

Retirement Report

UPDATE FOR NEBRASKA SCHOOL EMPLOYER CONTACTS *FALL 2020*

Electronic Non-Contributing Member Forms

One of the most important documents NPERS receives is the Non-Contributing Member Form (Non-Con). This document tells us vital information regarding any interruption in a member's retirement contributions. From the Non-Con we learn things like a member's reason for having an interruption in contributions, such as termination or a leave of absence. It also gives us the timeframe of a member's contributions to arrive, the position they held at the school, and the member's most current address. Knowing how extremely necessary this form is, and based on feedback from Employer Reporting Seminars, we now have a way to submit your Non-Con online.

Submitting the Non-Con online through the Employer Reporting portal is easy and fast! The first step is to complete the [Employer Contact/Reporting Agent -Addition & Removal \(NPERS6305\) form](#). This will allow Employer Reporting contacts to update their information and gain access to the Non-Contribution Member process. From there, simply login to your Employer Reporting portal and viola! There is a new subsection on the left that says "Work on Non-Contributing" under Employer Home.

The screenshot shows the NPERS Employer Reporting Home Page. On the left is a navigation menu with 'Work on Non-Contributing' highlighted in red. The main content area includes a welcome message, 'Employer Information' (with fields for Employer, Employer Number, and e-mail Address), 'Account Links' (with links for Change Web Profile and Work on Non-Contributing), and various resource links like Retirement Plan Eligibility Calculator and School Manual for Employer Contacts.

For a step-by-step guide to entering this information in see the [Employer Reporting Manual](#) on the website (page 8-6 through 8-13).

Cancelling an Electronic Non-Con

We also now offer a CANCEL option, which was not originally available when the process was released. In order to CANCEL a Non-Con, if, for example a member initially states they are quitting and then reconsiders and decided to work another year, you need to take the following steps.

STEP 1

After you have logged in to your Employer Reporting Portal (See the Employer Reporting Manual), and clicked on the Work on Non-Contributing heading under the Employer Home. Look up the person whose Non-Con you want to cancel using their SSN.

The screenshot shows the 'Non-Contributing Form Lookup' page. It has a search form with fields for SSN (containing '508'), Date Submission Range (with Date Range Start and Date Range End), and a Search button. Below the search form is a table with columns: SSN, Last Name, First Name, DOB, Date Submitted, and Type. One row is visible with SSN '****', Last Name blank, First Name 'Jami', DOB '07/10', Date Submitted '12/14/20 2:38 PM', and Type 'PERMANENT'. A 'Details/Correction' button is highlighted in red next to this row.

STEP 2

Click on the Details/Correction field. It will say who submitted the Non-Con the date they submitted it under the Details heading.

STEP
3

Click on the Cancel Form button.

Details

This form was submitted by Chase OLSON on 12/14/20 2:38 PM

Member Information:

Last Name:	First Name:	Middle Name:	
<input type="text"/>	<input type="text" value="Jami"/>	<input type="text"/>	
Date of Birth:	Employee's Personal Phone:	Employee's Personal Email:	
<input type="text" value="07/10"/>	<input type="text"/>	<input type="text"/>	
Address:	Address 2:	Address 3:	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
City:	State/Prov/Reg:	Zip/Postal:	Country:
<input type="text" value="Lincoln"/>	<input type="text" value="NE"/>	<input type="text" value="68505"/>	<input type="text" value="US"/>
Position:	Employee Type:	Total Contract Length in Days:	
<input type="text" value="TEACHER"/>	<input type="text" value="CONTRACT"/>	<input type="text" value="260"/>	

Reason for Not Contributing:

Type of separation:

Termination Date: Reason for Terminating:

STEP
4

You will receive the pop-up warning displayed to the left.

npersuat.ne.gov says

Cancelled form cannot be modified. Are you sure you want to continue?

STEP
5

If you have corrections to make to the Non-Con, such as information that needs correcting or dates that need adjustment, you could do that by editing the form (see pages 8-11 through 8-13). However, in this scenario the member isn't going to quit working. So you want to wipe out the Non-Con form completely, as there will be no interruption in contributions being made. Click "OK". You will receive this confirmation:

Details

Non Contribution form has been cancelled and cannot be modified

If you make a mistake and need the data to be reentered, or if you simply want a copy of the cancelled Non-Con for your records (just in case an auditor asks), it is still possible to print the just cancelled form at this point. Otherwise, you may click the "Back to List" button.

The list now shows the original Non-Con that was added at the bottom and the one that was cancelled on top. If you click on “Details/Corrections” on either of these Non-Cons, you’ll see it will let the form be printed, but it cannot be modified because it was cancelled.

SSN	Last Name	First Name	DOB	Date Submitted	Type	
*****		Jami	07/10/	12/14/20 2:44 PM	PERMANENT	Details/Correction
*****		Jami	07/10/	12/14/20 2:38 PM	PERMANENT	Details/Correction

If this process was done in error, you will need to begin at the start and re-enter a new Non-Con electronically. Refer to pages 8-6 through 8-10 for the Adding an Electronic Non-Contributing Member Form process.

Details

IMPORTANT: This form is a correction.

This form was submitted by _____ on 12/14/20 2:44 PM

This form was cancelled by _____ on 12/14/20 2:44 PM

[Back to List](#) [Print Form](#)

Audit Reminder

When is the best time to fix a mistake? Why, before it happens, of course! The second-best time is when you find out about it. We are all human and people make mistakes, that is just part of life.

There are many easy ways to fix errors that happen with employer reporting. We’ve discussed several in previous newsletters, like using an adjustment report to correct a leave issue. However, as a reminder, it is just as important to make sure you have proper documentation that an error occurred. If an auditor asks us for supporting evidence of what went wrong and how we fixed it, we want to be able to easily provide it to them.

To that end, make sure you keep track of corrections or adjustments. It is important that you have the logs, e-mails, or simple notes you can provide during an audit explaining why a correction was needed and how you solved the issue.

Updates = Breakdowns

A quick note regarding payroll software, this year we have seen an uptick in errors created due to payroll software updates. These updates have caused things like doubling hours (only caught when over 300), payroll not withholding the correct Employee or Employer rates, or some will include unused leave payouts. Please ensure your recent software updates are not causing breakdowns in the quality of your school’s reporting!

2021 School Retirement Planning Seminars

The 2021 Retirement Planning seminar season will begin in the Spring of 2021. However, considering the ongoing Covid-19 pandemic and the changing retirement needs of our members, we are happy to offer a variety of retirement education opportunities for the coming year.

For the first time, NPERS will be offering half-day Pre-Retirement Web-based seminars! More information will be coming on our new Web Seminars as the season draws closer.

Still too busy to attend even a half-day seminar via the web? As part of our pandemic response, our full-day seminars are now entirely available through videos on the NPERS website. That’s right, all the same information you would receive at a seminar is available RIGHT NOW for you to watch and learn at your own pace, without leaving the comfort of your home.

To get all the information you would normally receive at the seminar you only need to watch the [School Preretirement Video](#), the [Social Security Video](#), the [SHIIP Medicare Video](#), and the [Estate Planning Video](#). The best part is that it’s totally FREE!

We will still be conducting a limited number of in-person seminars in the Spring.

We are excited to be offering these new educational opportunities, and encourage everyone to take advantage of them. We are committed to providing great service and options to our membership throughout the year!

We Would Never “Leave” You In The Dark!

One of the issues showing up more and more in recent audits is the incorrect reporting of employees who are temporarily out on paid or unpaid leave. This results in incorrect hours being reported. This has created additional work for reporting agents and NPERS staff, and delayed benefit payments for new retirees. In addition, this may prevent members from purchasing service credit they were unable to accrue due to an authorized leave of absence, resulting in a lifetime reduction in retirement benefits. This article discusses how to report leaves of absence, explains what you can do if your software creates reporting issues, and familiarizes you with the Adjustment Report form we have created to help.

As a school reporting agent, you have the important responsibility under the law to provide accurate compensation and service hours data to NPERS. To accurately determine service credit when processing benefits, NPERS needs reporting agents to provide us with the hours worked by plan members during each payroll period.

State statute defines what service hours should be reported. It includes “*working days, sick days, vacation days, holidays, and any other leave days for which the employee is paid regular wages as part of the employee’s agreement with the employer.*” **Periods of unpaid leave do not fall under this definition and should not be reported to NPERS.** There are two issues that can complicate this process. Those are your payroll software and variables found in the contract language.

Some schools provide compensation for leave authorized under the Family and Medical Leave Act (FMLA) in an employee’s contract. Depending on the contract language, this “paid” leave **may or may not** be reportable service/compensation for retirement purposes. If you are unsure if this should be reported, please feel free to contact NPERS for assistance. We can review the contract language and provide guidance.

We have also seen situations where an employee is on unpaid leave, but the school will transfer a portion of future compensation to the current payroll period and then dock future compensation. **For retirement purposes, this is unpaid leave and no hours or compensation should be reported for that pay period.** In this situation NPERS needs the *actual hours worked* (and corresponding compensation) for each payroll period.

We recognize some payroll software will not allow you to *initially* report leaves of absence per state statute requirements. In these situations, it is the responsibility of the reporting agent to identify and fix improperly submitted data. To help, we have recently updated our Adjustment Report form to assist you – more on this later.

When an employee goes on a paid or unpaid leave of absence...

You should submit a Non-Contributing Member form indicating they are on leave. This explains why they are not contributing. Do not report hours or compensation if they are on unpaid leave. Resume reporting hours and compensation when they return to work. If they do not return to work, submit another Non-Contributing Member form to report the termination.

Example

Marie goes on maternity leave starting March 1, ending April 30. This is unpaid leave as she does not have any sick or vacation she can use nor is this paid leave per her contract. The school has agreed to dock her future pay \$1,000 for four months in order to provide a paycheck for her time out on leave. She normally works 160 hours receiving \$5,000 a month. She returns to work May 1.

Here is how this leave **should be reported**:

March	April	May	June	July	August
\$0	\$0	\$5,000	\$5,000	\$5,000	\$5,000
0 Hours	0 Hours	160 Hours	160 Hours	160 Hours	160 Hours

Let's say your payroll software incorrectly reported Marie's compensation and hours to NPERS based on how she was paid versus the actual hours she worked. When this happens, the report needs to be corrected. NPERS has updated the [Adjustment Reporting Form \(NPERS6200\)](#) to help you fix these reporting errors. This form can be found on the NPERS website (npers.ne.gov) by going to the side bar on the left of the page down to Member Info > Forms > then scroll down the page to Employer Forms, then School Plan Forms and chose [Adjustment Report \(NPERS6200\)](#). The updated Adjustment Form will now do calculations for you when you input information into it.

School Adjust Report Form

To correct Marie's service and compensation, list the incorrect compensation/hours reported then enter the correct amount. The form will automatically calculate the "Compensation Adjustment Amount" and "Employee Contributions" for you. *Please add a note in the "Explanation of Adjustment Field", such as "incorrectly reported wages during maternity leave."* If this adjustment is in response to an audit finding, please also check the NPERS audit box under the explanation section.

HOURS REPORTED TO NPERS	CORRECT AMOUNT OF HOURS	HOURS ADJUSTMENT AMOUNT (+/-)	COMPENSATION REPORTED TO NPERS	CORRECT AMOUNT OF COMPENSATION	COMPENSATION ADJUSTMENT AMOUNT (+/-)	EMPLOYEE CONTRIBUTIONS (+/-)
64.00	0.00	-64.00	\$ 2,000.00	\$ 0.00	-\$ 2,000.00	-195.6000
64.00	0.00	-64.00	\$ 2,000.00	\$ 0.00	-\$ 2,000.00	-195.6000
128.00	160.00	32.00	\$ 4,000.00	\$ 5,000.00	\$ 1,000.00	97.8000
128.00	160.00	32.00	\$ 4,000.00	\$ 5,000.00	\$ 1,000.00	97.8000
128.00	160.00	32.00	\$ 4,000.00	\$ 5,000.00	\$ 1,000.00	97.8000
128.00	160.00	32.00	\$ 4,000.00	\$ 5,000.00	\$ 1,000.00	97.8000
Total Employee Contribution Adjustments (+/-)			\$ 0.0000	Explanation of Adjustment:		
Total Employer Contribution (+/-)			\$ 0.0000			
Total Adjustments			\$ 0.00			

By completing and submitting (fax or mail) an Adjustment Report form AND then manually adding the adjustment entries to your next online report (refer to page 6-50 to 6-55 of your [Employer Reporting Manual](#)), you can reconcile the hours and compensation on the member's account so the hours reported are in compliance with state statutes.

If you have questions about reporting leave or filing an Adjustment Report, please contact Sarah Wuestewald sarah.wuestewald@nebraska.gov at NPERS for assistance.





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