



MIKIE SHERRILL  
Governor

DR. DALE G. CALDWELL  
Lt. Governor

STATE OF NEW JERSEY  
DEPARTMENT OF THE TREASURY  
DIVISION OF PENSIONS AND BENEFITS  
(609) 292-7524/TRS 711 (609) 292-6683  
[www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions)

Mailing Address:  
P.O. Box 295  
Trenton, NJ 08625-0295  
Location:  
50 West State Street  
Trenton, New Jersey

AARON BINDER  
State Treasurer

SONIA RIVERA-PEREZ  
Acting Director

August 19, 2026

Sent via email and regular mail

Nichelle Vaughan  
[REDACTED]

RE: Nichelle Vaughan  
PERS [REDACTED]

Dear Ms. Vaughn:

### **FINAL ADMINISTRATIVE DETERMINATION**

I am writing in reference to the determination of the Board of Trustees ("Board") of the Public Employees' Retirement System (PERS) regarding your request to have your purchase of 162 months of former membership service in the Police and Fireman's Retirement System (PFRS) credited as PERS-LEO Enforcement Service (PERS-LEO). The Board originally denied your request at its meeting on April 15, 2026. You filed a timely appeal, which the Board considered at its meeting on July 15, 2026. Finding no genuine issue of material facts in dispute, the Board denied a hearing in the Office Administrative Law (OAL) and directed the undersigned to draft a Final Administrative Determination.

Findings of Fact and Conclusions of Law as outlined below were presented to and approved by the Board at its August 19, 2026 meeting.

### **FINDINGS OF FACT**

The Board made the following findings of fact:

The record before the Board establishes that you were enrolled in the PERS on January 1, 1994 based on your employment as a Clerk Typist. You remained in the PERS until May 22, 1999, at which time you accepted a position as a Correction Officer Recruit and were enrolled in the PFRS. At that time, you elected to transfer your PERS service into your newly established PFRS account through an interfund transfer. As a result, a total of 62 months of PERS service credit was transferred into your PFRS account,

which then reflected an enrollment date of January 1, 1994. On September 1, 1999, you accepted a position with Camden City as a Police Officer, and remained in that title until April 30, 2013. At that time, your PFRS account reflected a total of 225 months of service credit. Thereafter, you withdrew the pension contributions from your PFRS account, thus ending your PFRS membership

On February 18, 2014, you commenced public employment with Burlington County as a Sheriff's Officer, a PFRS-eligible title. However, because you were over the age of 35<sup>1</sup> at the time this employment began, you were ineligible for re-enrollment in the PFRS pursuant to N.J.S.A. 43:16A-3. Individuals who do not meet the age or medical requirements for entry into the PFRS as a result of employment in the titles enumerated in N.J.S.A. 43:15A-97 are eligible to participate in the PERS-LEO section of the PERS. County Sheriff's Officer is among those eligible to participate.<sup>2</sup> Thus, you were enrolled in the PERS effective March 1, 2014, as a Tier 5 member, and categorized into PERS-LEO. Accordingly, you began accruing PERS-LEO service credit in your Tier 5 PERS account by way of quarterly contributions remitted by Burlington County based on your employment as County Sheriff's Officer.

On October 3, 2023, you submitted a *Purchase Application* seeking to purchase former PFRS membership service for the period covering March 1, 1998<sup>3</sup> to March 1, 2013. A *Purchase Quote*, dated November 16, 2023 was issued, advising that you were eligible to purchase 162 months of former PFRS service credit. On that same date, the Division of Pensions and Benefits (Division) also advised that you were eligible to purchase 63 months of former PERS service credit. Thus, you were eligible to purchase a total of 225 months of service credit.

You authorized the purchase of 162 months of former PFRS service credit on November 26, 2023, and the service was subsequently posted to your PERS membership account as "regular" PERS service. Prior to authorizing the purchase, there is no record indicating that you sought confirmation as to whether the purchased service would be recognized as PERS-LEO service. However, you requested clarification

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<sup>1</sup> At the time you were age 44 years and 10 months.

<sup>2</sup> The PERS Board letter dated April 30, 2026, incorrectly indicated that you were ineligible for PERS-LEO.

<sup>3</sup> The PERS Board letter dated April 30, 2026, incorrectly indicated March 1, 1988.

from the Division subsequently. In an email dated November 4, 2024, the Division's Office of Client Services stated: "Not all of your service time is LEO. Non-LEO service, the PERS time you purchase [sic] (162 months of FORMER MEMBERSHIP) is calculated at the applicable membership tier, which is TIER 5." On November 12, 2024, you replied, "I didn't realize the time I bought back was PERS time, not PFRS. That makes sense now. Thank you for the clarification."

The Board notes that the *Law Enforcement Officers (PERS-LEO) Member Guidebook Addendum* provides information regarding membership eligibility. It also identifies the titles eligible for the LEO designation, as well as the retirement provisions for those classified as LEOs who are entitled to enhanced retirement benefits.

You requested and received estimates for Early retirement benefits effective January 1, 2026, and June 1, 2026. As explained in the Division's letter dated September 23, 2025, those estimates were erroneously based on Tier 1 status, rather than your Tier 5 status. Subsequently, you requested information regarding your eligibility to retire as a PERS-LEO member. The Division provided you with the statutory authority, N.J.S.A. 43:15-99, and indicated that you are not eligible for a LEO retirement because you did not have 20 years of LEO service.

Therefore, your retirement would be based upon the rules of a Tier 5 member and your enrollment date of March 1, 2014. Thereafter, you sought an administrative review seeking clarification as to why your purchase of former PFRS membership service did not count as PERS-LEO service. On January 15, 2026, the Division confirmed that your purchase was recognized as non-LEO service. You appealed the Division's determination to the PERS Board.

At its meeting on April 15, 2026, the PERS Board considered your submissions and personal statements, the statements of Shirlene Scott, Chief, Enrollment, Purchase, Loan and Withdrawal Bureau, Division of Pensions and Benefits, and all documentation in the record concerning your request to have your purchase of former PFRS membership service credited as PERS-LEO service. Thereafter, the Board denied your request.

You appealed the Board's determination, providing supplemental Exhibit A, Financial Hardship Summary (Exhibit A) and Exhibit B, Factual Inconsistencies and Issues Identified in the Board's April 30, 2026 letter (Exhibit B). At its meeting on July 15, 2026, the Board found no genuine issue of material facts in dispute and directed the undersigned to draft detailed Findings of Fact and Conclusions of Law for review at its August 19, 2026, meeting.

### **CONCLUSIONS OF LAW**

The Board made the following conclusions of law:

After careful consideration, the Board denied your request to recognize your purchase of former PFRS membership service as PERS-LEO service. In making its determination, the Board relied on N.J.S.A. 43:15A-97, which states, in pertinent part:

1. "Law enforcement officer" shall mean any permanent and full-time employee of the State of New Jersey holding one of the following titles: motor vehicles officer, motor vehicles sergeant, motor vehicles lieutenant, motor vehicles captain, assistant chief, bureau of enforcement, and chief, bureau of enforcement in the Division of Motor Vehicles, and highway patrol officer, sergeant highway patrol bureau, lieutenant highway patrol bureau, captain highway patrol bureau, assistant chief highway patrol bureau, chief highway patrol bureau in the Division of State Police, and inspector, investigator, and administrative inspector in the Division of Alcoholic Beverage Control, and inspector recruit alcoholic beverage control, inspector alcoholic beverage control, senior inspector alcoholic beverage control, principal inspector alcoholic beverage control, supervising inspector alcoholic beverage control in the Division of State Police, and conservation police officer, assistant district conservation police officer and district conservation police officer in the Division of Fish and Wildlife in the Department of Environmental Protection, and assistant chief marine police and senior marine patrolman in the Division of Resource Development, and marine police officer, senior marine police officer, principal marine police officer in the Division of State Police, and inspector, officer, senior inspector, and principal inspector in the Division of Shell Fisheries, any permanent and full-time active county detective, lieutenant of county detectives, captain of county detectives, chief of county detectives, and county investigator in the offices of the county prosecutors, and sheriff's officer, sergeant sheriff's officer, lieutenant sheriff's officer, captain sheriff's officer, chief sheriff's officer, and sheriff's investigator in the offices of the county sheriffs, and any patrolman or other police officer of the Board of Commissioners of the Palisades Interstate Park appointed pursuant to R.S.32:14-21.

If the Prison Officers' Pension Fund is terminated as provided in section 10 hereof, "law enforcement officer" shall also mean any permanent and full-time active employee of the State of New Jersey holding the title of correction officer, correction sergeant, correction lieutenant, correction captain or deputy keeper in the Division of Correction and Parole, or any member of the Prison Officers' Pension Fund on the date of such termination.

In your "Exhibit A" submission, you asked the PERS Board to consider your financial hardship. You indicated that Camden City dissolved and you lost your position as a Police Officer. Subsequently, you accepted a position with Burlington County and were enrolled in the PERS as a PERS-LEO member. You provided a comparison of the salaries between Camden City and Burlington County from 2014 to the present and indicated that you experienced a significant decrease in salary resulting from losing your position from Camden City. Also, you noted the amount required to purchase your PFRS former membership service.

While the Board is sympathetic, the record establishes that your last pension contribution to your PFRS membership account was April 30, 2013. Accordingly, you had until April 30, 2015, to commence employment in a PFRS-eligible title to maintain your PFRS membership account. N.J.S.A. 43:16A-3(3). However, you withdrew your contributions from your PFRS membership account on October 22, 2013. By doing so, all rights and privileges of your PFRS membership ceased. On March 1, 2014, you began employment in a PFRS-eligible title but because of the withdrawal, you could not maintain your previous PFRS membership account. Further, because of your age, you were precluded from re-enrollment in the PFRS. Nevertheless, your title of County Sheriff's Officer qualified you for participation in the PERS-LEO, a special category of PERS and thus, PERS enrollment ensued. However, it was not until approximately nine years later that you purchased 162 months of former PFRS membership service. The PERS Board is bound by the statutes and regulations governing the retirement system and as such, the cost of the purchase of your former PFRS membership service was based upon your age and salary at the time of its request in October 2023.

In your "Exhibit B" submission, you submit that the law enforcement service you performed under your former PFRS membership account should not lose its law enforcement classification because you later purchased it under an active PERS membership account after becoming statutorily ineligible for re-enrollment in the PFRS. The Board disagrees. The PFRS and the PERS, of which PERS-LEO is a special group, are two separate and distinct New Jersey-administered retirement systems, which provide separate and distinct retirement benefits to its respective members.

Therefore, although the titles you held in your former PFRS membership account, Correction Officer Recruit and Police Officer, and the title you currently hold, Sherriff's Officer, are all law enforcement positions, there is no singular law enforcement retirement benefit. Rather, the retirement benefit one is eligible to receive is based on the retirement system of which one is a member.

Further, based on the plain language of the controlling statute, N.J.S.A. 43:15A-97, the titles of Correction Officer Recruit and Police Officer do not qualify for enrollment in the PERS-LEO, a special category of the PERS. Consequently, as these titles do not permit participation in the PERS-LEO, the purchase of former membership of service in these titles cannot be credited as PERS-LEO. Accordingly, the Board denied your request to have your purchased former PFRS membership service recognized as PERS-LEO eligible service.

While you participate in the PERS-LEO, you have a singular, active PERS membership account, which, as of March 31, 2026, reflects 25 years and 7 months of total service credit, 13 years and 6 months of which is regular PERS or non-LEO service credit through your purchase, and 12 years and 1 of which is LEO service credit. You will continue to accrue LEO service credit by way of quarterly contributions remitted by Burlington County based on your employment as a County Sheriff's Officer.

Service retirement is permitted at age 55 after 20 years of LEO service. The annual retirement allowance is equal to two percent of the Final Average Salary (FAS)<sup>4</sup> times the number of years of LEO

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<sup>4</sup> FAS means your average base salary for the three years immediately preceding your retirement. If your last three years are not your highest years of salary, your allowance will be calculated using your three highest fiscal (July 1 - June 30) years of salary

service for which contributions were made, up to 25 years, plus one percent for each year of LEO service over 25 years. LEO members who have other non-LEO PERS service are also entitled to an additional 1.81 percent of the FAS for each year of non-LEO service credit. N.J.S.A. 43:16A-11.1 provides for a supplementary "special" retirement allowance equal to five percent of the FAS for LEO members who retire with 25 or more years of LEO service. However, under no circumstances can a LEO member receive a total retirement allowance greater than 70 percent of FAS.

A LEO member with 10 or more years of LEO service, who either does not meet the qualifications for a Service retirement as outlined above or is not in an eligible LEO position at the time of retirement may retire under the Service retirement provisions available to non-LEO members of the PERS if the member meets the age requirements (based on the applicable membership tier, which for you is Tier 5). In addition to any retirement allowance based on non-LEO service, the LEO member is entitled to a retirement allowance equal to two percent of the FAS times the number of years of LEO service for which contributions were made (up to 25 years, plus one percent for each year of LEO service over 25 years).

While the Board acknowledges and appreciates your public service in law enforcement, it cannot recognize your purchased former PFRS membership service as PERS-LEO service for retirement calculation purposes, as doing so would be contrary to the governing statute.

As noted above, the Board has considered your personal statements and all written submissions and all documentation in the record. Because this matter does not entail any disputed questions of fact, the Board was able to reach its findings of fact and conclusions of law on the basis of the retirement system's enabling statutes and without the need for an administrative hearing. Accordingly, this correspondence shall constitute the Final Administrative Determination of the Board of Trustees of the Public Employees' Retirement System.

You have the right to appeal this final administrative action to the Superior Court of New Jersey, Appellate Division, within 45 days of the date of this letter in accordance with the Rules Governing the Courts of the State of New Jersey.

Nichele Vaughan  
August 19, 2026  
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All appeals should be directed to:

Superior Court of New Jersey  
Appellate Division  
Attn: Court Clerk  
PO Box 006  
Trenton, NJ 08625  
Phone: (609) 292-4822

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff S. Ignatowicz", with a stylized flourish at the end.

Jeff S. Ignatowicz, Secretary  
Board of Trustees  
Public Employees' Retirement System

G-8/MER

C: S. Scott (ET); M. Cooney (ET); S. Grams (ET)