

# The Louisiana State Police Retirement System



## **MEMBERSHIP HANDBOOK**

*Revised January 2022*

**New State Police Plan Members  
Hired On or After January 1, 2011**

*An Investment in Your Future*

## Contact Information



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## **Foreword**

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This handbook is intended to provide each member hired after January 1, 2011, and enrolled in the New Plan, with a summary of the plan provisions with the Louisiana State Police Retirement System (LSPRS). This is not a legal document and should not be used as a basis for legal interpretation. It may not address every question regarding retirement and, in fact, may not cover every provision of law.

The information in this book has been updated through the 2021 Regular Legislative Session and explains the basic provisions of Title 11 of the Louisiana Revised Statutes which governs retirement for all LA State Police officers. It also contains general information about the retirement benefits, specifically for officers hired on or after January 1, 2011 and enrolled in the New Plan. There are numerous federal and state laws and internal policies necessary to administer LSPRS benefits. By its very nature, a retirement system is complex.

Please study the benefits described in this handbook and discuss them with family or an estate planner. Keep this handbook and the annual account statements in a safe place and refer to them as needed. Should any questions regarding information in this handbook arise, or additional questions not covered herein, please contact the retirement system staff directly. See Contact Page for information on how to contact staff and office hours.

## **Overview**

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LSPRS was first established by Acts 1938, No. 293 of the Louisiana Legislature. However, the legislature has substantially rewritten and amended the retirement laws since its creation.

LSPRS is a qualified defined benefit pension and retirement plan under Section 401(a) of the Internal Revenue Code. LSPRS operates and maintains records on a fiscal year basis.

LSPRS is a public trust fund created to provide retirement allowances and other benefits for State Police officers and their beneficiaries. Funding for the system comes from several sources: employee contributions, employer contributions, investment earnings, contributions from the state of a designated portion of receipts from oil and mineral leases on state owned lands, a portion of the insurance premium tax, funds derived from the sale of Louisiana drivers' licenses, and additional funds that may be provided by the Louisiana Legislature.

## **Administrative Body [R.S. 11:1302]**

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An eleven (11) member board of trustees oversees LSPRS's operations. The law designates the members of the board as follows:

- The Treasurer of the State of Louisiana, ex officio, or his designee;
- The Commissioner of Administration, ex officio, or his designee;
- The Superintendent of the Office of State Police, or his designee;
- The President of the Louisiana State Troopers' Association;
- The President of the Central State Troopers' Coalition;
- The Chairman of the Senate Retirement Committee, ex officio, or his designee;
- A member of the House Committee on Retirement appointed by the speaker of the House of Representatives or the member's designee;
- One active member of the system, elected by the active members;
- One retired member of the system, elected by the retired members;
- One member, active or retired, elected by active and retired members; and,
- One surviving spouse of a deceased member, elected by active and retired members.

LSPRS's elected trustees serve five-year staggered terms. Procedures for election of trustees are contained in the Administrative Code, Title 58. Louisiana law allows the board to adopt rules and regulations to administer LSPRS' programs and benefits. The board hears appeals from members and issues decisions in such cases. The board also appoints the system's Executive and Assistant Directors.

Board meetings are typically held bi-monthly as scheduled by the Board of Trustees and are open to the public. The meetings are held in the Dr. Bobby E. Smith Boardroom located in the LSPRS office building at 9224 Jefferson Highway, Baton Rouge, Louisiana, 70809. Meetings are held in compliance with Robert's Rules of Order and the Open Meetings Laws.

Each year the Board elects a Chairman and Vice-Chairman. The Chairman appoints an Investment and Executive Committee. The Investment Committee typically meets bi-monthly while the Executive Committee meets as needed.

## Glossary

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**Active Member** – A member who is currently contributing to LSPRS through active employment with LSP.

**Actuarial Transfer** – A transfer of service credit from one retirement system to another. This type of transfer may involve additional costs to member.

**Actuary** - A mathematician who studies and evaluates future probabilities and their financial impact by applying probability and statistical theory. Actuaries calculate pension and annuity rates based on risk factors obtained from experience tables.

**Average Compensation (Salary)** - The highest average earned compensation received during a 60-month period. Also referred to as Final Average Compensation (FAC).

**Beneficiary** –

**Designated Beneficiary** - Upon the death of a member, a person who receives the balance of the member's contributions if no statutory survivor benefits are payable.

**Statutory Survivor Beneficiary** - The surviving spouse, minor children, disabled children, or dependent parents, where applicable. This person is not necessarily the same as the Back-DROP beneficiary or the life insurance beneficiary.

**Earned Compensation** - The base pay earned as an employee. It does not include overtime, per diem,

payment in kind, premium pay, or any other authorized expense allowance.

**Fiduciary** - A relationship of trust and confidence where one person (the fiduciary) holds or controls property for the benefit of another person.

**Disabled Child** [R.S. 11:1323(C)(2)(a) and LSPRS PP51]

- Totally mentally or physically disabled on the date of death of the member.
- Dependant upon the surviving spouse or legal guardian

**State Trooper Service (Hard Time)** - Creditable service based upon actual state police employment while receiving compensation from the Department of Public Safety.

**LSPRS Policies and Procedures (LSPRS PP)** - The internal policies and procedures of LSPRS. Can be found on the website.

**Minor Child** - A child less than 18 years of age or a student less than 23 years of age. The child must be either a child by birth or a legally adopted child.

**Reciprocal recognition of service** - When service credit in a retirement system is recognized by other public retirement system(s) to determine eligibility for regular retirement, disability retirement, and survivor benefits. There is no cost to members.

**Regular retirement** - Retirement under the criteria established in R.S. 11:1345.4.

**Retirement benefit** - The monthly benefit the participant receives after employment ends.



**Survivor benefit** - Payments to the surviving spouse, minor children, and/or physically or mentally disabled children, or, where no surviving spouse or children exist, to dependent parents, if eligible.

**Surviving Spouse**

- Retired or Former Member - a spouse legally married for at least two years immediately prior to death (R.S. 11:1323.1(A)(3)).
- Active Member - a spouse legally married for at least one year immediately prior to death (R.S. 11:1323(D)(1)).
- Exception: There are no length of marriage requirements for service-connected death benefits.

**Student** - A person under age 23, enrolled full-time in a high school, vocational-technical school, college, or university. The Office of the Registrar located at the college/university where the student is enrolled must submit a certification of full-time status each semester.

**Terminal Leave** - Leave that DPS (the employer) may allow a member to take just prior to retirement. This leave is governed by DPS/LSP Policy.

**Tutor** – Appointed by the court through tutorship proceedings. Person who is legally responsible for caring for a minor child. The benefit is paid on behalf of a minor child to the tutor.

**Third-Party Administrator (TPA)** – a third-party administrator provides various retirement plan accounting and administrative services to the retirement system and its members. Back-DROP, IBO, excess leave and other retirement related proceeds may be rolled over on a tax-deferred basis to our TPA, EMPOWER Retirement.

## **Membership**

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### **Participation [R.S. 11:1305 and R.S. 11:1345.3]**

Membership in LSPRS is limited to sworn, commissioned law enforcement officers of the Office of State Police of the Department of Public Safety and Corrections (DPS) who have satisfactorily completed the State Police Training Academy Course of Instruction, and the secretary and deputy secretary of the Department of Public Safety, if they are sworn, commissioned state police officers who have graduated from the State Police Training Academy. Also, any state police employee who serves as a sworn, commissioned law enforcement officer in an active capacity in an unclassified position in DPS and who has previously contributed to the system is eligible for membership.

An employee is eligible for membership in the New State Police Retirement Plan if:

He was hired on or after January 1, 2011, AND, he has NO creditable (credit not refunded) service in a STATE plan on or before December 31, 2010. The state plans are Louisiana State Employees' Retirement System (LASERS), Teachers' Retirement System of Louisiana (TRSL), and Louisiana School Employees' Retirement System (LSERS).

If a member has prior service in the Louisiana State Employees' Retirement System (LASERS), Teachers' System of Louisiana (TRSL), and/or Louisiana School Employees' Retirement System (LSERS), he may be eligible for the Old State Police Retirement Plan. Please contact a staff member to discuss individual situations.

Contributing membership in the system ceases when a member resigns, is dismissed, retires, or is otherwise separated from service as a state police officer.

**Rehired Retiree [R.S. 1311(A)]**

If a person is a retiree of LSPRS and returns to work in a position that would make him eligible for membership in LSPRS, he will not be allowed to reenter LSPRS and begin to earn service credit. The member will be subject to a 50% earnings limitation during this employment. If he should earn more than 50% of his average compensation, his benefit will be suspended for every month that he is employed. At the end of the employment, the benefits will be reinstated, but no payment shall be made of suspended benefits. It is the members's responsibility to notify LSPRS if his employment terminates.

**Employee/Employer Contributions [R.S. 11:62(10) and R.S. 11:102]**

Currently, the law sets the employee contribution rate at 9.5% of each member's base salary (no overtime included). Contributions are collected each pay period from the employees and are remitted by LSP to LSPRS.

The agency (DPS/LSP) pays the employer contribution rate, determined each year, based on an actuarial formula set by state law.

Base pay does not include overtime, per diem, payment in kind, premium pay, or any other authorized expense allowance.

## **Return of Contributions [R.S. 11:1324 and R.S. 11:1325]**

### **Refunds**

A member may apply for a refund of his employee contributions only when he leaves state police service if he has not attained the required age nor the required years of service for retirement (vesting). A member is not eligible for a refund if he was hired on or after January 1, 2011, and has 12 years or more of service. In this case, he has a vested right in the retirement system. The member may apply for a retirement benefit when he reaches age eligibility.

A member must be out of state service for a minimum of 30 days to be eligible for a refund. LSPRS processes refunds only after all contributions have been submitted by DPS (approximately 60 days after exit from service). When a member accepts a refund of his contributions, he automatically forfeits all service credit and accrued rights in LSPRS. The system does not pay interest on any amounts refunded. LSPRS typically processes most refunds within 60 days of receiving the application. If a member transferred any service to LSPRS, he will be refunded only the employee portion of that transfer.

A member may obtain a refund application by visiting [www.lsprs.org](http://www.lsprs.org) or a staff member can email an application. The refund can be issued via check or EFT to a bank account. The sheltered portion (the portion of contributions that has not been taxed) is eligible for a tax-sheltered rollover to a qualified plan. All refunds paid directly to members are subject to federal taxes and, if applicable, may be subject to additional tax liability under the IRS rules relative to early distribution. Please contact a staff member to discuss

the options. Each member is advised to discuss the refund with his tax consultant.

LSPRS does not issue partial refunds. There are no provisions in the law to allow for partial refunds. A refund will be made in whole, if eligible.

Members are not required to withdraw contributions at the time of termination of employment. Contributions may be left on deposit with LSPRS. Such contributions may be utilized towards retirement benefits in the event of reemployment with LSPRS or any other state or local public entity.

### **Guaranteed Return of Contributions**

A member is guaranteed a return of his contributions under R.S. 11:1325. This return may be in the form of a monthly benefit or a lump sum refund, or both, paid to either the member, his survivor, his beneficiary, or his estate. As discussed above, all refunds are subject to federal taxes.

### **Retirement Formula [R.S. 11:1345.5]**

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- A member will receive 3.333% of his final average salary for each year of state police service.
- Transferred service will be calculated using the accrual rate transferred or purchased.
- Purchased service will be calculated at a 3.333% accrual.

### **Creditable Service**

To compute a member's retirement benefit, creditable service includes the years of service credit, credit for unused sick and annual leave, and any other service credit that may have been purchased or transferred.

Creditable service does not include any periods of leave without pay (LWOP). Military LWOP can be used for creditable service (vesting) but not benefit computation.

**Average Compensation [R.S. 11:1345.2(1)]**

The term average compensation means the average annual earned compensation of a member for the sixty (60) highest months of successive employment, or for the highest sixty (60) successive joined months of employment where interruption of service occurred.

When determining average compensation, state law sets a limit on the amount of salary increases during the 60 months that can be used in the calculation. Typically, the annual salary increase is limited to 115% per year for the 60-month period.

**Regular Retirement**

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**Basic Eligibility [R.S. 11:1345.4]**

Regular Retirement Eligibility:

- 12 years of service at age 55; or
- 20 years of service at any age, Actuarially Reduced Benefit, Not Eligible for Back-DROP or IBO; or
- 25 years of service at any age.

\*Sick and annual leave may not be used to meet the above years of service requirements.

## **Effective Date**

The effective date of retirement is the date the application is filed with LSPRS or the day after employment ends, whichever is later.

## **Retirement Estimates**

LSPRS computes estimates of retirement benefits upon request. The member must request an estimate by completing the Retirement Benefit Estimate Request form located online at [www.lsprs.org](http://www.lsprs.org). The member may request a copy of the form at [info@lsprs.org](mailto:info@lsprs.org). The member may submit a request if he meets all of the following:

- Must be within two years of retirement eligibility;
- Projected retirement date does not exceed three years from the request date; and
- No more than two requested estimates during a rolling 12-month period.

LSPRS uses current salary and leave balances when computing estimates. LSPRS will make certain assumptions regarding leave usage and accrual but will not assume pay increases or promotions. The figures provided to the member are only an estimate. LSPRS reserves the right to make corrections due to administrative errors.

## **Application**

A member must apply for retirement by contacting a staff member and completing the LSPRS retirement paperwork inclusive of a Letter of Intent and Retirement Application. **Termination of state police service does not automatically constitute application for retirement.** The member must contact the LSPRS staff.

LSPRS considers a member application officially filed when executed and received at LSPRS' office. Retirement benefits begin to accrue the day after termination of state police service, or, the day LSPRS receives the application, whichever date is later. We recommend retirement applications be submitted at least 30 days before the last official day of work (termination date), or prior to the first day of terminal leave.

## **Vested Rights**

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If a member leaves state police service, the member may qualify for a monthly benefit upon reaching the minimum retirement age if he meets the following requirements:

- Before leaving state police service, he obtained the minimum number of years' service credit needed to retire, but he had not reached the required age; and,
- His contributions are on deposit with LSPRS.

This benefit is not automatic. A member must sign an Acknowledgment of Vested Rights upon leaving state police service and complete an Application for Retirement upon reaching the required age. Please contact LSPRS for more information on vested rights.



# **Back-DROP (Deferred Retirement Option Plan)**

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## **Back-DROP Plan [R.S. 11:1345.6 and R.S. 11:1312.1]**

Members who retire under a regular retirement eligibility plan (12 years at age 55 or 25 years at any age) may elect a Back-DROP period consisting of whole months not to exceed 36 months. Choosing this option will provide the retiree with a monthly benefit plus a lump sum amount. The Back-DROP period will be the most recent calendar period corresponding to the member's accrued creditable service.

### **Eligibility**

A member must have earned more years of creditable service than required for a regular retirement to take advantage of the Back-DROP. Leave may not be used to determine eligibility for Back-DROP. Transferred and purchased military service may be used to reach eligibility. A member must also attain an age that is greater than the minimum required for eligibility for a normal retirement benefit, if applicable.

### **Application**

LSPRS will provide estimates for a one, two, and three year Back-DROP if a member is eligible for the maximum.

A member must be within two years of retirement to request a Back-DROP estimate. He must complete a Retirement Benefit Estimate Request form obtained by contacting a staff member or at [www.lsprs.org](http://www.lsprs.org).

## **Computation**

The computation used to calculate the Back-DROP benefit is the same computation used to calculate the regular retirement benefit, with the following exceptions:

- Service credit is reduced by the Back-DROP period.
- Computation of the average compensation will exclude the Back-DROP period.
- All employee contributions submitted during the Back-DROP period will be refunded to the member, usually in the first quarter of the year after retirement. This refund can be made directly to the member or rolled tax deferred to a qualified plan, or to LSPRS' third-party administrator of the Back-DROP funds (added to the Back-DROP balance).
- All employer contributions and any interest that has accrued on the employer and employee contributions during this period of time will remain with LSPRS.
- The sum of the Back-DROP period and the accrued service credit used to calculate the member's monthly benefit shall not exceed thirty years.

## **Benefit/Account**

The lump sum amount will be credited to the member's account and is equal to the monthly benefit times the number of months selected as the Back-DROP period.

At the time of retirement, the member must make a one-time irrevocable decision relative to the Back-DROP lump sum. The options are:

- To effectuate a tax-deferred rollover of the Back-DROP proceeds (BDP) into a self-directed account with the third-party administrator for LSPRS. The member will direct his account into the investment funds of his choice and earns an investment return based on those choices. Exemptions, for state tax and the IRS 10% early withdrawal penalty, may follow the funds to LSPRS' third-party administrator. Please discuss these options in detail with LSPRS staff before making this decision; or
- Roll the BDP to an independent financial institution. Please note that the tax exemptions may not follow this type of rollover. Consider that the BDP may be subject to state taxes and an IRS imposed early withdrawal penalty. Please discuss this option with LSPRS staff; or
- Request a distribution, noting that the appropriate federal income tax must be withheld (a minimum of 20%), the distribution may be included in your taxable income in the tax year of the withdrawal, and the distribution may be considered an early lump sum distribution subject to the IRS early withdrawal penalties.
- You may want to discuss the prospective tax impact of your decision regarding Back-DROP with your qualified financial advisor, tax advisor, CPA, or tax attorney.

### **Initial Benefit Option (IBO) [R.S. 11:1307(E)]**

Only members who elect not to participate in the Back-DROP may select the IBO. Disability retirees are not eligible for this option.

Under this option, a member may elect to receive part of his future retirement benefits in a lump sum

payment. The lump sum cannot exceed an amount equal to 36 months of his maximum monthly retirement benefit. The member may elect to receive the maximum lump sum amount or any amount less than the 36-month maximum.

This option may only be selected at retirement and pays the member a lump sum amount in addition to a monthly retirement benefit. The monthly benefit is actuarially reduced permanently.

The member may receive the "initial benefit" in a lump sum payment or may elect a tax-deferred rollover to LSPRS' third party administrator. A member may also roll the IBO proceeds to an independent financial institution of his choice. Please discuss these options with LSPRS staff.

### **Division of Benefit with Former Spouse [R.S.11:291]**

LSPRS benefits are considered community property and are subject to division with a former spouse. LSPRS will not divide a benefit with a former spouse unless a certified copy of an approved Qualified Domestic Relations Order (QDRO) has been provided to the system. Otherwise, the retiree, not LSPRS, will be liable for any amounts due a former spouse. If the member does not intend to divide benefits with a former spouse, consult an attorney to be certain that a proper settlement has been reached. Leaving the issue unsettled by not addressing the LSPRS benefit in a community property settlement may result in additional complications at retirement.

Upon request, LSPRS will provide the member with a sample QDRO that contains language important to the LSPRS plan. A sample copy may also be obtained by visiting [www.lsprs.org](http://www.lsprs.org). Prior to requesting court

approval, please submit a copy to LSPRS for review by their General Counsel. If the QDRO is approved by a court and does not properly comply with LSPRS statutes, this may result in complications when dividing the funds and likely will require the member to incur greater attorney fees and costs to amend the QDRO to make it compliant. Staff will notify the member of whether the document is acceptable.

#### Important Reminders:

- No funds are distributed to either party until AFTER retirement or separation from service.
- Under the provisions of the QDRO, the alternate payee (ex-spouse) will have their own separate account. The alternate payee (ex-spouse) will direct the distribution of their own funds to an independent financial institution of their choice.
- The alternate payee (ex-spouse) must provide LSPRS with contact information, social security number, a completed W4P (tax form), banking information, and date of birth, along with copies of the social security card and birth certificate.
- If the alternate payee (ex-spouse) predeceases the member (retiree), the member (retiree) or the member's qualified beneficiary will receive the alternate payee's (ex-spouse) portion.
- If the member (retiree) or the member's qualified beneficiary predeceases the alternate payee (ex-spouse), all benefits are stopped and are no longer payable.

### **Retirement Benefit/Payments**

- The retirement benefit is payable to a member for his lifetime.
- Federal income tax is payable on retirement benefits.

- Retirement benefits are not subject to Louisiana individual income tax. However, an annual Louisiana State Income Tax return must be filed to claim the exemption. This exemption can be found in R.S. 11:1331.
- Benefit payments are made on the last business day each month.
- The following may be deducted from the LSPRS benefit payment:
  - OGB Office of Group Benefits Insurance
  - AFLAC
  - American Public
  - Colonial Insurance
  - LSTA Dues
  - CSTC Dues
  - Benefit Fund Dues
  - Honor Fund Deductions
  - Federal Withholding Tax

LSPRS staff will discuss deductions during the execution of the retirement paperwork prior to retirement. Deductions must be authorized and can be changed at any time by submitting a written request, signed and dated, to LSPRS.

**Garnishments [R.S 11:292 and R.S. 11:1331, and IRC 6321]**

Retirement benefits (including refunds) are subject to garnishments for:

- Court ordered assignment of child support payments.
- Court ordered restitution for a conviction of a felony (felony occurred on or after July 1, 2010) associated with the member's public service.
- Notices of lien/levy for federal taxes received from the federal government

## **Direct Deposit of Monthly Benefits**

LSPRS requires automatic direct deposit of monthly retirement benefits to a checking or savings account at any financial institution that is a member of the Automated Clearing House System. A member must furnish a voided check (not a deposit slip) to LSPRS. This will provide the routing and account numbers necessary to set up a direct deposit. LSPRS issues the transfer instructions to its bank in sufficient time for the direct deposit funds to be available on the last business day of each month. LSPRS must be notified of any changes to a member's bank account information in writing, signed and dated by the retiree or beneficiary.

## **Health Insurance/Office of Group Benefits**

### LSPRS's Role

Each month LSPRS will deduct the insurance premium from the retirement check. The Office of Group Benefits (OGB) will invoice LSPRS each month. LSPRS will issue a payment to OGB.

### DPS's Role (The Employer's Role)

Contact the HR Department and OGB prior to retirement to discuss insurance vesting (this will determine the premium after retirement). After retirement the employer will continue to be the point of contact regarding health insurance. Any changes (dropping or adding dependents, eligibility for Medicare, etc.) must be initiated through DPS's Human Resources Department.

### Tax Exemption

A member may be eligible for an exemption on his federal income taxes for the amount paid toward health

insurance up to a maximum of \$3,000 after retirement. LSPRS will discuss this benefit with each member at the time of signing the retirement paperwork.

## **Lump Sum Payments**

Upon retirement a member may receive lump sum payments depending upon the elections made. These payments include excess leave, Back-DROP and IBO payments. When receiving lump sum payments from LSPRS, there are several options for payment. The member should discuss these options in detail with his tax consultant to avoid any unexpected tax liability. These options are:

1. To take the payment directly. LSPRS is required to withhold a minimum of 20% for federal taxes (a larger amount may be requested). If retiring prior to the 50th birth year, a member may be subject to an additional 10% penalty on this payment. If retiring in or after the 50th birth year, the member is exempt from this penalty.
2. To roll this payment tax-deferred to a qualified plan of the member's choice. If this option is selected, the member may lose the exemption mentioned above, plus the state tax exemption.
3. To roll this payment tax-deferred to LSPRS' third-party administrator. The member will receive the same tax exemptions (no state tax, no penalty if 50th birth year or after) under this option.
4. If rolled or distributed, upon or after reaching the age of 59 ½, the IRS 10% early withdrawal penalty does not apply.
5. Other exemptions may apply, the member should discuss these options in detail with his tax consultant to avoid any unexpected tax liability.



## **Forfeiture of Retirement Benefits [11:293]**

An LSPRS member, former member, Back-DROP participant, or retiree may be subject to a forfeiture of retirement benefits following the conviction of a public corruption crime.

The court may order a forfeiture of benefits excluding the member's contribution balance which may be refunded to the member excluding interest. If the court orders that the public servant must make restitution, the court may order the restitution be paid from the employee's contribution balance.

Under certain conditions the spouse, former spouse, and/or dependents may be awarded a benefit. Please consult with LSPRS staff for more information.

## **Reemployment of Retirees [R.S. 11:1311 and R.S. 11:149]**

If a member returns to employment after retirement with the Department of Public Safety/Office of State Police in a position that would be eligible for membership in LSPRS, he will not be entitled to renew his membership in or become a member of the system. If the member's earnings in such employment in a calendar year are more than 50 percent of his average salary, payment of the retirement benefits will be suspended for each month of employment. Upon termination of such reemployment, the suspended retirement benefit will again be paid, but no payment shall be made of suspended benefits..

Employment with the Department of Public Safety in a position that would not be eligible for membership in LSPRS, will be governed by the laws of the Louisiana State Employees' Retirement System.

## **Service Credit**

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### **Leave Without Pay (LWOP)**

A member will not receive service credit for any period of leave without pay. If a member is suspended without pay for a disciplinary reason and he appeals this decision, the service will be credited back to his account upon a reversal of the suspension and only if all contributions are paid to LSPRS (both employer and employee contributions).

If a member is called to active military duty and is placed on military LWOP, the service will be credited toward eligibility for retirement, but not for computation of the retirement benefit amount. The member may pay the employee contributions upon his return to employment to receive the military LWOP toward the computation of the benefit. Please contact HR Department and LSPRS staff to discuss this, should it occur.

### **Repayment of Refunds [R.S. 11:144 and 11:1326]**

If a member has previous state police service, withdrew contributions upon separation from service, and has returned to state police service, the member may restore the credit by repaying the refunded contributions. To repay a refund and restore prior state police service credit the member:

- a) Must be reemployed for a minimum of six months. Exception: Should he become a member of another Louisiana public retirement system, he may repay a refund in order to transfer the credit to the current system. Please contact the current system to begin this process.

- b) Must request a repayment of refund invoice from LSPRS.
- c) Must repay the amount refunded plus interest (at the actuarially approved rate) compounded annually from the date of the refund until payment is made in full.
- d) Repayment must be made in a lump sum. LSPRS will accept a rollover of funds from a qualified plan. (i.e. deferred compensation)

### **Service Credit in More Than One Retirement System**

If a member has credit in more than one state, parochial, or municipal retirement system in Louisiana, he may either apply for a reciprocal agreement or a transfer of the service credit. The member must have at least six months of service credit in his current retirement system to apply for a reciprocal agreement or transfer of service.

- **Reciprocal Agreement [R.S. 11:142]** Service credit in one state or local retirement system may be recognized by another system when determining eligibility for regular retirement, disability retirement, and survivor benefits. Each system keeps the contributions paid into it and, upon retirement, each system pays a benefit based on the service credit and earnings in that system only. Written application must be made for a reciprocal agreement.
- **Actuarial Transfer of Service [R.S. 11:143 and R.S. 11:1305.1 (Purchase Upgrade of Accrual)]** Service credit in one state or local retirement system may be transferred to another system, and the system receiving the transfer credit will pay the retirement benefits based on all service credit. The system's actuary will determine

whether or not there is a cost for the transfer. If there is a cost, the member will be given two options:

1. Pay the difference between the amount of money (contributions) transferred in from the other system and the actuarial cost of the transfer, or
2. Take a reduction in service credit at no cost. If the member chooses this option, he cannot transfer the remaining service at a later date.

If transferring credit from a system with a lower accrual rate, the member will be given an additional option to purchase an upgrade of the accrual rate to 3.333%. If he elects to transfer the service without an accrual upgrade, he may apply at a later date to purchase the accrual upgrade. The option to purchase an upgrade of the accrual rate has several unique and specific parameters, please consult with LSPRS if you are considering purchasing the upgrade of service credit.

If the accrual rate is not upgraded before the member applies for retirement, then the retirement percentage factor used by the other system will be used to calculate the benefit for the transferred service credit. One must be an active member to transfer service credit to LSPRS.

A member may repay a prior refund from another system in order to reestablish credit for a reciprocal agreement or a transfer (R.S. 11:144). The member must pay back the refunded contributions, plus interest, to the public system from which he withdrew. Once the refund is repaid, LSPRS will reinstate the service credit. Application may then be made for that credit through the options described above.

## **Dual Employment/Membership [R.S. 11:191]**

Under no circumstances will it be allowable to earn more than one year of membership service credit in any one year. If a member is employed in more than one public employment position that makes him eligible for membership in two separate Louisiana public retirement systems, he will not be allowed to transfer or reciprocally recognize the dual/duplicate service credit.

## **Sick and Annual Leave [R.S. 11:1333, R.S. 11:1334, and R.S. 11:1335]**

Upon retirement, a member may choose one of two options available relative to the remaining balance of his sick and annual leave (after payment of the 300 hours of annual discussed below and not including any compensatory time earned):

- 1) A member may convert the balances to retirement credit after he reaches retirement eligibility. A member will be paid for 300 hours of annual leave by DPS at retirement. The remaining balances of annual and sick leave will be certified by DPS upon retirement and can be converted to retirement credit. There is no limit to the amount of unused sick and annual leave the member can convert to retirement credit. A member cannot use sick and annual leave to qualify for retirement or any other benefits payable by LSPRS.
- 2) In lieu of conversion of leave to retirement credit, a member may, at the time of retirement, choose to be paid in a lump sum for the leave as determined by LSPRS's actuary. The payment is not made at the member's hourly rate.

## **Purchases of Service Credit**

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### **Military Service [R.S. 11:152, R.S. 11:152.1, 11:153, R.S. 29:411 et seq., and the Uniformed Services Employment and Reemployment Rights Act (USERRA)]**

A member may purchase up to four years of regular or non-regular military service. Regular military service is for full-time active duty. Non-Regular service is for any state or federal military service for which retirement points are assigned. (i.e. National Guard, Coast Guard, etc.) Such a purchase may be made if the member has not received credit for the service in another retirement system or has not received a benefit from the military retirement system. The member must have received an honorable discharge to be eligible to purchase the credit.

Credit for regular service is based on one day of credit for each day of full-time active duty. Credit for non-regular service is based on one day of credit for one retirement point (as determined by the military).

The member may not use military service to meet the minimum eligibility requirements for retirement. Additionally, military service may not be used to meet the eligibility requirements for disability or survivor's benefits. The salary earned while in the military will not be used in computing a member's average salary. Exceptions to these rules, allowing your military service time to be counted towards eligibility and creditable service are these:

- 1) If you are on paid leave and both employer and employee contributions are paid, with no break in service for retirement.

- 2) If you are on leave without pay, but you and your employer make the required contributions. Correct reporting is due to LSPRS.
- 3) If you are on leave without pay, do not elect to make the required contributions throughout your military service, but you purchase the credit toward benefit computation upon re-employment (employee contributions plus interest) which must be paid within five years or three times the duration of service, whichever is shorter, but not to exceed five years.

To apply for the purchase of military service for which a member has been honorably discharged, he must:

- a) Request a Military Purchase Application, or download a copy at [www.lsprs.org](http://www.lsprs.org)
- b) Submit a completed application to LSPRS along with a copy of his DD214 or discharge papers indicating the member's retirement points, and a check for the fee for the actuary's calculation will be required. Such fee will be stated on the application.
- c) The amount due may be paid in one lump sum or in installments not to exceed 36 months. LSPRS will accept a rollover of funds from a qualified plan. (i.e. deferred compensation)
- d) Any purchases of service must be completed prior to termination of LSP employment.

**Purchase of Prior Law Enforcement Service Within the State Of Louisiana [R.S. 11:1305(D)(1)]**

If a member was employed with a law enforcement agency within the State of Louisiana and that service is not credited in any retirement system, he may purchase that service in LSPRS. The member must provide certification of the dates of service, the name of the

agency, and other identifying information as requested on LSPRS's Application for Prior Law Enforcement Service. Once verified by the employing agency, the information will be submitted to the actuary for cost calculation. The member will be required to pay a fee for the actuary's calculation. Such fee will be stated on the application. A member may pay this purchase cost in a lump sum, with a rollover of funds from another qualified plan, or over a 36-month payment period which shall include interest at the actuarial rate of return.

### **Purchase of Additional Service Credit (Air-Time)** **[11:1307.2]**

A member may purchase up to five years of additional service credit in one-year increments immediately preceding retirement if he has a minimum of twelve years of service credit in LSPRS. He must:

- Complete the Application to Purchase Service Credit (Air-Time), which may be obtained by visiting [www.lsprs.org](http://www.lsprs.org) or contacting a staff member. This application must be submitted not less than 45 days prior to the specified retirement date.
- The Letter of Intent to Purchase Service Credit must be submitted not less than 30 days prior to the specified retirement date. This form letter will be provided to you for signature and return to LSPRS.
- Submit a check for the fee for the actuary's calculation. Such fee will be stated on the application.
- Pay the actuarially determined cost in full prior to the retirement date.

If the full purchase cost is not paid prior to the date of retirement, no service credit will be applied. If a member



does not retire within thirty days after payment is received, the full purchase cost will be refunded without interest and no credit will be applied.

## **Survivor Benefits**

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Survivor benefits are payable under certain conditions to the member's spouse, minor children, totally physically or mentally disabled children or dependent parents upon his death. The survivor benefit for a member, who dies in active service or after retirement, becomes effective the day after death. LSPRS may require survivors to establish proof annually or at other times that they are still legally entitled to survivor benefits. Survivor benefits are not subject to Louisiana income taxes.

## **Spouse and Child Benefits**

### **Active Employees**

#### **Service-Connected Death (R.S. 11:1345.8(A) and 11:1345.8(B)(1))**

- The surviving spouse (married to the decedent at the time of death) will be pensioned at 80% of the member's final average compensation at the time of death or injury.
- This benefit is payable without regard to the amount of time the decedent was a member of the plan.

- If the decedent has minor or disabled child(ren), the surviving spouse and child(ren) will share the benefit equally. As each minor child reaches the age of disqualification, the remaining beneficiaries will share the benefit equally.
- This benefit is exempt from federal income taxes.
- Spouses qualified under this statute are NOT subject to the remarriage clause (R.S. 1345.8(C)).

### **Service-Connected Death - Intentional Act of Violence (11:1345.8(B)(2) and (C))**

If an officer is killed by an intentional act of violence occurring while engaged in the discharge of his duties, the surviving spouse (married at the time of death) shall receive a benefit equal to 100% of the salary being received by the decedent at the time of death. If there are qualifying minors or disabled child(ren), the benefit will be divided equally by the surviving spouse and any children. The remarriage provision does NOT impact this benefit.

This benefit will be increased annually (on the date of death) by 3% until the benefit equals the maximum of the trooper's paygrade for his classification at the time of death.

### **Non-Service-Connected Death [R.S. 11:1323 and R.S. 11:1345.9]**

#### **Surviving Spouse w/Minor or Disabled Children**

If a member with at least five years of service dies unrelated to service, the spouse will receive the greater of 50% of the benefit due to the member at death or

\$600 per month. The member has to have served two years immediately preceding his death. If the member has twenty years of service, the benefit is payable regardless of when service was rendered. The spouse will continue to receive payments for as long as one or more children are eligible. When all surviving children are no longer eligible, the surviving spouse becomes eligible for benefits due a spouse with no children. See relative section regarding forfeiture of surviving spouse benefit due to remarriage.

Benefits will cease upon remarriage and resume in the event of a divorce or death of new spouse, unless the member was eligible to retire at the time of death. In this case, benefits will not cease upon remarriage.

### **Surviving Children**

Minor Children – In addition to the above amount, each surviving child (maximum of two), will be paid at 50% of what the spouse would be entitled to in the paragraph above. The member must have had at least 5 years of service and this benefit is payable even if no spouse is eligible. As each minor child reaches the age of 18, or 23, if in school full-time, benefits are no longer payable. No minor child can receive more than one benefit at a time, only the larger amount will be paid.

### **Disabled Children**

In addition to the above benefit for minor children, a mentally or physically disabled child, whether under or over the age of eighteen, will be paid in the same manner as minor children with the following exceptions:

- The child must have been totally disabled at the time of the member's death and be dependent upon the surviving spouse or legal guardian.

- The guardian must provide proof and documentation regarding the disability and must timely advise the Board of any changes in the child's status.
- The guardian may be required to provide annual documentation regarding the child's eligibility status each year.
- The child is not allowed to receive more than one survivor's benefit, so the child would not receive both a minor child's benefit and a disabled child's benefit.

### **Surviving Spouse With No Children [R.S. 11:234]**

A surviving spouse with no children, or whose children are no longer minors, will receive a benefit for his lifetime based on the years of service at the time of the member's death and the appropriate accrual rate, or \$600.00 per month, whichever is greater. The spouse must have been married to the deceased member for at least one year prior to death and the member must have been active and have earned at least 10 years of service, two of which were earned immediately prior to death; or, twenty years of service regardless of when earned or active status.

Benefits will cease upon remarriage and resume in the event of a divorce or death of new spouse. However, this does not apply if the surviving spouse remarries after the age of 55 or if the member was eligible to retire at the time of death.

See relative section regarding the forfeiture of surviving spouse benefits due to remarriage.

## **Retired Employees (or Former Employees)**

### **Deceased Former Employee [R.S. 11:1323.1]**

Surviving Spouse – The surviving spouse of a former employee shall receive 50% of the monthly retirement pay that would have been payable to the decedent if he was married to the deceased for at least two years prior to the decedent's death and provided the following conditions exist: 1) the decedent terminated employment covered by this system prior to attaining the requisite age for retirement eligibility, and 2) the decedent has credit for at least twelve years of service in this system and has contributions credited to his account.

See relative section regarding the forfeiture of surviving spouse benefits due to remarriage.

Children – If there is no surviving spouse, or if the spouse has forfeited his/her benefits due to remarriage prior to the age of 55, the minor children shall be entitled to receive a benefit equal to 50% of the monthly retirement pay that would have been payable to the decedent. As each minor child reaches the age of 18, or 23, if he is a full-time student, benefits are no longer payable.

### **Deceased Retired Employee [R.S 11:1323.1]**

Surviving Spouse – The surviving spouse of a deceased retired employee who was married to the decedent for at least two years prior to the date of death will receive a pension equal to 75% of the monthly retirement pay that was being paid to the retired employee at the time of death.

See relative section regarding the forfeiture of surviving spouse benefits due to remarriage.

Children – If there is no surviving spouse, or if the spouse has forfeited his/her benefits due to remarriage prior to the age of 55, the minor children shall be entitled to receive a benefit equal to 50% of the monthly retirement pay that would have been payable to the decedent. As each minor child reaches the age or 18, or 23, if he is a full-time student, benefits are no longer payable.

**Surviving Spouse Remarrying Forfeiture of Pension [R.S. R.S. 11:1323 (B)(2) and D(2), R.S. 11:1323.1(D), & R.S. 11:234(B)]**

If the surviving spouse of a deceased employee whose death occurred other than in the line of duty, or a deceased retired or former employee, remarries before age 55 while receiving a surviving spouse's pension, such spouse then forfeits all rights to the spouse's pension. Each surviving spouse under the age of 55, must complete an annual certification to attest to their marital status.

**Pension of Parents of Deceased Former or Retired Employee (R.S. 11:1323.1(C)(2))**

If a vested or retired member has no surviving spouse and no minor children, a monthly pension of 25% of the average salary of the deceased employee will be paid to the parent or parents of the deceased employee for their lifetime, provided they, or either of them, derived their main support from the employee.

**Trust for Minor Children [R.S. 11:235 and R.S. 11:1323.H]**

Regardless of hire date, the benefit due surviving minor child(ren) may be paid to a trust under certain conditions: 1) the trust must be a Louisiana trust created by the deceased member, 2) the child must be a minor (for individuals hired on or after January 1, 2011, this includes disabled children regardless of age), 3) a certified copy must be provided to LSPRS. If these conditions are met, payments will be made to the trustee.

**Tutorship Proceedings for Minor Children and Curatorship for Disable Children**

If there are minor children who are eligible to receive a benefit, a tutor must be appointed by the proper court proceedings. A certified copy of the tutorship documents must be delivered to LSPRS. The benefit will be paid to the tutor as established by the court. If there is a disabled child who is no longer a minor and who is eligible to receive a benefit, a curator must be appointed by the proper court proceedings. A certified copy of the interdiction documents must be delivered to LSPRS.

## **Disability Retirement**

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Disability Retirement Procedures [**R.S. 11:216-225, R.S. 11:1313(B)(2), and R.S. 11:1345.7**] – A member may be entitled to disability benefits if he has been injured and becomes totally and permanently disabled. To be eligible for benefits:

- A member must file his application while in state police service;
- A physician on the State Medical Disability Board must certify the total and permanent disability; and,
- The disability must have occurred while the member was an active member of LSPRS.

If the application is not filed while in state police service, a member must present clear and convincing evidence that the disability was incurred while he was an active member.

If a member is certified with a non-service related disability, he cannot return to active employment paying more than the difference between his retirement allowance and his average compensation. If he is determined to be so employed, his pension shall be reduced so that his pension benefit together with the amount earnable by him equals the amount of his average compensation.

### **Application**

A member must file an application with LSPRS that includes 1) a statement from his personal physician certifying the disability 2) a statement from his supervisor including a brief history of the case and the supervisor's opinion as to the ability to perform the normal duties of the job, and 3) the First Report of



Injury on file with the HR Department. A copy of the application may be obtained from LSPRS. The disability application process typically takes from three to six months to complete, but can take longer.

### **Certification**

A physician who is chosen and approved by the Louisiana State Police Retirement System Board of Trustees will examine the member at LSPRS's expense. The physician will certify the disability by indicating whether he is totally unable to perform the normal duties of the job and whether the disability is likely to be permanent. The physician has full authority to determine the disability.

### **Right of Appeal**

If either the member or Louisiana State Police Retirement System Board of Trustees disagrees with the physician's determination, that party may file a written appeal with the LSPRS Board of Trustees within 30 days of the determination. Pursuant to a timely appeal, the member or Board will be given the opportunity to have a second medical examination at the expense of the appealing party. This second physician shall also submit a report to the Board of Trustees. If the second examining physician disagrees with the findings of the first physician, the two physicians shall select a third specialist to conduct another examination and prepare and file a third report. If the appeal with LSPRS's Board of Trustees is unsuccessful, any further appeal must be made through the courts.

## **Effective Date**

Disability retirement takes effect on one of the following dates, whichever is later:

- The application filing date; or,
- The day after the exhaustion of all of the sick or annual leave.

## **Disability Benefit [R.S. 11:1345.7 and R.S. 11:1313(B)(2)]**

### **Service-Connected Disability**

- Upon approval for a retirement due to a total and permanent disability caused solely as the result of injuries sustained in the performance of official duties, the member will receive a disability benefit equal to 75% of the average salary regardless of service credit.
- The portion of this disability benefit not attributable to years of service is exempt from federal income taxes.

### **Non-Service-Connected Disability**

- For a total and permanent disability caused by anything other than an injury sustained in the performance of duties, a member may receive a disability benefit if he has at least 10 years of service credit. The benefit shall be equal to 50% of the average compensation plus 1.5% for each year of service credit in excess of 10 years. In no event shall the benefit exceed 100% of his average salary.
- This benefit is subject to federal income tax.

## **Certification of Continuing Disability and Earnings Statements [R.S. 11:220 and R.S. 11:221]**

Continuing Disability - LSPRS may require disability retirees periodically to present certifications of continuing disability until the member attains normal retirement age. Disability retirement benefits will cease if he is not certified as continuously disabled.

## **Annual Earnings Statement [R.S. 11:221 and 222]**

- If the member has been approved for a service-connected disability, and, as a result of his service-connected injury, is permanently and completely confined to a wheelchair for movement of person, or is permanently and legally blind, he is not required to submit an annual statement of earnings.
- If the member has been approved for a non-service connected disability, he is required to submit a notarized annual earnings statement by May 1 each year. These reports must detail income earned from employment in the previous tax year. The disability benefit may be reduced if a member receives earnings from other sources that exceed the difference between the amount of average final compensation, adjusted for inflation, and the disability benefit.

## **Reaching Normal Retirement Age [11:221(D)(4)]**

If the member receives a disability retirement and he has service credit for the years of service required for a normal retirement, he is eligible to convert the disability retirement to a normal retirement. He must contact an LSPRS staff member for details. The monthly benefit will be recalculated using the normal retirement method.

The earnings limitation (and annual reporting requirement) will be removed.

### **Disability Vesting [R.S. 11:217]**

If a member has 20 or more years of service and has withdrawn from active service prior to regular eligibility, he is eligible to receive, in the event of total and permanent disability, the lesser of all non-service-related disability benefits provided by LSPRS or the normal vested retirement benefit. When the member reaches normal retirement age, his disability benefit will cease and he will receive the full vested regular retirement benefit.

## **Permanent Benefit Increase**

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### **Experience Account PBIs [R.S. 11:1332]**

There must be sufficient funds in the system's Experience Account to pay a Permanent Benefit Increase (PBI). If the balance is such that LSPRS may grant a PBI, the legislature must approve the resolution requesting the PBI.

PBIs may be granted to:

- Retirees who have been retired for at least one year and are at least 60 years old.
- Beneficiaries (other than disability) who meet the above criteria (based on the retiree's date of birth).
- All disability retirees and their beneficiaries, regardless of age, who have been retired at least one year.

If the above criteria are met, PBIs may, with legislative approval after having met funding mandates set by the Legislature, be granted as follows:

- The lesser of 1½% to 3% (depending upon the funding status of the system) or the Consumer Price Index amount for the previous calendar year
- Plus, if approved by the legislature, an additional 2% for retirees and beneficiaries aged 65 or older
- This percentage is applied only to the first \$60,000, adjusted for CPI after July 1, 2015
- Payments are effective on July 1st following legislative approval

Additional PBIs may be granted by the Legislature that are not within the scope of the Experience Account PBIs mentioned above. These additional PBIs are granted by passage of bills or resolutions through the legislative process.

### **Automatic Guaranteed COLA [R.S. 11:247]**

Upon application for retirement, the member may elect to receive an actuarially reduced retirement benefit (on an average the reduction is between 25% - 35%) in exchange for a 2½% annual guaranteed permanent COLA. This election is irrevocable. Estimates of a guaranteed COLA can be provided upon request. If chosen, the COLA will be given annually after retirement.

## **General Information**

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### **Investments**

LSPRS invests trust fund assets according to sound fiduciary standards. The Board of Trustees and its consultants conduct periodic asset allocation reviews. These reviews result in well diversified allocations of LSPRS's investment funds. Investment results are also reviewed monthly/quarterly/annually by an investment consultant, an independent auditor, and LSPRS's actuary.

Earnings from invested assets, together with the employee and employer contributions, provide the funds to pay benefits.

### **Correction of Administrative Errors [R.S. 11:192 and LPRS-PP40]**

LSPRS reserves the right to correct a record error that causes a member or beneficiary to receive a different amount than would have been received if the records had been correct. The Board of Trustees is authorized to recover any overpayment within a reasonable number of months.

### **Rights as an LSPRS Member**

Each member of LSPRS has certain rights and protections. All members are entitled to:

- Examine, without charge at LSPRS's office, all retirement plan documents such as annual reports and plan descriptions.
- Obtain copies of plan documents and other plan information upon written request to the Executive

Director. (Reasonable charges may be made for making copies and postage.)

- Obtain a statement of the member's earliest retirement and/or Back-DROP eligibility date and an estimate of his benefits at that time pursuant to LSPRS PP42, DROP/IBO Applications/Calculations, and LSPRS PP54, Benefit Estimate Request.

In addition to these rights, state and federal law impose duties upon the Board of Trustees and staff that are responsible for the operation of LSPRS. The board and staff have a fiduciary duty to operate the retirement system prudently and in the best interest of all members.

### **Rights to Administrative Hearings and of Appeal**

A member has the right to request an administrative hearing whenever he feels his rights under state law and/or the policies of the system have been violated. The member must file a request for administrative hearing regarding disputes over retirement calculations, counsel received by the staff, or other retirement results within 30 days of the retirement date, or as otherwise instructed in any Notice of Right to Administrative Hearing. see LSPRS-PP41, Retirement Application /Calculations. The Board of Trustee's duty is to hear such matters and to issue timely written decisions in these cases. Should he disagree with a final decision of the board, he may file an appeal with the 19th Judicial District Court in Baton Rouge

**Published Under the 2022 Board of Trustees and  
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