

# Reciprocity

## Key Facts

- Reciprocity allows you to count service in other state retirement systems toward vesting and service requirements.
- Reciprocity must be established prior to retirement.



## About Reciprocity

Reciprocal service is actual service credit in two or more recognized state retirement systems. It is a way to link your service so that actual service in all systems is counted for things like vesting and minimum actual service for retirement.

Your service does not move from one system to another. Service remains in the system in which it is earned. When you retire, you will apply to receive separate annuities from each retirement system.

## Types of Reciprocity

Reciprocity is classified as either “true” or “limited.” True reciprocity means that we will recognize the actual service and will also use the highest final average compensation (FAC) among reciprocal systems to calculate your benefit. For limited reciprocity, we will recognize the service only.

## True Reciprocal Systems

These systems are recognized under “true” reciprocity.

- Arkansas Public Employees’ Retirement System (APERS)
- Arkansas Teacher Retirement System (ATRS)
- Arkansas State Highway Employees Retirement System (ASHERS)
- Arkansas State Police Retirement System (ASPRS)
- Arkansas District Judges Retirement System (ADJRS)
- Arkansas Local Police and Fire Retirement System (LOPFI)

## Limited Reciprocal Systems

“Limited” reciprocity applies to the Arkansas Judicial Retirement System (AJRS) and Arkansas colleges and universities with plans administered by TIAA, VALIC, and/or Fidelity.

### **Example:**

A 55-year-old member has 24 years and three months under ATRS, with an ATRS FAC of \$56,000. If the member has three years and nine months under ASPRS and establishes reciprocity, the member will meet the five-year vesting requirement for ASPRS and will also be eligible to apply for normal (unreduced) retirement, or the Deferred Retirement Option Plan (DROP), both of which requires 28 years of actual service. We will compare the ATRS FAC to the ASPRS FAC and will use the higher of the two for calculating the member's annuity. Each system pays benefits on its own service.

### **How to Establish Reciprocity**

To establish reciprocity, contact ASPRS, and we will provide you with the necessary form. After you sign the form, you will forward it to the reciprocal system. After all systems have completed their portion of the form, a copy will be returned to you.

### **Your Responsibilities**

It is your responsibility to make the request if you choose to establish reciprocity. It is also your responsibility to understand each system's individual requirements to receive a benefit. Each system is governed by its own laws and rules.

## **Additional Information**

**If you have any questions about reciprocity, please contact our Education Services section at [ASPRS@arkansas.gov](mailto:ASPRS@arkansas.gov).**

**Reference: A.C.A. § 24-2-401 et seq.**