

## THE RETIREMENT ACT

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his account, may make contributions toward the cost of purchasing the annuity.

Section 9. (1) Employes, other than certificated teachers employed by a school district in which an association has been organized pursuant to chapter 24, title 111, O. C. L. A., as amended, whose membership in a previously established retirement system excludes them from membership in the system established by this act may apply to the board in writing for the former system to be integrated into the latter and for them to be allowed to become members of the latter. Whenever two-thirds of them and their employer, through its governing body, so apply, the board (a) may cause a financial and actuarial investigation of the proposed integration to be made, the cost of which shall be borne by the previously established system, and (b) may, upon such terms as are set forth in a contract between the board and the employer, integrate the previously established system into the system established by this act. The contract shall have no effect, however, until notice and hearing regarding it are afforded in the manner prescribed hereinbefore for certain rules promulgated by the board. Nothing in this act nor any action taken pursuant to it shall reduce or impair the benefits which employes who are receiving benefits from a retirement system integrated with the system provided by this act would have received had the integration not been effected.

(2) A retirement plan which has been adopted by an association organized pursuant to the provisions of chapter 24, title 111, O. C. L. A., as amended, prior to the effective date of this act, and which exists on the effective date of this act, may be integrated into the retirement system established by this act in the manner hereinafter prescribed and not otherwise:

(a) A proposed form of contract setting forth all of the terms, conditions and provisions of the integration shall be prepared by, and adopted by a majority vote of, the board of trustees of the association and approved by the board of directors of the school district in which the association is organized.

(b) The proposed contract so adopted and approved shall be submitted to a vote of the active members of the association. In submitting a proposed contract as aforesaid, an association shall follow the procedure provided in its by-laws for the promulgation and adoption of by laws.

(c) Adoption by the membership of an association of a proposed contract of integration shall be by an affirmative vote of not less than two-thirds of the active members of the association at the time of the election.

(d) The proposed contract so formulated,

approved and adopted shall be submitted to the retirement board created by this act for acceptance or rejection. In the event that the proposed contract is accepted by the board created hereunder, then the integration shall proceed in accordance with the provisions of the contract.

(e) No contract of integration created as aforesaid shall in any way alter, impair or adversely affect any rights, benefits or privileges which have vested under the provisions of law in a member of an association by virtue of retirement, either on account of disability or on account of having attained the retirement age, prior to the effective date of the contract of integration created as aforesaid.

(f) A contract of integration formulated, approved and adopted as aforesaid shall contain provisions whereby there will be provided to each active member of the association who becomes a member of the retirement system created by this act pursuant to a contract of integration, retirement benefits, in addition to the retirement benefits accruing for subsequent service under this act, determined in compliance with sound actuarial practice and with the findings of an accredited actuary on the basis of the reserves of said members at the time of the integration.

(g) A contract of integration as aforesaid shall likewise provide that any active member of an association which integrates with the retirement system herein created may elect at the time of the integration as to whether the member shall obtain a refund of the amount standing to the credit of the member on the books of the association at the time of the integration. In the event that a member so elects, then the amount standing to the credit of the member shall be refunded and the additional benefits hereinbefore provided for shall not be available to the member to whom the refund is made.

Section 10. (1) The board shall establish a fund which shall be known as the public employes retirement fund and in which all funds that the board receives shall be included.

(2) The board shall provide for an individual account for each member of the system. The account shall show the amount of the member's contributions to the fund, the interest which they have earned, and the deductions from them for administrative expenses of the system.

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