The QDRO Benefit Payment (continued)

If a QDRO for a DROP participant or a retiree is filed, payment to the alternate payee becomes effective on the first of the month following receipt of the acceptable document.

The benefit payable to the alternate will be based on the member’s service accrued during the dates of the marriage, and on the reported salary on those dates. The benefit formula to be applied will be that in effect when the member retires or enters the Deferred Retirement Option Plan (DROP).

No benefit is paid to the alternate payee before the member retires or enters the DROP. Payments to the alternate payee will become payable immediately upon retirement for age and service, disability, or for DROP participation.

Note: APERS cannot require a member to apply for benefits.
The United States Department of Labor defines a Qualified Domestic Relations Order or “QDRO” as a domestic relations order that creates or recognizes the existence of an alternate payee’s right to receive, or assigns to an alternate payee the right to receive, all or a portion of the benefits payable to a participant under a pension plan.

For purposes of the APERS QDRO provisions, an alternate payee cannot be anyone other than a spouse, former spouse, child, or other dependent of a participant. This means a vested member’s benefit is subject to a QDRO in case of a divorce.

Even though the order is issued by a court, Arkansas law prohibits APERS from honoring a QDRO unless it is formatted and filed with the agency in the manner approved by the APERS Board of Trustees and by the Arkansas Legislature. APERS’ only involvement in individual cases is to inform members of proper procedures and to comply with lawful orders.

You or your attorney can request a copy of the QDRO model from the APERS office or get one from the APERS website. The QDRO may be filed for an active, inactive, or retired member.

The QDRO must be filed in the format approved by the APERS Board of Trustees, and the signed original filed in the proper court must be submitted. If this procedure is not followed, APERS will not honor the QDRO.

Members, alternate payees and their attorneys can call APERS for a model QDRO in the proper format. Please specify if the member is active or retired when requesting information for a QDRO.

The QDRO requires some specific information from the member and the alternate payee (member’s ex spouse):

- Name
- Social Security number
- Date of birth
- Current address*
- Date of marriage
- Date of divorce**

* The alternate payee is responsible for informing APERS of any change in address.

** The divorce date must remain constant throughout the document.

Upon receipt of a QDRO by APERS, the member’s record and the QDRO are reviewed. If the member is not or was not vested for future benefits on the divorce date or other irregularities are discovered, the QDRO will not be accepted. The member and the alternate payee are informed of the review findings in writing.

If corrections to the QDRO are necessary, a letter will be sent outlining those corrections. Attorneys may submit a draft to APERS for a determination of acceptability prior to having it signed and filed. Then, if corrections are needed, they may be made before the document is submitted in court for the judge’s signature.

The member must request an estimate for benefits, or the alternate payee or the alternate’s attorney may submit a notarized release from the member for an estimate of benefits. The estimate for the member is prepared using the current formula, service accrued during the dates of the marriage, and the salary projected through the date of divorce or separation. A copy of the divorce decree is not required, and it will not be recognized to pay an ex-spouse if no QDRO has been filed.

The amount of the benefit payment for the alternate payee will be stated as a percentage of the member’s benefit or stated as a specific dollar amount.