

ARTICLE 2. INDIANA STATE TEACHERS' RETIREMENT FUND

Rule 1. Definitions

550 IAC 2-1-1 Applicability

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2; IC 5-10.4

Sec. 1. The definitions in this rule apply throughout this article. (*Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-1-1; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-1-2 "Board" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.4-3

Sec. 2. "Board" means the board of trustees of the Indiana state teachers' retirement fund. (*Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-1-2; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-1-2.2 "Classroom disability" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.4-5-1

Sec. 2.2. "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 State Teachers' Retirement Fund; 550 IAC 2-1-2.2; adopted Mar 27, 2007: 20070404-IR-550070200ONA*)

550 IAC 2-1-2.4 "Covered position" or "covered employment" defined

Authority: IC 5-10.4-3-6

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

Sec. 2.4. "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 State Teachers' Retirement Fund; 550 IAC 2-1-2.4; adopted Mar 27, 2007: 20070404-IR-550070200ONA*)

550 IAC 2-1-2.8 "Earnings" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4-8

Sec. 2.8. "Earnings" 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 State Teachers' Retirement Fund; 550 IAC 2-1-2.8; adopted Mar 27, 2007: 20070404-IR-550070200ONA*)

550 IAC 2-1-3 "Employer" or "employing unit" defined

Authority: IC 5-10.4-3-6

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

Sec. 3. "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 State Teachers' Retirement Fund; 550 IAC 2-1-3; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA)*

550 IAC 2-1-4 "Employer contribution or share" defined

Authority: IC 5-10.4-3-6

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

Sec. 4. "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 State Teachers' Retirement Fund; 550 IAC 2-1-4; 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)*

550 IAC 2-1-5 "In service" or "active service" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-3-1; IC 5-10.2-3-7.5; IC 5-10.4-4-1; IC 5-10.4-4-7

Sec. 5. "In service" or "active service" refers to active teaching or employment in any of the positions covered in IC 5-10.4-4-1, approved leave from active service while still under contract, employed, or while receiving state disability benefits. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-1-5; 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)*

550 IAC 2-1-5.4 "Interest credits" defined

Authority: IC 5-10.4-3-6

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

Sec. 5.4. "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. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-1-5.4; adopted Mar 27, 2007: 20070404-IR-550070200ONA)*

550 IAC 2-1-6 "License" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-3-1; IC 5-10.4-4-1

Sec. 6. "License" means a teaching license issued by the Indiana state board of education. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-1-6; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731)*

550 IAC 2-1-6.4 "PERF" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2; IC 5-10.4

Sec. 6.4. "PERF" refers to the Indiana public employees' retirement fund. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-1-6.4; adopted Mar 27, 2007: 20070404-IR-550070200ONA)*

550 IAC 2-1-7 "Qualified dependent" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-3-7.5

Sec. 7. "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 State Teachers' Retirement Fund; 550 IAC 2-1-7; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-1-8 "Qualified spouse" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-3-7.5

Sec. 8. "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 State Teachers' Retirement Fund; 550 IAC 2-1-8; filed Oct 5, 1992, 5:00 p.m.: 16 IR 703; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-1-9 "Regular disability" defined (Repealed)

Sec. 9. (*Repealed by Board of Trustees of the Indiana State Teachers' Retirement Fund; adopted Mar 27, 2007: 20070404-IR-550070200ONA*)

550 IAC 2-1-10 "Regularly employed" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.4-4-1

Sec. 10. "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 State Teachers' Retirement Fund; 550 IAC 2-1-10; 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*)

550 IAC 2-1-11 "Sabbatical" or "professional leave" defined

Authority: IC 5-10.4-3-6

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

Sec. 11. "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 State Teachers' Retirement Fund; 550 IAC 2-1-11; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-1-12 "Supplemental contract" defined

Authority: IC 5-10.4-3-6

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

Sec. 12. "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 State Teachers' Retirement Fund; 550 IAC 2-1-12; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-1-13 "Teacher" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4-3; IC 5-10.4-4-1

Sec. 13. "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 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 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 State Teachers' Retirement Fund; 550 IAC 2-1-13; 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*)

550 IAC 2-1-13.4 "TRF" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2; IC 5-10.4

Sec. 13.4. "TRF" refers to the Indiana state teachers' retirement fund. (*Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-1-13.4; adopted Mar 27, 2007: 20070404-IR-550070200ONA*)

550 IAC 2-1-14 "Uniform contract" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.4-4-1

Sec. 14. "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. (*Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-1-14; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-1-15 "Withdrawal" defined

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-3-6

Sec. 15. "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 State Teachers' Retirement Fund; 550 IAC 2-1-15; filed Oct 5, 1992, 5:00 p.m.: 16 IR 704; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

Rule 2. Administrative Matters

550 IAC 2-2-1 Withholding of benefit payment

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-2-1; 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*)

550 IAC 2-2-2 Bank accounts

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-2-2; 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)*

550 IAC 2-2-3 Benefit payments pending appeal

Authority: IC 5-10.4-3-6

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

Sec. 3. (a) A member who elects to exercise the right to appeal an adverse decision issued by the board 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 State Teachers' Retirement Fund; 550 IAC 2-2-3; 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)*

550 IAC 2-2-4 Estimate of future benefits

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4; IC 5-10.4-5-9

Sec. 4. (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 State Teachers' Retirement Fund; 550 IAC 2-2-4; 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)*

550 IAC 2-2-5 Investment plans and reemployment

Authority: IC 5-10.4-3-6

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

Sec. 5. A member who retires or separates from service after having elected an investment plan shall remain in that plan if the member becomes reemployed until such time a member elects a different investment plan. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-2-5; 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)*

550 IAC 2-2-6 Interest credited to annuity savings and rollover accounts

Authority: IC 5-10.4-3-6

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

Sec. 6. (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. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-2-6; 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)

550 IAC 2-2-7 Definition of compensation

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4-3; IC 5-10.4-5-6

Sec. 7. (a) "Basic salary" or "annual compensation" means the monetary compensation agreed to in advance in writing that is earned by and paid to a teacher for services rendered under a uniform or supplemental contract plus the amounts stated in IC 5-10.2-4-3 that are not paid directly to the member.

(b) Annual compensation does not include any of the following:

(1) Those amounts excluded under IC 5-10.2-4-3.

(2) A one (1) time payment, or lump sum payment, by the employer that is not made for services actually rendered or based upon the member's standard rate of pay.

(3) Back pay awards or settlements arising out of an employment grievance proceeding, except that back pay may be allocated among the years in which the service was rendered.

(4) Payments by the employer for accrued but unused compensatory time for overtime worked.

(5) Meals, lodging, life insurance, or other fringe benefits provided by the employer unless they fall within IC 5-10.2-4-3(c)(2) [sic].

(6) Payments by the employer for accrued but unused holiday, sick, and personal time, even when paid as part of a bargained agreement on a yearly or terminal basis.

(7) Payments for dues for professional or other organizations.

(8) Payments made as bonuses or awards for attendance, incentives, or performance unless such payments are available to all covered members employed by the employing unit.

(9) Payments in lieu of insurance coverage to members who do not participate in employer provided health insurance plans or other fringe benefits provided by the employer, except payments made pursuant to a bona fide Section 125 cafeteria plan, as defined in Section 125 of the Internal Revenue Code.

(10) Reimbursements for expenditures made by the member.

(11) Payments by the employer for accrued but unused vacation time, even when paid as part of a bargained agreement on a yearly or terminal basis, except for annual amounts paid to a member:

(A) employed in a state institution with an instructional calendar of less than one hundred ninety-five (195) days;

(B) pursuant to the state department of personnel's teacher salary policy; and

(C) who retired after May 1, 2001.

The items listed in this subsection do not constitute an exhaustive list.

(c) 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 State Teachers' Retirement Fund; 550 IAC 2-2-7; 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*)

550 IAC 2-2-8 Jury duty

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4-3

Sec. 8. 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 State Teachers' Retirement Fund; 550 IAC 2-2-8; 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*)

550 IAC 2-2-9 Worker's compensation and sick leave

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4-3

Sec. 9. (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 State Teachers' Retirement Fund; 550 IAC 2-2-9; 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*)

550 IAC 2-2-10 Overpayment of benefits

Authority: IC 5-10.4-3-6

Affected: IC 5-10.4-3-8

Sec. 10. 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 State Teachers' Retirement Fund; 550 IAC 2-2-10; 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*)

Rule 3. Suspension of Membership

550 IAC 2-3-1 Suspension of membership; withdrawal of contributions

Authority: IC 5-10.4-3-6

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. School verification is not required whenever more than one (1) year lapses from the date of the member's departure from covered employment. (*Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-3-1; 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*)

550 IAC 2-3-2 Membership following the withdrawal of contributions

Authority: IC 5-10.4-3-6

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

Sec. 2. (a) 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 for at least one (1) year.

(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. The member shall notify the fund immediately upon accepting such employment. (*Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-3-2; 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*)

550 IAC 2-3-3 Reinstatement of creditable service after suspension of membership

Authority: IC 5-10.4-3-6

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 (1) year. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-3-3; 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)*

550 IAC 2-3-4 Repayment after withdrawal

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-3-4; 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)*

Rule 4. Membership

550 IAC 2-4-1 Membership in the fund

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-3-2; IC 5-10.4-4-1; IC 5-10.4-4-11

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. Statutory 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. Both employer and employee 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 by the Indiana state board of education prior to their election or appointment. Appropriate contributions must be made to the fund. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-4-1; 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)*

550 IAC 2-4-1.4 Teacher aides and higher education graduate assistants

Authority: IC 5-10.4-3-6

Affected: IC 5-10.4-4-2

Sec. 1.4. Teacher aides and higher education graduate assistants are not eligible for membership in the fund. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-4-1.4; adopted Mar 27, 2007: 20070404-IR-550070200ONA)*

550 IAC 2-4-2 Service in a dual position

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-4-2; filed Oct 5, 1992, 5:00 p.m.: 16 IR 707; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731)*

550 IAC 2-4-3 Part-time and substitute teachers (Repealed)

Sec. 3. *(Repealed by Board of Trustees of the Indiana State Teachers' Retirement Fund; adopted Mar 27, 2007: 20070404-IR-550070200ONA)*

550 IAC 2-4-4 Teacher aides and higher education graduate assistants

Authority: IC 5-10.4-3-6

Affected: IC 5-10.4-4-2

Sec. 4. Teacher aides and higher education graduate assistants are not eligible for membership in the fund. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-4-4; filed Oct 5, 1992, 5:00 p.m.: 16 IR 707; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731)*

550 IAC 2-4-5 Member designation of beneficiaries

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-3-10; IC 5-10.4-4-10

Sec. 5. (a) A new member shall designate, by name, primary and secondary beneficiaries to receive the assets present in the annuity savings account 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 secondary beneficiaries of the member's annuity savings account or rollover account. 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 secondary beneficiaries. Alternative beneficiary designations, such as per stirpes or by representation, will not be accepted or recognized by the fund.

(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) A member may change his or her beneficiary designation in a manner and form approved by the board. Only beneficiary designations received by the fund or in the case when it was postmarked on or before the date of death shall be valid. The designated beneficiary's right to a benefit vests on the date of death of the member. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-4-5; 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)*

Rule 5. Service Credit and Contributions

550 IAC 2-5-1 One day of service credit

Authority: IC 5-10.4-3-6

Affected: IC 5-10.4-4-2

Sec. 1. For purposes of IC 21-6.1-4-2(a) *[IC 21-6.1-4 was repealed by P.L. 2-2006, SECTION 199, effective July 1, 2006. See 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. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-5-1; filed Oct 5,*

1992, 5:00 p.m.: 16 IR 707; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731)

550 IAC 2-5-2 Omitted contributions

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-5-2; filed Oct 5, 1992, 5:00 p.m.: 16 IR 707; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-5-3 Unused vacation, personal, and sick days

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2

Sec. 3. In the event of death prior to retirement, no credit shall be given after the last physical day at work for unused vacation, personal, or sick days that may or may not have been paid to the member, the member's beneficiaries, or the member's estate. (*Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-5-3; filed Oct 5, 1992, 5:00 p.m.: 16 IR 708; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-5-4 Make-up days

Authority: IC 5-10.4-3-6

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

Sec. 4. 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 State Teachers' Retirement Fund; 550 IAC 2-5-4; filed Oct 5, 1992, 5:00 p.m.: 16 IR 708; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-5-5 Credit for military service

Authority: IC 5-10.4-3-6

Affected: IC 5-10.4-4-8

Sec. 5. (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) A member seeking military service credit must provide documentary evidence demonstrating that the statutory requirements have been satisfied.

(c) 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 State Teachers' Retirement Fund; 550 IAC 2-5-5; 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*)

550 IAC 2-5-6 Leave of absence due to pregnancy

Authority: IC 5-10.4-3-6

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

Sec. 6. (a) A 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) No credit for pregnancy leave may be granted prior to April 4, 1975.

(d) A member seeking credit for leave of absence due to pregnancy must provide documentary evidence demonstrating that the statutory requirements have been satisfied. (*Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-5-6; filed Oct 5, 1992, 5:00 p.m.: 16 IR 708; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: 20070404-IR-550070200ONA*)

550 IAC 2-5-7 Leave of absence due to sickness or disability

Authority: IC 5-10.4-3-6

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

Sec. 7. (a) If the member is compensated while on sickness or disability leave, the statutory contributions must be maintained.

(b) A member seeking credit for leave of absence due to sickness or disability must provide documentary evidence demonstrating that the statutory requirements have been satisfied. (*Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-5-7; filed Oct 5, 1992, 5:00 p.m.: 16 IR 708; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-5-8 Sabbatical or professional improvement leave

Authority: IC 5-10.4-3-6

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

Sec. 8. (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 State Teachers' Retirement Fund; 550 IAC 2-5-8; 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*)

550 IAC 2-5-9 Internal Revenue Code Section 401(a)

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2; IC 5-10.4

Sec. 9. (a) Under Internal Revenue Code Section 401(a), the fund shall maintain its status as a qualified governmental plan only so long as contributions are made solely by members and governmental entities employing those members.

(b) Credit will not be given for employment with a nonpublic entity. (*Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-5-9; filed Oct 5, 1992, 5:00 p.m.: 16 IR 708; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-5-10 Out-of-state service prior to July 1, 1981

Authority: IC 5-10.4-3-6

Affected: IC 5-10.4-4-4

Sec. 10. 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 State Teachers' Retirement Fund; 550 IAC 2-5-10; filed Oct 5, 1992, 5:00 p.m.: 16 IR 709; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-5-10.4 Purchase of service credit

Authority: IC 5-10.4-3-6

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

Sec. 10.4. (a) A member who is otherwise qualified to purchase service credit must do so while the member is in active service whereby the member is under contract or in an employment relationship to earn one (1) year of service credit during the year in which the application to purchase service credit is made. A retiring member who makes application for the purchase of service credit contemporaneously with the member's application for retirement following one (1) full year of service is deemed to have met this requirement.

(b) Except as provided in subsection (c), 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.

(c) Otherwise qualified reemployed retiree members may purchase service credit as provided by law, and such purchase of service credit shall be used in the determination of the member's supplemental retirement benefit as described in IC 5-10.2-4-10.

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

(e) 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 State Teachers' Retirement Fund; 550 IAC 2-5-10.4; adopted Mar 27, 2007: 20070404-IR-550070200ONA)*

550 IAC 2-5-11 Purchase of out-of-state service (Repealed)

Sec. 11. *(Repealed by Board of Trustees of the Indiana State Teachers' Retirement Fund; adopted Mar 27, 2007: 20070404-IR-550070200ONA)*

550 IAC 2-5-12 Payment of contributions

Authority: IC 5-10.4-3-6

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

Sec. 12. Contributions shall be paid either by the member or the employer. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-5-12; 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)*

Rule 6. Death in Service Benefits

550 IAC 2-6-1 Death in service; survivor benefit options

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-6-1; filed Oct 5, 1992, 5:00 p.m.: 16 IR 709; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731)*

550 IAC 2-6-2 Death in service; classroom disability benefits

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-6-2; 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*)

550 IAC 2-6-3 Death in service; nonqualified beneficiary (Repealed)

Sec. 3. (*Repealed by Board of Trustees of the Indiana State Teachers' Retirement Fund; adopted Mar 27, 2007: 20070404-IR-550070200ONA*)

550 IAC 2-6-4 Death in service; surviving dependents

Authority: IC 5-10.4-3-6

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 monetary 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 State Teachers' Retirement Fund; 550 IAC 2-6-4; 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*)

550 IAC 2-6-5 Death in service; dependent with a disability

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-6-5; filed Oct 5, 1992, 5:00 p.m.: 16 IR 710; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-6-6 Dependency test

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-6-6; 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*)

550 IAC 2-6-7 Purchase of credit by surviving qualified spouse or dependent

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-6-7; filed Oct 5, 1992, 5:00 p.m.: 16 IR 710; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731)*

550 IAC 2-6-8 Death withdrawal

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-6-8; 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)*

550 IAC 2-6-8.4 Survivor benefits after reemployment

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-3-7.5; IC 5-10.2-4-7; IC 5-10.2-4-10

Sec. 8.4. If a reemployed retired member who would otherwise be eligible for a supplemental retirement benefit as described in 5-10.2-4-10 *[IC 5-10.2-4-10]* dies while reemployed with a surviving spouse who was married to the member for at least two (2) years, the surviving spouse is entitled to a supplemental survivor benefit equal to the monthly benefit that would have been payable to the spouse under the joint and survivor option of IC 5-10.2-4-7, and in accordance with IC 5-10.2-4-10, upon the member's death following retirement except that the supplemental survivor benefit shall be calculated using only the years of service and salaries earned by the member during the period of reemployment. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-6-8.4; adopted Mar 27, 2007: 20070404-IR-550070200ONA)*

550 IAC 2-6-9 Death in service; proof required

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-6-9; filed Oct 5, 1992, 5:00 p.m.: 16 IR 711; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731)

Rule 7. Retirement

550 IAC 2-7-1 Application for retirement

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-7-1; 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)*

550 IAC 2-7-2 Retirement effective date

Authority: IC 5-10.4-3-6

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(c), the ninety (90) day separation requirement counting period begins with the member's retirement benefit accrual date. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-7-2; 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)*

550 IAC 2-7-3 Proof required to commence monthly benefits

Authority: IC 5-10.4-3-6

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 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 State Teachers' Retirement Fund; 550 IAC 2-7-3; 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)*

550 IAC 2-7-4 Guaranteed plan

Authority: IC 5-10.4-3-6

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 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 State Teachers' Retirement Fund; 550 IAC 2-7-4; filed Oct 5, 1992, 5:00 p.m.: 16 IR 711; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731)*

550 IAC 2-7-5 Distributions to minors and incompetent persons

Authority: IC 5-10.4-3-6

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. 5. 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 State Teachers' Retirement Fund; 550 IAC 2-7-5; 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)*

550 IAC 2-7-6 Interest on lump sum (Repealed)

Sec. 6. *(Repealed by Board of Trustees of the Indiana State Teachers' Retirement Fund; adopted Mar 27, 2007: 20070404-IR-550070200ONA)*

550 IAC 2-7-7 Death while receiving benefit under five year guarantee option

Authority: IC 5-10.4-3-6

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

Sec. 7. (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 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 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 State Teachers' Retirement Fund; 550 IAC 2-7-7; 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)*

Rule 8. Reemployment

550 IAC 2-8-1 Termination of retirement benefits after reemployment

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4-8; IC 5-10.4-5-13

Sec. 1. (a) In case of reemployment after retirement by the members covered by IC 5-10.2-4-8, benefits shall cease the day following the date on which the exempt amount is exceeded.

(b) Benefits shall be reinstated beginning the first day of the next fiscal year if the member is retired from a TRF covered position and continue until the day following the date on which the exempt amount is exceeded and so on until the member terminates covered employment.

(c) The member shall notify the fund upon returning to covered employment.

(d) The fund may offset any overpayment of benefits due to reemployment by withholding benefit payments and crediting them to the fund until the overpayment is recovered by the fund. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-8-1; 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)*

550 IAC 2-8-2 Cost of living increases after reemployment (Repealed)

Sec. 2. *(Repealed by Board of Trustees of the Indiana State Teachers' Retirement Fund; adopted Mar 27, 2007: 20070404-IR-550070200ONA)*

550 IAC 2-8-3 Reemployment after the election of the Social Security equalizer option

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4-7; IC 5-10.2-4-8; IC 5-10.4-5-13

Sec. 3. (a) A retired member who elected the Social Security equalizer option (A-4) and returns to covered employment may repay with interest that portion of the retirement benefits received which represents the increase in the monthly benefit prior to age sixty-two (62). No other benefits may be repaid.

(b) If a member makes a repayment of the A-4 portion of the benefits, the Social Security equalizer option may not be selected

upon reretirement. (*Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-8-3; filed Oct 5, 1992, 5:00 p.m.: 16 IR 712; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

Rule 9. Disability

550 IAC 2-9-1 Classroom disability benefits

Authority: IC 5-10.4-3-6

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 State Teachers' Retirement Fund; 550 IAC 2-9-1; 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*)

550 IAC 2-9-2 Disability retirement

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4-6; IC 5-10.4-5-1

Sec. 2. (a) In order to receive disability retirement benefits, a member must have been employed under a uniform or supplemental contract or on a leave approved by the school board on the disability onset date as determined by the Social Security Administration.

(b) 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 State Teachers' Retirement Fund; 550 IAC 2-9-2; 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*)

550 IAC 2-9-3 Disability without Social Security eligibility

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4-6; IC 5-10.4-5-1

Sec. 3. (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 State Teachers' Retirement Fund; 550 IAC 2-9-3; filed Oct 5, 1992, 5:00 p.m.: 16 IR 713; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731*)

550 IAC 2-9-4 Disability determination pending

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4-6; IC 5-10.4-5-1

Sec. 4. (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 State Teachers' Retirement Fund; 550 IAC 2-9-4; filed Oct 5, 1992, 5:00 p.m.: 16 IR 713; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731)*

550 IAC 2-9-5 Disability benefits; benefit commencement

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4-6

Sec. 5. A member who becomes disabled and has sufficient credit for retirement is entitled to disability retirement benefits only after the member has ceased making contributions and receiving credit for service. Benefits shall commence the month after the onset date of the disability or the month after the member's last day of compensable service, whichever is later. *(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-9-5; filed Oct 5, 1992, 5:00 p.m.: 16 IR 713; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731)*

550 IAC 2-9-6 Minimum disability retirement benefit

Authority: IC 5-10.4-3-6

Affected: IC 5-10.2-4-7; IC 5-10.4-5-1

Sec. 6. (a) The minimum monthly disability retirement benefit is one hundred dollars (\$100) only if the member chooses the five (5) year retirement benefit guarantee and purchases an annuity with the amount credited in the member's annuity savings account.

(b) The minimum monthly disability retirement benefit shall be no less than the actuarial equivalent of one hundred dollars (\$100) if the member chooses:

(1) to take the amount credited to the member's annuity savings account in a lump sum distribution;

(2) a retirement benefit option under IC 5-10.2-4-7; or

(3) a combination of a lump sum distribution of the annuity savings account and an option under IC 5-10.2-4-7.

(Board of Trustees of the Indiana State Teachers' Retirement Fund; 550 IAC 2-9-6; filed Oct 5, 1992, 5:00 p.m.: 16 IR 713; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731)

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