



Illinois Municipal Retirement Fund

Suite 500 2211 York Road Oak Brook, IL 60523-2337

Service Representatives 1-800-ASK-IMRF

www.imrf.org

GENERAL MEMORANDUM

Number: 486

Date: February 12, 2002

To: Authorized Agents

Subject: Continuing the salary and benefits of Activated Reservists

On November 1, 2001, we mailed General Memo 480 in which we stated that the School Code requires **school districts** to continue paying the salary of any district employee in the reserves or Illinois National Guard who is called to active duty as the result of **an order of the President**. The School Code provision is found at 105 ILCS 5/10-20.7b

IMRF employers must continue salary and benefits

We were recently made aware of the Local Government Employees Benefits Continuation Act (50 ILCS 140/2). Under this act:

- **Units of local government are required** to continue paying the salary of any district employee in the reserves or Illinois National Guard who is **called to active duty as the result of an order of the President**.
- This salary continuation **includes health insurance and any other benefits** the employee was receiving at the time he/she was called up.
- The **salary can be offset by the military pay**, i.e., you can require the employee to turn over his or her military pay, but you should report the gross salary before the offset to IMRF.
- The Act does not apply if 20 percent or more of a unit's employees are called to active duty as the result of an order of the President..

The Illinois Public Employee Armed Services Rights Act (5 ILCS 330) offers similar salary and benefit protection to employees called to active duty by an order of the President.

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If a reservist-employee is called to active duty as the result of an order of the Governor or because he or she is fulfilling the one weekend a month or two weeks a year reservist requirement, you are not *required* to continue paying his or her salary.

Member publication

We revised the member publication “What if You are Called to Active Duty” to reflect the salary and benefits continuation required under Illinois statutes. We are enclosing one copy for your files. You can download additional copies of this publication from the IMRF website (www.imrf.org) or you can call IMRF at 1-800-ASK-IMRF (1-800-275-4673).

Questions?

If you have any further questions, please contact an IMRF Member Service Representative at 1-800-ASK-IMRF (1-800-275-4673) 7:30 A.M. to 5:30 P.M., Monday through Friday.

Sincerely,



Louis W. Kosiba
Executive Director

enc. one “What if You are Called to Active Duty?”



IMRF benefits for activated reservists

What if you are ordered to active duty?

If you are a member of the National Guard or of the Army, Navy or Air Force Reserve, you may be unexpectedly called to active duty.

As part of your “family readiness” plan, take time to learn how your active duty will impact your IMRF benefits and how you can protect those benefits.





Why have you been called to active duty?

Whether or not your IMRF benefits remain in force depends on several factors. One of them is how you are being called to active duty. You can be called to active duty one of two ways:

1. By order of the President
2. By order of the Governor or as part of your monthly/annual reservist commitment

1. You are called to active duty as the result of an order of the President

If you are called to active duty as the result of an order of the President, your **employer is required to continue paying your salary**: Therefore, you continue to earn IMRF service credit and your IMRF disability and death benefit coverage continues.

School districts are required under the the School Code (105 ILCS 5/10-20.7b) to continue paying the salary of any employee in the reserves or Illinois National Guard who is called to active duty as the result of **an order of the President**.


All other units of local government are required under the Illinois Local Government Employees Benefits Continuation Act (50 ILCS 140/2) and the Illinois Public Employee Armed Services Rights Act (5 ILCS 330/) to continue paying the salary of any employee in the reserves or Illinois National Guard who is called to active duty as the result of **an order of the President**.

This salary continuation **includes health insurance and any other benefits** you were receiving at the time you are called to active duty as the result of an order of the President.

Because your employer is required to pay you your full salary, it may require you to turn over your military pay. Therefore, your employer will report your “usual” salary to IMRF and your final rate of earnings will not be impacted.

What do you need to do?

If you are **called to active duty as the result of an order of the President**, your employer will continue paying your salary and **your IMRF benefits will continue**. However, if you do not have a current Designation of Beneficiary form on file with IMRF, we suggest you complete and submit to IMRF a new Designation of Beneficiary (Form 6.11) rather than risk having outdated information on file.



**2. You are called to active duty as the result of an order of the Governor,
OR
as part of your one weekend per month or two weeks per year
commitment:**

As a general rule, when you are called to active duty under the conditions listed above, you stop earning IMRF service credit and your IMRF disability and death benefit coverage stops.

Even if your employer still considers you “employed” while you are on active duty because of the conditions listed above, according to IMRF law you have stopped performing personal services for your employer. Therefore, your active member IMRF benefits (disability and death benefits) stop. However, these benefits will continue if:

Your employer continues to pay your salary

Some employers continue to pay all or a part of a member’s salary while the member is on active duty. If your employer will pay all or part of your salary, your employer will report those wages and submit your member contributions to IMRF. Therefore, you continue to earn IMRF service credit and your IMRF disability and death benefit coverage continues.

Please note: if your employer will pay you *part* of your salary, e.g., the difference between your military pay and your “usual” salary, that will reduce the final rate of earnings used to calculate disability or death benefits.

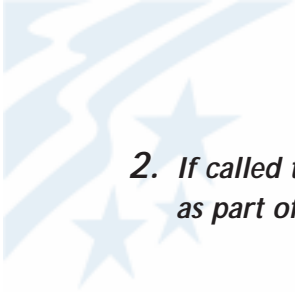
OR

You apply for an IMRF leave of absence

If your employer will *not* pay all or part of your salary while you are on active duty, but you want to continue your IMRF disability and death benefit protection, you can apply for an IMRF Authorized Leave of Absence (IMRF Form 6.32, “IMRF Benefit Protection Leave” attached).

Disability benefits: You remain protected by IMRF’s disability benefits if the disability occurs during the leave period and if Form 6.32 is filed prior to the date of disability. In order to receive disability benefit payments, you would pay the cost for the months of leave.

continued..



**2. If called to active duty as the result of an order of the Governor, OR
as part of your one weekend per month or two weeks per year commitment, contd...**

Survivor benefits: Your beneficiaries remain protected by the IMRF active member death benefit (one year's salary and return of member contributions plus interest) if death occurs during the leave period. The member cost of the leave would be deducted from the IMRF death benefit.

IMRF service credit: You earn IMRF service credit for the months of the leave period if you pay your member contributions plus interest after returning from the leave.

Please note:

- You can receive a *lifetime* maximum of 12 months of service credit under an IMRF authorized leave of absence.
- If your employer approves your request for an IMRF authorized leave of absence, its governing body must certify Form 6.32 before submitting it to IMRF.

What do you need to do?

If your employer will continue paying part or all of your salary:

1. If you do not have a current Designation of Beneficiary form on file with IMRF, we suggest you complete and submit to IMRF a new Designation of Beneficiary (Form 6.11) rather than risk having outdated information on file.

If your employer will *not* continue paying part or all of your salary *but* you want your IMRF disability and death benefits to continue:

1. Complete and submit to your employer IMRF Form 6.32 *now— at the beginning of your military leave*. Indicate somewhere on the form that you are taking the leave because you have been called to active duty.
2. If you do not have a current Designation of Beneficiary form on file with IMRF, we suggest you complete and submit to IMRF a new Designation of Beneficiary (Form 6.11) rather than risk having outdated information on file.

Converting time served in the military to IMRF service credit

Regardless of how you were called to active duty, you can convert your time served in the military to IMRF service credit *after you return from your military leave*. You can convert the service under Illinois law or under federal law.

Under the Illinois Pension Code

If when you return from active duty you:

- return to an IMRF qualifying position with *any* IMRF employer
- have your employer approve your request for IMRF service credit by adopting

the appropriate IMRF resolution

- pay the appropriate cost. If you return to IMRF participation
 - *within* 90 days of discharge, you pay nothing
 - *after* 90 days, you pay member contributions plus interest plus a portion of your employer's cost

Under the Federal Uniformed Services Employment and Re-employment Rights Act

If when you return from active duty you:

- return to an IMRF qualifying position with your *same* employer
- return within the days specified under the Act (this will vary depending on the length and type of service)
- pay member contributions plus interest

What do you need to do?

When you return from your military leave complete IMRF Form 6.02J, "Application for Military Service Credit." This form explains how you can convert your military service, your cost, military documentation required, and what action (if any) your employer has to take to approve your request.

IMRF Sponsored Group Term Life Insurance

Some IMRF employers participate in the NCPERS group term life insurance program administered by Gallagher Byerly, Inc. If you enrolled in this program, you can continue to be covered by the standard life benefit of this group term life insurance program as long as your employer:

1. Considers you to be an active employee, *and*
2. Continues to send the monthly premium payments (either \$9 or \$12 a month) directly to Gallagher Byerly, Inc.

If you have any questions regarding the NCPERS group term life insurance program, please contact William E. Shannon Insurance at 847-593-6515.

Questions?

If you have any questions regarding the impact of your military leave on your IMRF service credit or benefits, please contact an IMRF Member Service Representative at 1-800-ASK-IMRF (1-800-275-4673) 7:30 A.M. to 5:30 P.M., Monday through Friday.

Illinois Municipal Retirement Fund

Oak Brook Office
2211 York Road
Suite 500
Oak Brook, IL 60523-2337

Springfield Regional Counseling Center
3000 Professional Drive
Suite 101
Springfield, IL 62703

Members and employers should mail all correspondence, forms, payments, etc. to our Oak Brook office (Suite 500, 2211 York Road, Oak Brook, IL 60523-2337).



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Rev. 2/2002