

# **RULE 8-20 CONTRACT BUYOUTS OR OTHER COURT- ORDERED PAYMENTS**

A.C.A. § 24-7-735

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## **I. SERVICE CREDIT ACCRUAL**

A. For contract buyouts and settlements or court ordered payments to a member, service credit is only allowed to accrue for actual on-site work for the covered employer by the member. However, if the member is not subject to either a contract buyout or court ordered payment, salary paid to the member as a regular employee, as if the member were providing services, shall be credited for salary and service purposes if the member is on call to the employer; however, such on call credit may not be stacked with salary at another ATRS employer.

B. In order to accrue service credit during a period of time that is redressed in a contract buyout or other court-ordered payment of salary, or salary and benefits, the member shall perform on-site work for the covered employer.

## **II. ADJUSTMENT OF BENEFIT**

ATRS shall not adjust a benefit or benefit calculation for a member until the covered employer or benefit participant provides a certified copy of the court-order payment or settlement to ATRS, or if a contract buyout, a certified copy of the contract buyout.

**Adopted:** July 1, 2011 (Emergency)

**Adopted:** August 8, 2011

**Effective:** November 11, 2011

**Approved by Board:** July 26, 2013

**Amended:** October 9, 2013

**Effective:** November 8, 2013