

NPERS SCHOOL PLAN ELIGIBILITY CHECKLIST

Person's Name: _____

School: _____ Reporting Agent's Name: _____

Date Checklist was Completed: _____

Use this checklist to help you determine if/when an employee is eligible to participate in the School Plan. Please see the [School Manual for Employer Contacts](#) for more information on eligibility and enrollment.

IMPORTANT! The legal issues associated with the School Plan eligibility can be complex and consultation with an NPERS staff member is strongly recommended. School Plan eligibility is subject to change based upon laws enacted by the Nebraska State Legislature.

RETIREMENT EMPLOYMENT CLASSIFICATIONS:

Regular – *Eligible*. A person hired to render regular, ongoing, and permanent service on a part-time or full-time status. Generally includes coaching and extra duty.

Substitute – *Not eligible*. A person hired as a temporary employee to assume the duties of a regular employee due to a temporary absence.

Temporary – *Not eligible*. A person hired to provide a service for one year or less, to accomplish a specific purpose or task, and when the task is complete, the employment is over.

*****If an employee is a regular employee at your school or ESU and also rendering any substitute or temporary service at your school or ESU, all hours need to be tracked and added together for eligibility. If they are already contributing, all hours and wages need to be combined and reported to NPERS.***

DEFINITIONS:

Bona Fide Termination – After termination from all regular employment, it is the 180-day separation period required to stop contributions or take a distribution. More information found [HERE](#). During the 180-day separation period, a person must:

- Render no more than a total of 8 calendar days of substitute or unpaid volunteer service in a calendar month at any School Plan employer and
- Not have any prearrangement to return to service.

Distribution – Any removal of funds from the Nebraska Public School Retirement Plan to include either a retirement benefit, rollover, or refund.

1. Is the person 18 years old or older?

☐ **Yes**, proceed to question 2.

☐ **No**, the person is **not** eligible for School Plan participation. Reassess retirement eligibility when the person is 18.

2. Is the person a U.S. citizen or a qualified alien? (If not a U.S. citizen or permanent resident alien, contact NPERS for immigration status eligibility determination and then answer this question. More information found [HERE](#).)

☐ **Yes**, proceed to question 3.

☐ **No**, the person is **not** eligible for School Plan participation. Reassess retirement eligibility if the person's immigration status changes.

3. Is the person being hired/rehired as a substitute (see definition above)?

☐ **Yes**, substitutes are **not** eligible to participate.

- Monitor service and reassess if employment status changes.
- **Note:** If employee is within 180 days from the termination date of their regular employment at any employer covered by the School Plan, the employee must incur a bona fide termination (see definition above) to stop contributions.
- **For questions on substitute eligibility after termination of regular employment, call NPERS.**

☐ **No**, proceed to question 4.

4. Is the person being hired/rehired as a temporary employee (see definition above)?

☐ **Yes, temporary positions are not eligible to participate.**

- Monitor service and reassess if employment status changes or the duration exceeds one year.
- **Note:** If employee is within 180 days from the termination date of their regular employment at any employer covered by the School Plan, the employee must incur a bona fide termination (see definition above) to stop contributions.
- **For questions on temporary eligibility after termination of regular employment, call NPERS.**

☐ **No**, this person is considered a regular employee and working on an ongoing basis. *Proceed to question 5.*

5. Has the person taken a distribution (see definition above) from the Nebraska Public School Retirement system?

☐ **Yes**, *proceed to question 6.*

☐ **No**, *proceed to question 7.*

6. Have 180 calendar days elapsed since the person terminated their regular employment in order to take a distribution?

☐ **Yes**, *proceed to question 8.*

☐ **No, CAUTION!!** Individuals who have taken a distribution must incur a 180 calendar day bona fide break in service prior to reemployment at **ANY** participating school district or ESU. During this 180-day period, they may only provide up to a total of 8 calendar days in a calendar month of unpaid voluntary or substitute service. You must notify NPERS if the person is rehired during the 180-day break in service timeframe, and they will be required to repay the distribution in full.

7. Was this person previously employed at YOUR district (or ESU) and participating in the Nebraska Public School Retirement Plan due to hours worked during that time?

☐ **Yes**, it is **mandatory** for this person to contribute regardless of intention of hours to be worked. Start contributions immediately.

☐ **No**, *proceed to question 8.*

8. Will the person be working at your school district for 20 or more hours per week?

☐ **Yes**, participation is **mandatory**. Begin participation immediately .

☐ **No**, in order to participate, the person must be hired to work in a position requiring at least 20 hours per week on an ongoing regular basis. If the intention of hours worked is less than 20 or unknown at the time of hire, follow these steps:

- Monitor all hours worked at your district.
- If the position originally was intended for work less than 20 hours per week but changes to a position requiring 20 or more hours per week, the person should be enrolled in the Plan at the time of the hours of intention change.
- If the person is initially hired to work less than 20 hours a week or the expected number of hours to be worked is unknown, the hours need to be tracked for eligibility.
 - If the person ends up working an average of 20 hours or more per week in three calendar months of the Plan year (July 1 – June 30), **they must be enrolled in the Plan.**
 - Calculation used to determine this is: total number of hours worked in a calendar month divided by the actual number of days in the month times 7. Eligibility calculator can be found [here](#).
 - The 3 calendar months do not need to be consecutive.
 - The mandatory effective date of participation in the Plan is the next pay period following the pay period where the employee worked an average of 20 hours or more per week for each of 3 calendar months during the Plan year.

☐ I understand that my participation is mandatory.

☐ I understand that I am not participating and the only way to participate in the future is by meeting mandatory enrollment requirements.

Enrollment Date (if applicable)

Employee

Employer