

Credit granted for furlough and voluntary pay reduction

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On Aug. 26, 2016, PA 99-0897 was signed into law allowing certain SURS participants to establish service and earnings credit for periods of furlough or periods of voluntary pay reduction taken in lieu of furlough. Eligible SURS participants must have periods of furlough or periods of voluntary pay reduction taken in lieu of furlough beginning on or after July 1, 2015, and ending on or before June 30, 2017.

To make the election, a participant and their employer must complete and return an application to SURS on or before Dec. 30, 2018, the end date of the election period. Applications will be available at www.surs.org ^[1] on Jan. 1, 2017, the election period begin date.

Once a completed application is received, SURS will provide the participant with a letter that includes the cost for repayment. The cost will be comprised of employee and employer contributions associated with the forfeited earnings plus applicable interest. Interest will be compounded at the actuarially assumed rate of return, which is currently 7.25 percent, up through the month of payment. Payments must be made with after-tax funds and must be submitted prior to the participant's effective retirement date.

For further information, please refer to the following fact sheets or contact the SURS office at 800-275-7877 or 217-378-8800.

[Furlough Fact Sheet](#) ^[2]

[Voluntary Pay Reduction Fact Sheet](#) ^[3]

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Links

[1] <https://surs.org/forms>

[2] <https://surs.org/sites/default/files/pdfsx/FurloughFactSheet.pdf>

[3] <https://surs.org/sites/default/files/pdfsx/VoluntaryPayReductionFactSheet.pdf>

[4] <https://surs.org/tags/news>

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