NPERS SCHOOL PLAN ELIGIBILITY CHECKLIST

Person's Name: _____ **Date:** _____

School: _____ **Reporting Agent's Name:** _____

Employee Classification: _____ **Intention of Hours to be Worked Per Week:** _____

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 for regular and substitute/temporary service need to be combined and reported to NPERS.***

DEFINITIONS:

Bona Fide Termination – The 120-day separation period required to take a distribution; **the start date would be the later of**:

- Termination of NPERS eligible regular employment **or**
- The day NPERS received the application for distribution.

- During the 120-day separation period, a person cannot render **any** service at **any** School Plan employer to include:
  - Volunteer, substitute, independent contractor, or service for another organization that provides similar service for School Plane employers **and**
  - Not have any prearrangement to return to service.
- **Failure to comply will result in a repayment of your distribution.** More information found HERE.

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. 🛑 **Stop here** & reassess retirement eligibility when the person is 18.

2. Is the person a U.S. citizen or lawfully present in the U.S.? For a list of supporting documents to establish lawful presence, click HERE.

☐ **Yes**, *proceed to question* **3**.

☐ **No**, the person is **not** eligible for School Plan participation. 🛑 **Stop here** & 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**. Review the bullets below and 🛑 stop here.**

- Monitor service and reassess if employment status changes.
- **Important:** If the person **is applying for, or taking a distribution,** they cannot provide any service at any employers covered by the School Plan during their 120-day separation period.
- If the person is **not taking a distribution,** the person can provide unlimited substitute service.

☐ **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. **Review the bullets below and 🛑 stop here.**

- Monitor service and reassess if employment status changes or the duration exceeds one year.
- **Important:** If the person is **applying for, or taking a distribution,** they cannot provide **any** temporary service within the 120-day separation period at any employer covered by the School Plan.
- If the person is **not taking a distribution,** the employee can perform true temporary service if:
  - It is not an extension of their regular service and
  - There is clear documentation to support the temporary status.

☐ **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. Has the individual satisfied the 120-day separation period?

☐ **Yes**, *proceed to question* **8**.

☐ **No**, **CAUTION!!** Individuals who are applying for, or have taken, a distribution must incur a 120-day separation period prior to reemployment at **ANY** participating school district or ESU. During this 120-day separation period, they cannot provide any service to any School Plan employer. You must notify NPERS if the person is rehired during the 120-day separation period, and they will be required to repay the distribution in full. 🛑 **Stop here and contact NPERS.**

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. 🛑 **Stop assessment here.**

☐ **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. 🛑 **Stop assessment here.**

☐ **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 as a regular employee 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 to include substitute and temporary hours.
  - 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.

☐**The Eligibility Checklist indicates participation is mandatory based on the answers provided. Contributions must start.**

☐**Not eligible for participation.** *In order to participate in the future, the employee must meet mandatory enrollment requirements.*

MUST READ: By signing this form, the employee acknowledges that any return to employment during the separation period will result in mandatory repayment of any distributions received (with applicable interest) and missed contributions to be remitted to NPERS.

_____	_____	_____
Enrollment Date (if applicable)	**Employee**	**Employer**