

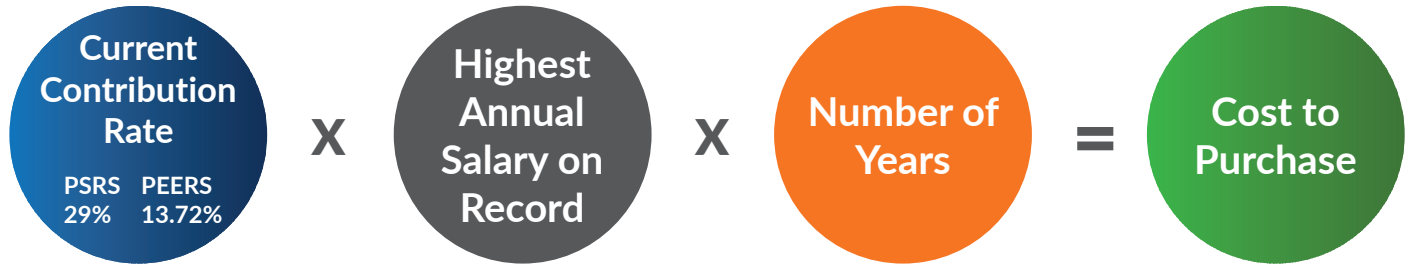
# The Basic Purchase Cost Calculation

The cost of many types of purchases can be determined using the formula below. As you achieve higher salaries during your career, your cost to purchase will increase. Therefore, consider purchasing service early in your career rather than right before retirement.

A purchase can be quite expensive, and should be viewed as an investment in your retirement. When considering a service purchase, you should also consider other investment choices.

You can use the purchase cost calculator in Web Member Services at [www.psr-peers.org](http://www.psr-peers.org) to estimate your cost to purchase service, or use the worksheet below.

## Basic Purchase Cost Calculation



**My Purchase Cost**

\_\_\_\_\_ X \$ \_\_\_\_\_ X \_\_\_\_\_ = \$ \_\_\_\_\_

## Am I Eligible to Purchase Service?

If any of the statements below describe you, you may be eligible to purchase related service.

- I was previously a PSRS or PEERS member and took a refund of my contributions and interest.
- I took unpaid maternity or paternity leave.
- I was on unpaid sick leave during the current or previous two school years
- I previously worked at a school that was not part of PSRS/PEERS.
- I previously worked in employment covered by Social Security.
- I have previously worked for a non-federal public employer.
- I have served active military duty.
- I am vested in both PSRS and PEERS.
- I am vested with Kansas City Public School Retirement System (KCPSRS) or the Public School Retirement System of the City of St. Louis (PSRSSTL).

All members can purchase up to .5 of a year of supplemental service once they are within five years of retirement eligibility.



## Purchase Payments and Due Dates

- You can pay by check, cashier's check, money order or rollover from a qualified retirement account.
- There are no set payments or monthly amounts due.
- You must **complete all purchases before retirement**.
- For many types of purchases, your cost is recalculated every October based on the current contribution rate and your highest salary on record. Therefore, if you can purchase service early in your career, it typically means you pay less.

## The Service Purchase Process

Completing a purchase can take several months, especially if you need to verify the service with a previous employer or the Social Security Administration. Paying with a rollover of funds from a qualified retirement plan can also take time. Start early to ensure you have enough time to complete your purchase before retirement.

Purchasing  
is a  
Process



Research all purchase options and decide which one is best for you.



Request and complete a purchase application.



Have your purchase verified.



Submit application and all necessary documents to PSRS/PEERS.



We will review your application and a Statement of Amount Due will be sent.



Pay for your purchase.