



**State of New Jersey**

DEPARTMENT OF THE TREASURY  
DIVISION OF PENSIONS AND BENEFITS  
(609) 292-7524 TDD (609) 292-7718  
www.state.nj.us/treasury/pensions

JON S. CORZINE  
Governor

MAILING ADDRESS:  
PO Box 295  
TRENTON NJ 08625-0295

LOCATION:  
50 WEST STATE STREET  
TRENTON NEW JERSEY

BRADLEY I. ABELOW  
State Treasurer

FREDERICK J. BEAVER  
Director

June 20, 2007

G. Philip Lewis  
105 Stockington Road  
Woodstown, NJ 08098

Re: PERS [REDACTED]

Dear Mr. Lewis:

This is in response to your recent letter regarding the purchase of pension service credit in the Public Employees' Retirement System (PERS).

You have requested to purchase of pension service credit as well as to have a retirement effective March 1, 2007. As you are aware, Chapter 109, P.L. 1986 required all JTPA-covered employees to terminate their PERS memberships. Your PERS membership, PERS # [REDACTED], was then cancelled and your contributions were refunded to you.

A review of your file shows that you re-enrolled into the PERS effective April 1, 1993. The Division received an *Application to Purchase Service Credit* on June 23, 2000. You were ultimately denied the service that occurred while employed under the auspices of the JTPA subsequent to Chapter 109, P.L. 1986. You appealed the denial to the PERS Board of Trustees (Board).

At their April 18, 2001 meeting, the Board upheld the denial but did allow you to purchase the 141 months of non-JTPA time from December 23, 1974 through September 18, 1986. A copy of the May 1, 2001 *Purchase Quote* for the 141 months of Temporary service is attached for your review. As stated on the *Purchase Quote*, you were required to pay for the purchase in a lump sum by the June 30, 2001 expiration for this purchase. N.J.A.C. 17:2-5.2(a) states "only active members of the System shall be eligible to make application for purchase of credit. Active members, who are not currently contributing to the Retirement System, shall purchase their requested service in a lump sum." You were not then currently contributing since your last pension contribution was June 30, 2000.

We understand that you subsequently appealed the Board's denial of the period from September 19, 1986 through April 7, 1993. It is important to note that you did not make a purchase of any part of the undisputed Temporary service that you were eligible for in 2001. The appeal process was completed February 6, 2004 when the Appellate Division of Superior Court affirmed the Board's denial. Our records do not indicate any additional correspondence until your letter of February 9, 2007.

Lewis, G. Philip  
PERS # 2-1065648  
6/22/2007  
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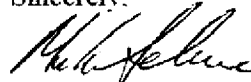
N.J.S.A. 43:15A-7(e) states that "(m)embership of any person in the retirement system shall cease if he shall discontinue his service for more than two consecutive years." We understand that you were laid off from your position as of June 30, 2000. The restoration for a member who was laid off is addressed by N.J.S.A. 43:15A-8(a) which states that "membership may continue, notwithstanding any provisions of this act if such member returns to service within a period of 10 years from the date of his discontinuance from service" (emphasis added). The statute continues by stating that "No credit for pension purposes shall be allowed to such member, covering the period of his discontinuance unless leave of absence was granted by his employer and the board". Because you are not an active member of the PERS, you are ineligible to make a purchase unless you return to pension-covered employment within 10 years from June 30, 2000. Unfortunately, we must therefore deny your purchase request.

As stated above, your account has been inactive since June 30, 2000. A membership with less than 10 years of pension service credit will become inactive and expire after two continuous years of no contributions. The expiration of your PERS account was held in abeyance until the appeal of your purchase request was resolved. Your appeal was resolved February 6, 2004. Since you did not have the required 10 years of pension service credit when your membership became inactive your account was only eligible for a withdrawal of your contributions.

If you disagree with our determination, you may appeal this decision to Kathleen Coates, Secretary of the PERS Board of Trustees at the address above.

If you should have any additional questions, please contact me at (609) 292-0544 or at [Mark.Schwedes@treas.state.nj.us](mailto:Mark.Schwedes@treas.state.nj.us).

Sincerely,



Mark Schwedes, CEBS  
Assistant Chief  
Enrollment and Purchase Bureau

Enclosure  
Cc: K. Coates (E/T)

May 1, 2001

G Philip Lewis  
105 Stockington Road  
Woodstown, NJ 08098

**PURCHASE QUOTE**

RE : ██████████

Dear Member :

The Division of Pensions and Benefits is pleased to advise you that you are eligible to purchase 141 MONTHS of TEMPORARY/SUBSTITUTE service as follows:

<u>BEGINNING</u> <u>DATE</u>	<u>ENDING</u> <u>DATE</u>	<u>L/A</u>	<u>CODE</u>	<u>EMPLOYER</u>
12/23/1974	09/18/1986			SALEM COUNTY

The lump sum cost to purchase this service is \$ 35,318.29. The lump sum calculation is based on your nearest age at the time of your request and your highest salary as a member of the retirement system. If you wish to purchase a portion of this service, the cost is determined by dividing the lump sum cost by the total eligible service. Then multiply the result by the period you wish to purchase.

We must request this amount in a lump sum, because you are not actively contributing to the pension system at this time.

If you wish to purchase this service, or any portion thereof, the enclosed Purchase Authorization Form must be completed. The cost of this purchase expires on **June 30, 2001**. If you reapply for the purchase, the cost may increase.

If you have any questions regarding the purchase, please contact Client Services at (609) 292-7524.

Purchase Section

Enclosure