agency prior to their election or appointment. Required contributions must be made to the fund.

(e) Membership in the fund is optional for teachers employed by charter schools as defined by IC 20-24-1-4.

(f) Pursuant to IC 20-31-9.5-7, teachers licensed by the Indiana state board of education or the Indiana professional licensing agency employed by special management teams established under IC 20-31-9-4 may be enrolled as participants of the fund by filing enrollment forms approved by TRF. Required contributions must be made to the fund.

(g) Pursuant to IC 20-25.5-4-4(c) *[IC 20-25.5 was repealed by P.L.214-2015, SECTION 1, effective July 1, 2015.]*, teachers licensed by the Indiana state board of education or the Indiana professional licensing agency employed by the innovation network school established under IC 20-25.5-4 *[IC 20-25.5 was repealed by P.L. 214-2015 SECTION 1, effective July 1, 2015.]* may be enrolled as participants of the fund by filing enrollment forms approved by TRF. Required contributions must be made to the fund. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-4-1; filed Oct 5, 1992, 5:00 p.m.: 16 IR 706; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Nov 19, 2008: 20081126-IR-550080887ONA; adopted Dec 16, 2009: 20100106-IR-550090990ONA; adopted Jun 29, 2012: 20120718-IR-035120397ONA; adopted Jun 20, 2014: 20140820-IR-035140335ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-4-1) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-4-1) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-4-2 Service in a dual position

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-2; IC 5-10.4-3-8; IC 5-10.4-4-11

Sec. 2. Whenever an individual is employed by the same employer in a position which requires the performance of covered and noncovered service, contributions shall be paid from the portion of the annual compensation attributable to the covered service. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-4-2; filed Oct 5, 1992, 5:00 p.m.: 16 IR 707; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-4-2) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-4-2) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-4-3 Teacher aides and higher education graduate assistants

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-4-2

Sec. 3. Teacher aides and higher education graduate assistants are not eligible for membership in the fund. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-4-3; filed Oct 5, 1992, 5:00 p.m.: 16 IR 707; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-4-4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-4-3) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-4-4 Member designation of beneficiaries

Authority: IC 5-10.4; IC 5-10.5-4-2
Affected: IC 5-10.2-3-7.5; IC 5-10.2-3-10; IC 5-10.4-4-10

Sec. 4. (a) A new member shall designate, by name, primary and secondary beneficiaries to receive the assets present in the annuity savings account equally or designated by whole percentage increments on the occasion of the member's death prior to

retirement, less any disability benefits paid.

(b) A member who establishes a rollover account pursuant to IC 5-10.2-3-10 may designate a beneficiary or beneficiaries separate from those designated on the member's annuity savings account under the requirements as stated herein.

(c) A member may name more than one (1) individual as primary or contingent beneficiaries of the member's annuity savings account or rollover account. Members may designate that the assets held in the account shall be divided equally or allocated by whole percentage increments to primary and contingent beneficiaries. Upon the member's death, the assets held in the account shall be divided equally among the surviving primary beneficiaries or, if none, among the surviving contingent beneficiaries, or by whole percentage increments to such beneficiaries if the member has designated percentage increments on a TRF form. Alternative beneficiary designations, such as per stirpes or by representation, will not be accepted or recognized by the fund. If a member has designated more than one (1) primary beneficiary, and one (1) or more of the primary beneficiaries predecease the member and the member does not complete a new beneficiary designation form, the remaining primary beneficiaries will receive an apportioned pro rata share based on the remaining primary beneficiaries' allocated percentages of the deceased primary beneficiary or beneficiaries portion. For example, member X designates three (3) primary beneficiaries as follows: Ann 60%, Bob 30%, and Carl 10%. Ann predeceases member X, and member X does not submit a new beneficiary designation form. Member X had $10,000 in her annuity savings account (ASA) at the time of her death. Ann's 60% share will be divided between Bob and Carl as follows: Bob $4,500 and Carl $1,500. Therefore, the total amount that Bob will receive from member X's ASA is $7,500, and the total amount that Carl will receive from member X's ASA is $2,500.

(d) A member may name a trust, the member's estate, or other legal entity as the beneficiary of the member's annuity savings account or rollover account.

(e) The designated beneficiary's right to a benefit vests upon the death of the member in the designated beneficiary on file with the fund. A change of beneficiary designation must be made in a manner and form approved by the board and must be filed with the fund before the time of death of the member. A change of beneficiary designation received after the estate *[sic]* time of death of the member is not valid. A written beneficiary designation for the ASA or RSA must be witnessed by an individual other than the member's designated beneficiary. Timely electronic beneficiary designations submitted through the fund's website in a form and manner approved by the board shall be deemed to have met the requirements of this rule. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-4-4; filed Oct 5, 1992, 5:00 p.m.: 16 IR 707; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Apr 21, 2010: 20100505-IR-550100241ONA; adopted Nov 19, 2010: 20101208-IR-550100723ONA; adopted Apr 29, 2011: 20110511-IR-550110274ONA; adopted Feb 17, 2012: 20120222-IR-035120095ONA; adopted Apr 26, 2013: 20130508-IR-035130167ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-4-5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-4-4) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-4-4.1 Changes to survivor beneficiary designation or form of benefit

Authority: IC 5-10.5-4-2; IC 5-10.4
Affected: IC 5-10.2-4-7; IC 5-10.2-4-7.2; IC 5-10.4

Sec. 4.1. (a) Eligible retired members may elect to change their designated survivor beneficiary or form of benefit pursuant to IC 5-10.2-4-7.2 and this rule.

(b) A designated change in the survivor beneficiary or form of benefit is effective when the change application is received and verified by the fund, and any resulting change in the form or amount of benefit is paid prospectively from the first of a month following that date. For example, Gill's designated survivor predeceases him on July 1. Gill applies to remove his designated beneficiary and change his form of benefit to straight life with no survivor beneficiary on December 1. Gill's recalculated benefit will be paid beginning on the first of a month following receipt and verification of the change application. There are no retroactive payments to or reductions to Gill's benefit relating back to the date of death of his original survivor.

(c) If a retiree makes an election to change the designated survivor or form of benefit, the retiree's benefit will be actuarially recalculated using all factors including annuity interest in effect at the time INPRS receives the member's election form. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-4-4.1; adopted Mar 6, 2015: 20150318-IR-035150060ONA)*

Rule 5. Service Credit and Contributions

35 IAC 14-5-1 One day of service credit

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-4-2; IC 5-10.4-4-7

Sec. 1. (a) For purposes of IC 5-10.4-4-2, a member is entitled to one (1) day of service credit when the member engages in covered service for a standard work day or any fraction thereof.

(b) Creditable service does not include sick leave, vacation leave, or personal leave unless service credit for such leave is granted pursuant to IC 5-10.4-4-7. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-5-1; filed Oct 5, 1992, 5:00 p.m.: 16 IR 707; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-5-1) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-5-1) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-5-2 Omitted contributions

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-2; IC 5-10.4-4-11; IC 5-10.4-7-3; IC 5-10.4-7-4

Sec. 2. (a) In any case where the employing unit has failed to report and forward the requisite contributions, service credit will not be granted until the member and/or the employer remits the full amount due.

(b) If a member's annual compensation is retroactively increased through court judgment or order, settlement of a claim, or some other means, contributions shall be deducted at the time the member receives the money even though it is attributable to other years. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-5-2; filed Oct 5, 1992, 5:00 p.m.: 16 IR 707; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-5-2) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-5-2) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-5-3 Make-up days

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-1; IC 5-10.2-4-3; IC 5-10.4-4-2

Sec. 3. When make-up days are required at the conclusion of the school year due to school closings for snow, power failures, or other unforeseeable circumstances, the last official work day will be the make-up day and not the last day actually paid. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-5-3; filed Oct 5, 1992, 5:00 p.m.: 16 IR 708; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-5-4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-5-3) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-5-4 Credit for military service

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-4-8

Sec. 4. (a) For purposes of IC 5-10.4-4-8, there is no time frame within which a member who returned to an approved four (4) year teacher training program within the time specified by law must complete the program.

(b) An approved teacher training program is defined as any training for which educational credits are accepted and used to meet the requirements of the department of education to be regularly employed and legally qualified as a teacher.

(c) A member seeking military service credit must provide documentary evidence demonstrating that the statutory requirements have been satisfied.

(d) Qualifying military service credit will be added to a member's account in full years or any fraction thereof. A member may not receive more than one (1) year of service credit for one (1) year of military service. *(Board of Trustees of the Indiana*

Public Retirement System; 35 IAC 14-5-4; filed Oct 5, 1992, 5:00 p.m.: 16 IR 708; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-5-5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-5-4) by P.L.23-2011, SECTION 22, effective July 1, 2011.

35 IAC 14-5-5 Leave of absence due to pregnancy

Authority: IC 5-10.5-4-2
Affected: IC 20-28-10-5; IC 5-10.4-4-7

Sec. 5. (a) An active member shall be given credit for leaves of absence due to pregnancy only when leave is requested pursuant to the requirements found in IC 20-28-10-5. Credit is limited to one-seventh (1/7) of the total years of service claimed for retirement purposes.

(b) If the member is compensated while on leave, the statutory contributions must be maintained.

(c) A member seeking credit for leave of absence due to pregnancy must provide documentary evidence demonstrating that the statutory requirements have been satisfied.

(d) Unless otherwise required by law, no request for credit for leaves of absence due to pregnancy shall be accepted by the Fund and no leave shall be credited to a member's account after the first day of the month in which retirement benefit payments are scheduled to begin.

(e) Unless otherwise provided by law, a leave of absence for pregnancy is not a separation from service. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-5-5; filed Oct 5, 1992, 5:00 p.m.: 16 IR 708; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Jul 8, 2009: 20090715-IR-550090499FRA; adopted Dec 14, 2012: 20121226-IR-035120663ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-5-6) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-5-5) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-5-6 Leave of absence due to sickness or disability

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-4-7; IC 20-28

Sec. 6. (a) If the member is compensated while on sickness or disability leave, the statutory contributions must be maintained.

(b) Except as provided by subsection (c), a member seeking credit for leave of absence due to sickness or disability must apply for such credit in a manner approved by TRF that contains written verification by an official of the member's employer that during the time that the leave was taken the leave was approved and taken pursuant to the sick leave policies and procedures of the employer.

(c) A member seeking credit for leave of absence due to sickness or disability who cannot obtain an employer verification described in subsection (b) due to a lack of employer records must provide documentary evidence demonstrating that the statutory requirements have been satisfied.

(d) Unless otherwise provided by law, a leave of absence is not a separation from service. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-5-6; filed Oct 5, 1992, 5:00 p.m.: 16 IR 708; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA; adopted Dec 16, 2009: 20100106-IR-550090990ONA; adopted Dec 14, 2012: 20121226-IR-035120663ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-5-7) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-5-6) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-5-7 Sabbatical or professional improvement leave

Authority: IC 5-10.5-4-2
Affected: IC 20-28-10-1; IC 20-28-10-2; IC 20-28-10-3; IC 5-10.4-4-7

Sec. 7. (a) Credit for sabbatical or professional improvement leave of absence shall be awarded to the extent that the member

has been reemployed in a covered position in Indiana for a period equal to that of the leave credit sought. Whenever the member's reemployment is for a period less than that of the leave, credit shall be awarded only for the length of the reemployment period. Credit will not be granted in increments of less than one-half (1/2) of a year.

(b) If the member is being paid by the member's employing unit while on leave, contributions to the fund must be maintained.

(c) The member need not return to the same school corporation in order to receive credit.

(d) A member seeking credit for sabbatical or professional improvement leave of absence must provide documentary evidence demonstrating that the statutory requirements have been satisfied. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-5-7; filed Oct 5, 1992, 5:00 p.m.: 16 IR 708; errata filed Jan 8, 1993, 9:00 a.m.: 16 IR 1403; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-5-8) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-5-7) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-5-8 Out-of-state service prior to July 1, 1981

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-4-4

Sec. 8. A member who terminated covered Indiana employment prior to July 1, 1981, performed creditable service outside of the state of Indiana, and subsequently returned to teaching in Indiana, may use prior Indiana service to satisfy the requirement that the member have ten (10) years of Indiana service before credit may be claimed. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-5-8; filed Oct 5, 1992, 5:00 p.m.: 16 IR 709; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-5-10) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-5-8) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-5-9 Purchase of service credit

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-1.2; IC 5-10.2-4-10; IC 5-10.4-4

Sec. 9. (a) No additional purchase of service credit can be made once a member's application for retirement has been processed and a retirement benefit is scheduled to be distributed.

(b) A qualified member may only purchase service credit in increments of one-twelfth (1/12) of a year.

(c) A member seeking to purchase service credit must provide documentary evidence that the statutory requirements and the requirements stated herein have been satisfied. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-5-9; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Nov 19, 2008: 20081126-IR-550080887ONA; adopted Jun 20, 2014: 20140820-IR-035140335ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-5-10.4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-5-9) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-5-10 Purchase of service credit; direct rollover or financial agreement

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-1.2; IC 5-10.4-4

Sec. 10. (a) Eligible TRF members may purchase service under IC 5-10.2-3-1.2, IC 5-10.4-4-4, IC 5-10.4-4-5, IC 5-10.4-4-6, and IC 5-10.4-4-8.

(b) The eligible fund member may purchase such service subject to the following:

(1) Service may be purchased in one (1) month increments. The minimum service purchase is one (1) year for a member who elects to purchase service through a finance agreement.

(2) Installment payments are subject to the terms of the finance agreement.

(3) Any service purchase may be made via a direct cash payment, a direct rollover under IC 5-10.4-4-12, or a combination

of both.

(4) Any direct rollover may not exceed the actual cost of such service as established by the fund.

(5) Payment may be made in a lump sum or in annual installments for a period not to exceed five (5) years. Any installment shall bear interest at the actuarial interest rate effective on the date of the first installment. Any payments are subject to applicable Internal Revenue Service limits, and the fund may limit any payments in a manner necessary to comply with these limits.

(c) In the event of a payment default under the terms of the finance agreement, a partial service credit amount will be determined by TRF. The partial service credit amount will be based on the payments made as of the date of payment default and the actuarial cost of the service. The minimum amount of partial service credit will be one (1) month. Partial service will be credited in monthly increments. The member has a thirty (30) day grace period from the date of the payment default to restore the missed payment. The member is not eligible to make service purchase payments more than thirty (30) days after the date of the payment default.

(d) The interest rate will be set at the prime rate reported in the most recent edition of the Wall Street Journal at the time the financial agreement is executed, plus two (2) percentage points. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-5-10; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-5-13) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-5-10) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-5-11 Substitute teaching service credit

Authority: IC 5-10.5-4-2
Affected: IC 5-10.4-4-6

Sec. 11. (a) Substitute teachers admitted to the fund are entitled to service credit when required contributions have been paid.

(b) Substitute teachers enrolled in the fund, who have earned at least one (1) year of service credit, are entitled to service credit for subsequent substitute teaching service, pursuant to 35 IAC 14-4-1, so long as required contributions are made.

(c) If a TRF member earned their first year of service as a substitute teacher, the member may purchase that year of service pursuant to IC 5-10.4-4-6. However, a member is not required to purchase this service in order to claim service under section (b) of this rule *[subsection (b)]*. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-5-11; adopted Dec 13, 2013: 20131225-IR-035130565ONA)*

Rule 6. Death in Service Benefits

35 IAC 14-6-1 Death in service; survivor benefit options

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-7.5; IC 5-10.2-3-8; IC 5-10.4-5-12

Sec. 1. (a) Provided no other beneficiary has been designated to receive the annuity savings account, a qualified spouse or dependent of a member who died while in active service may secure payment of survivor benefits in either of the following forms:

(1) A lump sum withdrawal of the annuity savings account plus a monthly benefit.

(2) A monthly benefit which includes actuarial distributions from the annuity savings account.

(b) Whenever the member is survived by a spouse to whom the member was not married for at least two (2) years, the spouse will not receive a monthly benefit but may be entitled to all or a portion of the annuity savings account if designated as a beneficiary thereof.

(c) Whenever the member is survived by a qualified spouse, dependents will not receive a monthly benefit but may be entitled to all or a portion of the annuity savings account when designated as beneficiaries. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-6-1; filed Oct 5, 1992, 5:00 p.m.: 16 IR 709; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-6-1) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-6-1) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-6-2 Death in service; classroom disability benefits

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-7.5; IC 5-10.2-3-8; IC 5-10.4-5

Sec. 2. Whenever a member dies after or while receiving classroom disability benefits and before applying for retirement or disability retirement, the amount held in the annuity savings account shall be reduced by the sum of benefits paid. The remainder, if any, shall be paid to a designated beneficiary or the member's estate. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-6-2; filed Oct 5, 1992, 5:00 p.m.: 16 IR 709; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-6-2) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-6-2) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-6-3 Death in service; compliance with the Heroes Earning Assistance and Relief Tax Act of 2008 (HEART)

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-1.5; IC 5-10.2-2-1

Sec. 3. (a) Effective with respect to deaths occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in Chapter 43 of Title 38, United States Code), to the extent required by Section 401(a)(37) of the Internal Revenue Code, survivors of a member in the retirement system are entitled to any additional benefits that the system would provide if the member had resumed employment and then died, such as accelerated vesting or survivor benefits that are contingent on the member's death while employed.

(b) Effective with respect to deaths or disabilities occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in Chapter 43 of Title 38, United States Code), to the extent permitted by Section 414(u)(9) of the Internal Revenue Code, for benefit accrual purposes, the member will be treated as having returned to employment on the day before the death or disability and then terminated on the date of death or disability. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

(c) Beginning January 1, 2009, to the extent required by Sections 3401(h) and 414(u)(12) of the Internal Revenue Code, an individual receiving differential wage payments (while the individual is performing qualified military service (as defined in Chapter 43 of Title 38, United States Code)) from an employer shall be treated as employed by that employer and the differential wage payment shall be treated as earned compensation. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-6-3; adopted Dec 16, 2009: 20100106-IR-550090990ONA; errata filed Jan 19, 2010, 12:48 p.m.: 20100203-IR-550100043ACA; adopted Apr 26, 2013: 20130508-IR-035130167ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-6-3.5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-6-3) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-6-4 Death in service; surviving dependents

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-7.5; IC 5-10.2-3-8; IC 5-10.4-5-12

Sec. 4. (a) Whenever a member dies while in active service and is not survived by a qualified spouse but is survived by one (1) qualified dependent, the dependent is entitled to the monthly benefits determined under the statutory criteria.

(b) Whenever a member dies while in active service and is not survived by a qualified spouse but is survived by more than one (1) qualified dependent, the qualified dependents are entitled to an equal share of the monthly benefits determined under statutory criteria. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-6-4; filed Oct 5, 1992, 5:00 p.m.: 16 IR 710; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-6-4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-6-4) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-6-5 Death in service; dependent with a disability

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-7.5; IC 5-10.2-3-8; IC 5-10.4-5-12

Sec. 5. (a) Whenever a member who dies in service is not survived by a qualified spouse but is survived by a dependent with a qualifying disability, benefits will be paid after the dependent or the dependent's guardian has provided proof that:

(1) the person was the natural or adopted child of the member and was the dependent of the member at the time of the member's death;

(2) the dependent is totally and permanently disabled under the Social Security guidelines; and

(3) when the dependent is over eighteen (18) years of age, that the disability onset date preceded the dependent's eighteenth birthday.

(b) Proof of continuing disability must be provided on an annual basis. When the dependent has been receiving benefits from the Social Security Administration, a waiver of confidentiality may be signed by the dependent or the dependent's guardian permitting the fund to automatically confirm the dependent's disability status.

(c) When the dependent is not eligible for Social Security benefits, the disability assessment shall be made by a fund approved physician who has a demonstrated understanding of the requisite guidelines.

(d) Persons confined in a mental institution need not be reexamined regularly, but the board may rely upon statements from the administrator of the institution. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-6-5; filed Oct 5, 1992, 5:00 p.m.: 16 IR 710; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-6-5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-6-5) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-6-6 Dependency test

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-7.5; IC 5-10.2-3-8; IC 5-10.4-5-12

Sec. 6. An individual will be considered dependent for the purpose of this article when claimed by the member for tax purposes under the Internal Revenue Service Code, provides for the primary support of the individual, or pays support pursuant to a dissolution decree or other support agreement. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-6-6; 6; filed Oct 5, 1992, 5:00 p.m.: 16 IR 710; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-6-6) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-6-6) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-6-7 Purchase of credit by surviving qualified spouse or dependent

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-7.5; IC 5-10.2-3-8

Sec. 7. A surviving qualified spouse or dependent eligible to receive benefits under IC 5-10.2-3-7.5 or IC 5-10.2-3-8 may purchase or claim service credit which could have been purchased or claimed by the decedent. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-6-7; filed Oct 5, 1992, 5:00 p.m.: 16 IR 710; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-6-7) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-6-7) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-6-8 Death withdrawal

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-2-3; IC 5-10.2-3-7.5

Sec. 8. A check representing the lump sum payment of benefits owed as the result of the death of a member shall include interest paid pursuant to valuations as provided by IC 5-10.2-2-3. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-6-8; filed Oct 5, 1992, 5:00 p.m.: 16 IR 710; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-6-8) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-6-8) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-6-9 Death in service; proof required

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-7.5; IC 5-10.2-3-8; IC 5-10.4-5-12

Sec. 9. (a) In every case where a member is survived by a qualified spouse, the spouse must present the following:

(1) Proof of member's and spouse's age.

(2) Proof of the validity and duration of the marriage.

(3) Proof of the member's death by means of a death certificate or other official verification.

(4) The member's and spouse's Social Security number.

(b) In every case where a member is survived by a qualified dependent, the dependent or the dependent's guardian must present the following:

(1) Proof of member's and dependent's age.

(2) Proof of relationship by means of a birth certificate, adoption record, or court decree obtained under IC 34-4-3 *[IC 34-4 was repealed by P.L.1-1998, SECTION 221, effective July 1, 1998.]*.

(3) Proof of the member's death by means of a death certificate or other official verification.

(4) The member's and dependent's Social Security number.

(5) An affidavit stating that no other dependents are known to exist.

(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-6-9; filed Oct 5, 1992, 5:00 p.m.: 16 IR 711; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-6-9) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-6-9) by P.L.23-2011, SECTION 22, effective July 1, 2011.

Rule 7. Retirement

35 IAC 14-7-1 Application for retirement

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-1; IC 5-10.4-5-8

Sec. 1. (a) Application for retirement will not be processed unless properly completed by the member.

(b) The board may investigate any and all applications. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-1; filed Oct 5, 1992, 5:00 p.m.: 16 IR 711; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-1) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-1) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-7-2 Retirement effective date

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-1; IC 5-10.2-4-8; IC 5-10.4-5-8

Sec. 2. (a) A member's retirement shall become effective on the latest of the first day of:

(1) the month following the last day of compensated service;

(2) the month following the date that age, service credit, or disability requirements are met; or

(3) any future month requested by the member in writing.

(b) For the purpose of IC 5-10.2-4-8, the separation requirement counting period begins with the member's retirement benefit accrual date.

(c) For the purpose of IC 5-10.2-4-8, the separation requirement period is measured between the date of reemployment and the member's benefit accrual date. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-2; filed Oct 5, 1992, 5:00 p.m.: 16 IR 711; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-2) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-2) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-7-2.1 Retirement benefit commencement without employer separation

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-1; IC 5-10.3-8-1; IC 5-10.4-5-6

Sec. 2.1. For retirements after the effective date of this rule, in accordance with Section 905 of the Pension Protection Act of 2006, and unless otherwise prohibited by law, a PERF or TRF participant who:

(1) is no longer working in PERF or TRF covered service with an employer;

(2) is actively working with the same employer; and

(3) is working in a non-PERF or non-TRF covered position;

is entitled to retire from PERF or TRF and begin receiving retirement benefits if the participant is otherwise eligible for retirement and the participant has reached normal retirement age, as defined in 35 IAC 1.2-1-4. For example, Steve is sixty-five (65) years of age and has fifteen (15) years of PERF service as a state of Indiana employee. Steve is elected as a judge eligible for service in the judges' retirement system (JRS). Steve terminates his previous state of Indiana PERF covered employment and immediately begins serving as a judge participating in the JRS. Since Steve is age and service eligible for a PERF benefit, has attained normal retirement age, as defined in 35 IAC 1.2-1-4, and has terminated his PERF covered position, he is eligible to begin receiving PERF retirement benefits even though Steve did not separate from state employment. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-2.1; adopted Mar 6, 2015: 20150318-IR-035150060ONA; adopted Sep 11, 2015: 20150923-IR-035150302ONA)*

35 IAC 14-7-2.2 Election, appointment to elected position, or service in other position not covered by PERF or TRF

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-8.2; IC 5-10.3; IC 5-10.4

Sec. 2.2. A PERF or TRF member who is a state elected official or who is a person appointed to a state elected position in a position not covered by PERF or TRF and otherwise meets the criteria set forth in IC 5-10.2-4-8.2 may make an election to begin receiving PERF or TRF benefits while holding the position in accordance with and pursuant to IC 5-10.2-4-8.2. For example, Judge Smith worked as a teacher in a state institution in a TRF covered position for twenty (20) years. He was elected as a superior court judge and immediately left his TRF covered position to serve as a judge and is participating in the judges' retirement system. While serving as a judge, he may make the election to begin receiving his TRF retirement benefit if he meets the requirements of IC 5-10.2-4-8.2. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-2.2; adopted Mar 6, 2015: 20150318-IR-035150060ONA)*

35 IAC 14-7-3 Proof required to commence monthly benefits

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-4; IC 5-10.2-4-7; IC 5-10.4-5-11; IC 34-28-1

Sec. 3. (a) No retirement benefits shall be paid to a member until the member provides proof of date of birth in any one (1) of the following forms:

(1) A birth certificate or registration from the public health department or other governmental entity.

(2) A court decree obtained under IC 34-28-1 and certified by the clerk of the court.

(3) Other evidence relating to the member's date of birth may be submitted, and upon approval the board shall fix a date based thereon.

(b) A member selecting a joint and survivor retirement option shall also provide evidence of the date of birth of the cosurvivor. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-3; filed Oct 5, 1992, 5:00 p.m.: 16 IR 711; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Sep 16, 2011: 20110928-IR-035110563ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-3) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-3) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-7-4 Guaranteed plan

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-9; IC 5-10.2-4-2

Sec. 4. (a) When a member elects the five (5) year guaranteed retirement plan option and does not live to exhaust the full amount of the payments, the balance shall accrue to the designated beneficiary or the estate of the member.

(b) When a member dies prior to exhausting the balance held in the member's annuity savings account, the balance, after deducting any payments from the account, including death settlements, will be distributed to the designated beneficiary or the member's estate. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-4; filed Oct 5, 1992, 5:00 p.m.: 16 IR 711; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-4) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-7-5 Annuity savings account contributions received by TRF subsequent to processing of retirement benefit

Authority: IC 5-10.2-2-1; IC 5-10.2-2-1.5; IC 5-10.5-4-2
Affected: IC 5-10.2-4-2

Sec. 5. (a) Notwithstanding a member's election to receive an annuity provided by the amounts credited to the member's annuity savings account at retirement, annuity savings account contributions totaling not more than one thousand dollars ($1,000) posted to a member's account after the final date on which the member's benefit is processed shall be distributed to the member in a lump-sum payment.

(b) No later than October 1, 2014, a member may elect to receive annuity savings account contributions exceeding one thousand dollars ($1,000) posted to a member's account after the final date on which the member's benefit is processed in either a lump-sum payment or as a direct rollover to a non-TRF tax deferred account.

(c) Pursuant to IC 5-10.2-4-2(b)(2), a member electing to fully or partially annuitize the member's annuity savings account in contemplation of separation from service and retirement, excluding state long-term disabilitants, will have the entire amount in the member's annuity savings account moved into a fixed value account, set at the same rate as the guaranteed fund. Once the annuity savings account is moved into a fixed value account in contemplation of retirement, the election cannot be changed. In addition, any annuity savings account contributions posted to a member's account subsequent to the final date on which the member's benefit is processed shall be held in a fixed value account, set at the same rate as the guaranteed fund, until such time as that amount is distributed to the member. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-5; adopted Dec 16, 2009: 20100106-IR-550090990ONA; adopted Nov 19, 2010: 20101208-IR-550100723ONA; adopted Jun 20, 2014: 20140820-IR-035140335ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-4.5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-5) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-7-6 Distributions to minors and incompetent persons

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-3-7.5; IC 5-10.2-3-8; IC 5-10.2-4-7; IC 5-10.4-5-11; IC 5-10.4-5-12

Sec. 6. Distributions to or on behalf of minors and other incompetent beneficiaries are governed by Indiana guardianship law set forth in the Indiana Probate Code. However, payments may be made to minor beneficiaries pursuant to the Indiana Uniform Transfers to Minors Act. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-6; filed Oct 5, 1992, 5:00 p.m.: 16 IR 711; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-6) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-7-7 Required minimum distribution procedure

Authority: IC 5-10.2-2-1; IC 5-10.2-2-1.5; IC 5-10.4-3-9; IC 5-10.5-4-2
Affected: IC 5-10.2-4-2; IC 5-10.2-4-7

Sec. 7. (a) Distribution of each member's entire interest must begin by April 1 of the calendar year following the later of:

(1) the calendar year in which the member attains age seventy and one-half (70 1/2); or

(2) the calendar year in which the member retires (the required beginning date).

(b) If a nonvested member or a retired member who deferred withdrawal of his or her ASA reaches the required beginning date without taking an ASA distribution, they will be subject to a mandatory lump-sum distribution of their account less any monies owed for taxes and/or penalties.

(c) If a vested member has not started receiving his or her monthly pension benefit by the required beginning date, the member's account will be automatically processed utilizing the five (5) year guarantee as described in IC 5-10.2-4-7(b) and annuitizing any available ASA monies.

(d) TRF will attempt to notify members of a potential required minimum distribution prior to the member's required beginning date if TRF is able to locate a current valid address for the member utilizing an existing locator service. If TRF is unable to locate a current valid address for a member who has not taken a distribution from their pension and/or ASA by the required beginning date, no such distribution shall be made until the member is located. Once a valid address is located, distributions will proceed as set forth in subsections (b) and (c), less any withholdings or penalties owed. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-7; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-5.5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-7) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-7-8 Compliance with Code Section 401(a)(9) for required minimum distributions

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-2-1.5; IC 5-10.5

Sec. 8. The retirement system will pay all benefits in accordance with a good faith interpretation of the requirements of Section 401(a)(9) of the Internal Revenue Code and the regulations in effect under that section, as applicable to a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code. The retirement system is subject to the following provisions:

(1) Distribution of a member's benefit must begin by the required beginning date, which is the later of the April 1 following the calendar year in which the member attains age seventy and one-half (70 1/2) or April 1 of the year following the calendar year in which the member terminates.

(2) The member's entire interest must be distributed over the member's life or the lives of the member and a designated beneficiary, or over a period not extending beyond the life expectancy of the member or of the member and a designated beneficiary.

(3) If a member dies after the required distribution of benefits has begun, the remaining portion of the member's interest must be distributed at least as rapidly as under the method of distribution before the member's death.

(4) If a member dies before required distribution of the member's benefits has begun, the member's entire interest must be either:

(A) distributed (in accordance with federal regulations) over the life or life expectancy of the designated beneficiary, with the distributions beginning no later than December 31 of the calendar year following the calendar year of the

member's death; or

(B) distributed within five (5) years of the member's death.

(5) The amount of an annuity paid to a member's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of Section 401(a)(9)(G) of the Internal Revenue Code, and the minimum distribution incidental benefit rule under Treasury Regulation Section 1.401(a)(9)-6, Q&A-2.

(6) The death and disability benefits provided by the retirement system are limited by the incidental benefit rule set forth in Section 401(a)(9)(G) of the Internal Revenue Code and Treasury Regulation Section 1.401-1(b)(1)(i) or any successor regulation thereto. As a result, the total death or disability benefits payable may not exceed twenty-five percent (25%) of the cost for all of the members' benefits received from the retirement system.

(7) Notwithstanding the other provisions of this rule or the provisions of the Treasury Regulations, benefit options may continue so long as the option satisfies Section 401(a)(9) of the Internal Revenue Code based on a reasonable and good faith interpretation of that section.

(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-8; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-5.7) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-8) by P.L.23-2011, SECTION 22, effective July 1, 2011.

35 IAC 14-7-9 Death while receiving benefit under five year guarantee option

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-2; IC 5-10.2-4-8.2

Sec. 9. (a) Except as provided in subsection (b), if a member who selected the five (5) year guarantee retirement option dies prior to the end of the five (5) year period, the remaining payments shall be paid to the designated beneficiary or the member's estate in a lump sum after being actuarially reduced for early payment.

(b) If a member makes an election under IC 5-10.2-4-8.2(b)(2) and selects the five (5) year guarantee retirement option, the designated beneficiary is entitled to the remaining payments as described in subsection (a), less the amount of retroactive retirement benefits paid to the member as a result of such selection, if any. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-9; filed Oct 5, 1992, 5:00 p.m.: 16 IR 712; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-7) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-9) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-7-10 Employer payments

Authority: IC 5-10.2-2-1; IC 5-10.5-4-2
Affected: IC 5-10.2-3-2; IC 5-10.2-4-2; IC 5-10.4-7-8

Sec. 10. (a) In accordance with and pursuant to IC 5-10.4-7, the Indiana public retirement system board of trustees herein sets the due date for contributions as seven (7) days after a covered employer's payroll unless otherwise approved by the board. For adjustments to incorrect reports and contributions by the employer, the due date is seven (7) days after the pay period end date of the original wage and contribution report.

(b) Notwithstanding section (a) *[subsection (a)]*, the due date for adjustments to wages and contributions for members returning to covered employment from military service is thirty (30) days after the member is reemployed.

(c) Upon written request of INPRS, covered employers shall submit their payroll date to INPRS in a manner or form established by INPRS within seven (7) days of receipt of such request.

(d) Any payments not made on the due date may at INPRS' discretion accrue interest at a rate equal to the rate established in 35 IAC 1.2-6-5.5.

(e) Any employer who fails to submit required contributions and reports within thirty (30) days of the due date will be subject to a penalty as set forth in IC 5-10.4-7-8. If the thirtieth day following the due date falls on a Saturday, Sunday, or a legal holiday, the due date becomes the next working day.

(f) An employer who has elected to pick up the mandatory employee contributions of its employees must do so by resolution

in accordance with IC 5-10.2-3-2(d). An employer who wants to rescind its election to pick up the mandatory employee contributions must do so in writing with approval of its governing body. The change will be effective the first payroll date following the date INPRS receives and approves the change. For purposes of IC 5-10.4-7-8(3), habitually late is defined as failing to submit required contributions, records, or reports for over sixty (60) days after the due date.

(g) An employer deemed habitually late will remain in the habitually late status until it submits reports and contributions for twelve (12) months within seven (7) days of the respective due date and after fulfilling all delinquent reporting and contribution requirements. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-10; adopted Dec 16, 2009: 20100106-IR-550090990ONA; errata filed Jan 19, 2010, 12:48 p.m.: 20100203-IR-550100043ACA; errata filed Feb 17, 2010, 12:09 p.m.: 20100310-IR-550100109ACA; adopted Apr 21, 2010: 20100505-IR-550100241ONA; adopted Nov 19, 2010: 20101208-IR-550100723ONA; adopted Sep 16, 2011: 20110928-IR-035110563ONA; adopted Apr 26, 2013: 20130508-IR-035130167ONA; adopted Dec 13, 2013: 20131225-IR-035130565ONA; adopted Mar 6, 2015: 20150318-IR-035150060ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-8) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-10) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-7-11 Overpayments and underpayments

Authority: IC 5-10.2-2-1; IC 5-10.5-4-2
Affected: IC 5-10.2-2-11; IC 5-10.2-3-2; IC 6-8.1-10-1

Sec. 11. (a) When there has been an overpayment of picked up member contributions or after-tax member contributions, the principal amount of the overpayment will be credited to the employer. The principal amount of the overpayment may be adjusted for earnings/interest at the interest rate defined in subsection (e).

(b) When there has been an underpayment of picked up member contributions or after-tax member contributions, the principal amount of the underpayment will be billed to the employer. The principal amount of the underpayment may be adjusted for earnings/interest at the interest rate defined in subsection (e) to begin accruing seven (7) days after the pay period end date of the original wage and contribution report.

(c) When there has been an overpayment of employer contributions, the principal amount of the overpayment will be credited to the employer. The principal amount of the overpayment may be adjusted for earnings/interest at the interest rate defined in subsection (e).

(d) When there has been an underpayment of the employer contribution, the principal amount of the underpayment will be billed to the employer. The principal amount may be adjusted for earnings/interest at the interest rate defined in subsection (e) to begin accruing seven (7) days after the pay period end date of the original wage and contribution report.

(e) For purposes of this section, the interest rate shall be determined by the executive director and shall not exceed the assumed rate of return set by the board. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-11; adopted Dec 16, 2009: 20100106-IR-550090990ONA; errata filed Jan 19, 2010, 12:48 p.m.: 20100203-IR-550100043ACA; adopted Sep 16, 2010: 20100929-IR-550100612ONA; adopted Mar 6, 2015: 20150318-IR-035150060ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-9) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-11) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-7-12 Social Security integration; benefit calculation

Authority: IC 5-10.2-3-6; IC 5-10.5-4-2
Affected: IC 5-10.2-4

Sec. 12. (a) Pursuant to IC 5-10.2-4-7(b)(3), a member who retires between fifty (50) years of age and sixty-two (62) years of age may integrate the member's monthly pension benefit with the member's estimated Social Security benefits. This option increases the monthly pension benefit amount for which the member would ordinarily be eligible from the date of retirement until sixty-two (62) years of age. When the member reaches sixty-two (62) years of age, the member's monthly pension benefit will be reduced. Depending upon the factors used in the calculation, the member's monthly pension benefit may be reduced to zero (0). Such reduction will occur whether or not the member applies for Social Security Administration benefits.

(b) To receive an estimate of the member's monthly pension benefit with Social Security integration, the member shall obtain

an estimate of Social Security benefits to be received at sixty-two (62) years of age from the Social Security Administration and provide the estimate to INPRS.

(c) For retirement benefits payable on or after January 1, 2010, a member's pre-sixty-two (62) monthly pension benefit with Social Security integration shall be computed as follows:

(1) Multiply the member's Social Security estimate for benefits to be received at sixty-two (62) years of age and actuarial factors established by INPRS' actuary, and obtain a product.

(2) Add the amount of the member's pension as calculated in IC 5-10.2-4-4 and IC 5-10.2-4-5 to the product obtained in subdivision (1). For purposes of this section, the retirement benefit does not include any payments from an ASA or RSA.

(d) For retirement benefits payable on or after January 1, 2010, a member's monthly pension benefit with Social Security integration at sixty-two (62) years of age shall be computed as follows:

(1) Multiply the member's Social Security estimate for benefits to be received at sixty-two (62) years of age and actuarial factors established by INPRS' actuary, and obtain a product.

(2) Subtract the product obtained in subdivision (1) from the member's pre-sixty-two (62) monthly pension benefit with Social Security integration as calculated in subsection (c).

(e) Members may select any nonconflicting retirement option in addition to Social Security integration.

(f) If a retired member receiving benefits under this option dies before sixty-two (62) years of age, and a benefit is due to a survivor beneficiary under a joint and survivor option, the survivor benefit will be recalculated and adjusted as described in subsection (d), and in accord with the survivor option, when the member would have reached sixty-two (62) years of age.

(g) The amount of the member's Social Security benefits is not affected by the member's election of Social Security integration. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-12; adopted Nov 19, 2010: 20101208-IR-550100723ONA; adopted Sep 11, 2015: 20150923-IR-035150302ONA; adopted Nov 4, 2016: 20161116-IR-035160500ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-10) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-12) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-7-13 Stale checks

Authority: IC 5-10.2-2-1; IC 5-10.5-4-2
Affected: IC 5-10.2-2-3; IC 5-10.2-3-6; IC 5-10.2-4-2

Sec. 13. (a) Whenever a member applies for a distribution from the member's annuity savings account, an effective distribution will be deemed to have occurred as of the date the check is issued. If the member fails to negotiate the check within one hundred eighty (180) days from issuance, the amount of the check may be credited to the fund as posttax monies and it will not be further adjusted for earnings, interest, or losses. The fund will retain the monies until the member claims them in writing.

(b) Prior to the passage of 550 IAC 2-7-10, any member who requested an ASA lump sum full or partial distribution and the distribution check was not negotiated within one hundred eighty (180) days causing the check to go stale will receive interest on the amount of the payment beginning on the one hundred eighty-first day after the distribution was made at the interest rate defined in section 9(e) of this rule. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-13; adopted Dec 17, 2010: 20101229-IR-550100778ONA) NOTE: Agency cited as 550 IAC 2-7-10, which was renumbered by the Publisher as 550 IAC 2-7-11. NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-7-11) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-7-13) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-7-14 When retirement application deemed received

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-1; IC 5-10.3-8-5; IC 5-10.4-5-17

Sec. 14. (a) A member who:

(1) receives a service credit or other determination from INPRS that incorrectly states the member's vested status or eligibility to begin receiving retirement or disability benefits; and

(2) relies on that information to delay the member's retirement date and the filing of a retirement application;

may be eligible for a retirement date that relates back to the date the member received the inaccurate determination or the date first

eligible to begin receiving benefits following the date of the inaccurate determination. The retirement application may be deemed received on the date of the inaccurate determination or the date first eligible to begin receiving benefits following the date of the inaccurate determination.

(b) Subsection (a) applies only to members who:

(1) were vested or eligible to begin retirement benefits, as determined by INPRS, at the time of the incorrect determination; and

(2) request that INPRS grant a retirement date that relates back to the date the member was first eligible for retirement benefits and follows the date of the inaccurate determination.

(c) The member may choose a retirement date that is the first of a month following the date the application is deemed received.

(d) The inaccurate determination does not have to be in writing if the member can show, to the satisfaction of INPRS, the determination was inaccurate, the member relied on the determination in choosing a retirement date and filing an application, and any other elements necessary to comply with this section.

(e) This rule is administered in accordance with IC 5-10.3-8-5, which addresses claims of errors. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-7-14; adopted Nov 4, 2016: 20161116-IR-035160500ONA)*

Rule 8. Reemployment

35 IAC 14-8-1 Reemployment supplemental benefit process

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-10

Sec. 1. (a) A TRF retired member who reemploys or maintains reemployment in a TRF covered position shall not accrue additional TRF service credit or supplemental retirement benefits after July 1, 2007.

(b) A TRF reemployed retiree who applies for supplemental retirement benefits after June 30, 2007, is entitled to supplemental retirement benefits accrued prior to July 1, 2007, as described in IC 5-10.2-4-10 as such law was in effect as of June 30, 2007. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-8-1; adopted Dec 16, 2009: 20100106-IR-550090990ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-8-4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-8-1) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

Rule 9. Disability

35 IAC 14-9-1 Classroom disability benefits

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-1; IC 5-10.4-5-2

Sec. 1. (a) A member seeking benefits due to classroom disability may offer medical evaluations and assessments by physicians who have not been approved by the board. This evidence need not be viewed with the same weight as that generated by board selected physicians unless reviewed and affirmed by the same.

(b) A member may submit the name and credentials of a physician for board approval.

(c) A member's continuing eligibility for classroom disability benefits shall be reviewed on an annual basis.

(d) A member who remains disabled until eligible for retirement may retire under the requirements of IC 5-10.2-4-1. The retirement calculation will not include service credit for the years during which classroom disability benefits were received unless the member has at least twenty-seven (27) years of creditable service. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-9-1; filed Oct 5, 1992, 5:00 p.m.: 16 IR 712; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-9-1) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-9-1) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-9-2 Classroom disability; waiver of time limitation

Authority: IC 5-10.4; IC 5-10.5-4-2
Affected: IC 5-10.4-5-1; IC 5-10.4-5-2

Sec. 2. (a) Except as provided in subsection (b), a member must apply not later than one (1) year after the onset date of the disability to receive a classroom disability benefit under IC 5-10.4-5.

(b) TRF may approve the processing of an application for classroom disability benefits received later than one (1) year, and payment of benefits may be authorized, if the member is otherwise eligible for such benefits. Approval may be given if the executive director finds, in the executive director's discretion, that:

(1) the delay in submitting the application was reasonable and due to the member's injury or illness; or

(2) the delay in submitting the application was reasonable and due to other extenuating circumstances.

(c) A member must petition TRF in writing, describing the reason for the delay, before a waiver can be granted under this rule. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-9-2; adopted Apr 21, 2010: 20100505-IR-550100241ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-9-1.5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-9-2) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-9-3 Disability retirement

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-6; IC 5-10.4-5-1

Sec. 3. (a) To be eligible to receive disability retirement benefits, a member must have been employed under a uniform or supplemental contract, receiving workers' compensation disability benefits, on leave pursuant to the Family Medical Leave Act, or on a leave approved by the school board on the date the Social Security Administration determines the member becomes disabled.

(b) For the purpose of IC 5-10.2-4-6(a), "while receiving a salary" includes the last check date for a member, but does not include any checks received later than thirty (30) days from the last day the member was paid for physical work, for used sick time, for used compensatory time, or while on other leave or vacation.

(c) A member seeking or receiving disability retirement benefits may execute a waiver authorizing the Social Security Administration to annually release to the fund information regarding the member's eligibility to continue receiving Social Security disability insurance payments. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-9-3; filed Oct 5, 1992, 5:00 p.m.: 16 IR 712; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA; adopted Apr 26, 2013: 20130508-IR-035130167ONA; adopted Sep 11, 2015: 20150923-IR-035150302ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-9-2) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-9-3) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-9-3.1 "State long-term disability benefits" defined

Authority: IC 5-10.5-4-2
Affected: IC 5-10-8-7; IC 5-10.2-4-6

Sec. 3.1. "State long-term disability benefits" means any benefits paid to a member who is a state employee under a disability plan established under IC 5-10-8-7. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-9-3.1; adopted Dec 14, 2012: 20121226-IR-035120663ONA)*

35 IAC 14-9-4 Disability without Social Security eligibility

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-6; IC 5-10.4-5-1

Sec. 4. (a) A member with five (5) or more years of creditable service who cannot qualify for Social Security disability

benefits because of working insufficient quarters to qualify, may receive disability retirement benefits from the fund if a board appointed physician familiar with Social Security disability guidelines establishes the existence of a comparable disability and the board approves the disability retirement.

(b) The board shall order reexaminations in such cases on a regular basis and review the results in order to ensure that the disabling condition is ongoing. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-9-4; filed Oct 5, 1992, 5:00 p.m.: 16 IR 713; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-9-3) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-9-4) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-9-5 Disability determination pending

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-6; IC 5-10.4-5-1

Sec. 5. (a) A member who is eligible for early retirement and who has filed with the board a copy of an application for Social Security disability benefits may apply for early retirement and retain the right to disability retirement benefits. When the Social Security Administration finds that the member is disabled and the onset date was on or before the last day of creditable service stated on the application, early retirement benefits will cease and disability retirement benefits will commence.

(b) Retroactive benefits, less any payments already made, must be calculated and paid from the month following the onset date of the disability. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-9-5; filed Oct 5, 1992, 5:00 p.m.: 16 IR 713; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-9-4) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-9-5) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-9-6 Disability benefits; benefit calculation and commencement

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-4

Sec. 6. (a) Except as provided in subsection (b), a member who becomes disabled and has sufficient credit for disability benefits is entitled to disability benefits only after the member has received a disability onset date as determined by the Social Security Administration and has applied for disability benefits with INPRS. Benefits shall commence the first of a month after the onset date of the disability.

(b) The benefit is the retirement benefit specified IC 5-10.2-4-4 with the disability benefit computed using only the years of creditable service worked to the date of disability and without reduction for early retirement.

(c) Members with five (5) years of creditable service, whose onset of disability is determined by the Social Security Administration to be prior to the member's five (5) years service anniversary, the benefit calculation will only include the creditable service earned prior to the onset of disability. For example, a member has four (4) years of active creditable service, becomes ill, applies for Social Security disability benefits, but continues in active service for one (1) more year. The member receives a disability onset date from the Social Security Administration that relates back to the member's fourth year service anniversary. The member is eligible for a disability benefit because the member earned five (5) years of service, but only (4) years of service is used in the benefit calculation. However, the member's disability for retirement benefits will be paid back to the month following the onset of disability as determined by the Social Security Administration.

(d) A member who is receiving a disability retirement shall be automatically converted to regular retirement benefits upon reaching age and service eligibility. Unless otherwise prohibited by law, service credit earned or awarded during the period of time the member was receiving TRF disability benefits will be used in the calculation of the retirement benefit. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-9-6; filed Oct 5, 1992, 5:00 p.m.: 16 IR 713; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA; adopted Dec 14, 2012: 20121226-IR-035120663ONA; adopted Apr 26, 2013: 20130508-IR-035130167ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-9-5) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-9-6) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-9-7 Minimum disability retirement benefit

Authority: IC 5-10.5-4-2
Affected: IC 5-10.2-4-2; IC 5-10.2-4-7; IC 5-10.4-5-1

Sec. 7. (a) After June 30, 2008, if the member chooses a pension benefit under IC 5-10.2-4-7(b) and elects to purchase an annuity with the amount in the member's ASA under IC 5-10.2-4-2(a), the minimum disability benefit payable may not be less than one hundred eighty dollars ($180). If the member elects a retirement benefit option other than that provided under IC 5-10.2-4-7(b), the minimum monthly disability benefit will be no less than the actuarial equivalent of one hundred eighty dollars ($180) if the benefit is payable after June 30, 2008. If the benefit is payable before July 1, 2008, the minimum monthly disability benefit will be no less than the actuarial equivalent of one hundred dollars ($100).

(b) Notwithstanding subsection (a), after October 1, 2015, for purposes of this section, the minimum disability benefit amount does not include any payments from the ASA or RSA. *(Board of Trustees of the Indiana Public Retirement System; 35 IAC 14-9-7; filed Oct 5, 1992, 5:00 p.m.: 16 IR 713; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Nov 19, 2008: 20081126-IR-550080887ONA; adopted Jun 20, 2014: 20140820-IR-035140335ONA; adopted Sep 11, 2015: 20150923-IR-035150302ONA) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund (550 IAC 2-9-6) to the Board of Trustees of the Indiana Public Retirement System (35 IAC 14-9-7) by P.L.23-2011, SECTION 22, effective July 1, 2011.*

35 IAC 14-9-8 Confidentiality of fund records (Repealed)

Sec. 8. *(Repealed by Board of Trustees of the Indiana Public Retirement System; adopted Feb 17, 2012: 20120222-IR-035120095ONA)*

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