

# Retirement Report

Bi-Annual Update for Nebraska School Employer Contacts

Fall 2013

## *A Message From Internal Auditor, Christi Ford*

### **BUS DRIVERS**

It is common for school employers to pay bus drivers per route. However, it is essential that the reporting agent is reporting *actual* hours worked (and not the total number of routes) to NPERS for those who have qualified for and are participating in the retirement plan. Bus drivers may not meet the 1,000 hours for one full year of service credit, therefore it is important that the correct amount of hours are reported to ensure they receive the correct amount of service credit. Also, for non-contributing bus drivers, it is essential to track actual hours worked (and not routes) in monitoring employee hours for retirement eligibility.

### **APPLAUSE!**

We are seeing a decrease in audit issues for the School Employees Retirement Plan! Bravo to the School Employer Contacts for your continued diligence in ensuring that your school is in compliance with state statutes that govern the Plan. However, if by chance you are noted as having any audit issues, your efforts to respond and correct those issues in a timely manner are appreciated.

## **GOOD LUCK, KASSANDRA!**

Kassie Braaten has accepted a position with the NPERS Internal Auditing team. She will now be working with Christi Ford and Teresa Zulauf. We will miss her in accounting but wish her well as she pursues her career in the accounting field.

## **WELCOME ABOARD, LYRA!**

As school reporting agents you will now be working closely with Lyra Narumalani. Lyra can be reached at 402-471-6098. Lyra comes to us as a UNL graduate with a Bachelor's Degree in Business. Born in Georgia, moving to Lincoln at an early age, when not at work, you can find Lyra at home with her three Maine Coon cats and aquariums. Join us in giving Lyra a warm welcome!

## **New Address**

It has been a month since we moved into our new office at 1526 K Street. We are now located in a newly remodeled 4<sup>th</sup> floor office space. Please feel free to stop by and enjoy a visit and tour. We would like to thank each and every one of you for your patience and understanding during our move.

**Nebraska Public Employees  
Retirement Systems  
1526 K Street, Suite 400  
PO Box 94816  
Lincoln, NE 68509-4816**

## **ACH Debit Transactions**

As a refresher, your reported contribution amounts will be deducted 3 days after Lyra accepts the report. Some reporting agents are getting this confused that the money either comes out at the end of the month or the same day they confirm their report.

To those schools which are still doing financial transactions with checkbooks, when you are ready to ease into the ACH Debit program please feel free to either email or call Linda at [linda.turner-minchow@nebraska.gov](mailto:linda.turner-minchow@nebraska.gov) or **402-471-9497** and we will start the process for you.

## **Accounts Payable/ Accounts Receivable**

Some schools are being contacted regarding an Accounts Payable or an Accounts Receivable on their school account. This means that at some point in time, a report was either overpaid, underpaid, or an amount was posted to incorrect entry. We have begun the process to review these files to bring them up to date. If you receive correspondence or a phone message from our office and you have questions, please do not hesitate to contact Linda Turner-Minchow at 402-471-9497.

# ANSWERS TO OUR MOST COMMON QUESTIONS

**Q. What is the current contribution rate?**

**A.** The contribution rate for employees is 9.78% and 101% for employers. (LB 553)

**Q. What are the hours used to determine eligibility?**

**A.** The number of hours used to determine plan eligibility went from 15 to 20. (LB553)

**Q. What is Tier 2?**

**A.** An explanation of the Tier 2 benefits, for new members joining the plan after 7/1/13, can be located in the School Employees Retirement System Handbook, which can be found on our website, [npers.ne.gov](http://npers.ne.gov). (LB553)

**Q. Where can I find the School Manual for Employer Contacts?**

**A.** The most current Manual for School Employer Contacts can always be found on our website, [npers.ne.gov](http://npers.ne.gov) and then found under Employer Reports in PDF format.

**Q. Are substitutes eligible to participate in the retirement plan?**

**A.** Substitutes are not eligible to participate in the retirement plan **UNLESS** employed in another capacity which qualifies for retirement. At that time all wages become eligible for retirement.

An explanation of substitute eligibility can be found in the School Employees Retirement System Handbook under, "Membership."

## Eligibility Questions

We are receiving eligibility questions on a daily basis. Cheryl and John, in our Education Services department, did an outstanding job designing and bringing to active use a **Retirement Plan Eligibility Calculator**. I have used this on a number of occasions.

We encourage each of you with eligibility-related questions to utilize this calculator before calling in. The Eligibility Calculator can be found on our website at [npers.ne.gov](http://npers.ne.gov) and in the left hand column under Employer Reports and then click on School. I think you will enjoy this convenience as much as I have.

## PNARs

If you receive correspondence from NPERS referencing a "PNAR," this is a notification that a late penalty has been assessed to your account. If you feel you have a legitimate reason to be late, please write a letter of explanation (to the attention of Linda Turner-Minchow) requesting a waiver of the penalty. The NPERS Accounting Manager reviews these files and makes the final determination. Please keep in mind that specific rules and regulations must be taken into consideration during these reviews.

If you have additional questions please feel free to contact Linda at: [linda.turner-minchow@nebraska.gov](mailto:linda.turner-minchow@nebraska.gov).

## Reporting Deadlines

We are finding that a lot of accounts receivable issues are due to late penalties. This means that reports are not being confirmed on or before the 10<sup>th</sup> of the following month. Please keep in mind that NPERS requires the report to be confirmed AND the form of payment post-marked no later than the 10<sup>th</sup>. If the 10<sup>th</sup> falls on a weekend or holiday, it should be received by NPERS the following business day.

If you are running into issues with having your report completed by the 10<sup>th</sup>, please feel free to call Lyra at 402-471-6098 or Linda at 402-471-9497 and discuss this with them. The school account can be documented and in some cases the late penalty will be removed.

## ADJUSTMENTS

Please remember that all adjustments made on reports, including online reports, require written documentation. The School Adjustment Report Form can be downloaded from our website, [npers.ne.gov](http://npers.ne.gov). If you have questions completing this form please contact Lyra at 402-471-6098.



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Retirement Systems

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