

June 20, 2010

DIRECTOR'S
NEWS UPDATE



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Director's Update Hazardous Duty Retirement

In 1990, legislation was passed which provided 20 year retirement for DOC employees who are designated as performing hazardous duty (Correctional Officers, Probation and Parole Officers and Fugitive Apprehension Agents). The employee contribution rate for this plan was set at 8%.

According to Oklahoma Statute Title 74.29 section 919.1 and OPERS rules, the contribution at the higher rate is for a maximum of 20 years. Employees who began contributing to their retirement under the hazardous duty plan at the rate of 8% each month in July, 1990 are quickly approaching the end of their 20 year period and will soon reduce their monthly contribution to 3.5%. As a result these employees will see a net increase in their monthly take-home pay.

Employees must have contributed at the higher rate for a full 240 months (20) years before their

contribution rate can be reduced to 3.5%. Any absence from work coded as Leave Without Pay, whether it occurs due to discipline, military leave, workers compensation or any other reason, does not count toward the 20 years, and therefore, delays the time that the employee begins contributing at the lower retirement rate.

Central Personnel unit staff are reviewing all employees that have been in hazardous duty positions since July 1990 in order to determine those who are eligible to convert to the standard retirement rate this month. This process will continue each month as hazardous duty employees meet the requirements established by state statute. For employees with any period of LWOP, their review process is very complex and will take longer to calculate. This could result in a delay in converting to the conventional retirement plan.