



Retirement Plan North American Division

Office of the Administrator

July 14, 2004

Union & Conference Secretaries
Institutional Human Resources Directors
Ministerial and Educational Directors

Re: Graduate Study Service Credit

Dear Friends,

Through the years we have listed leaves of absence for graduate study on the personal service records, but have not accumulated any applicable service credit until application for retirement actually occurs. Thus the computerized service record report does not count graduate study leave in calculating the total years of service credit. However, now that service credit in the defined benefit retirement plan has been frozen, we are anxious to increase the accuracy of the records, since many of our employees will want to use the service record report for retirement planning purposes.

Enclosed is an Application for Graduate Study Service Credit to be completed by each eligible employee and signed by employee and current or most recent employer. We need copies of the diploma and service record (hard copy, not computerized record.) If the degree is an M.Div. or BD from Andrews University, the diploma is not necessary. We've provided a decision tree to help the employee determine eligibility, and copied the Z 15 60 policy. Bear in mind that the degree must be above the master of arts level, study time does NOT count for vesting and only study time prior to January 1, 2000 can be validated for the frozen defined benefit plan.

We will review the application form and documentation. If we determine the study time to be eligible for service credit, we will notify the current employer if a corresponding contribution to the plan is required. Upon receipt of the contribution (if required), a letter of approval will be issued. Eventually, you will receive a corrected copy of the computerized service record with the graduate study converted to a code which will allow it to count towards benefits. This process may take some time as it will require special programming changes to the software prior to data entry.

It is up to you to determine how to inform your employees of this process. It may involve some work now, but should significantly streamline the actual retirement application process later. But more importantly it will improve the accuracy of the service record reporting to your employees.

Sincerely,

Del L Johnson
Administrator

Application for Graduate Study Service Credit

Employee Name _____

Current Employer _____

I. Degree Awarded: _____

II. Date Study Commenced: _____ Ended: _____

III. Date Employed after Leave: _____

IV. Attach Copies of:

- A. Diploma or other official evidence of degree earned
(Not necessary if BD or M-Div from Andrews University)
- B. Service Record
(Hard copy, both sides)

C. We confirm that the above-named is eligible for service credit under Z 15 60 for graduate study leave.

A: Employee _____ Date _____

B: Employer _____ Date _____

C: Retirement _____ Date _____

*Employee: Send form to current or most recent employer with copy of diploma if required.
Employer: Send form to Retirement Office with copy of manual service record.*

Z 15 60 Graduate Study Policy

1. **Service Credit C** Service credit for calendar years prior to January 1, 2000 not to exceed two years shall be granted for time spent in obtaining graduate degrees with less than full or no denominational remuneration according to the following provisions:

- a. The degree earned is above the Master of Arts level.
- b. The person either begins or returns to full-time denominational service within one year of the awarding of the degree.
- c. Service credit equal to the less of two years or the minimum time required to complete the degree shall be granted to persons who earn a doctoral degree.
- d. A maximum of one year of service credit shall be granted for the Master of Divinity or equivalent professional degree.
- e. The degree must be awarded before service credit is granted.
- f. This service credit cannot be counted for vesting purposes.

2. **Contributions C** The organization that employs such persons after the period of graduate study, if other than a conference, shall be responsible to pay to the Retirement Plan the amount that would have been contributed to the Plan during the service credit period if the persons had been on the payroll of that organization.

Eligibility Decision Tree

Circle “Yes” or “No” Below, as Appropriate:

Graduate Study with Full Remuneration?	Yes	Eligible for Regular Employment Service Credit
No		
Graduate Study Above Master of Arts?	No	Not Eligible for Graduate Study Service Credit
Yes		
Received Degree?	No	Not Eligible for Graduate Study Service Credit
Yes		
Entered or Re-entered Employment within one year of Degree?	No	Not Eligible for Graduate Study Service Credit
Yes		
Vested not Including Graduate Study Credit?	No	Not Yet Eligible for Graduate Study Service Credit
Yes		
Master of Divinity?	Yes	Eligible for up to One Year Graduate Study Service Credit
No Not Eligible for Graduate Study Service Credit		
Doctorate?	Yes	Eligible for up to Two Years Graduate Study Service Credit
No Not Eligible for Graduate Study Service Credit		