

# How To Contact Us

## Nebraska Public Employees Retirement Systems

402-471-2053 or 800-245-5712

Fax: 402-471-9493

[npers.ne.gov](http://npers.ne.gov)

**Mailing Address:**

PO Box 94816  
Lincoln, NE 68509

**Located at:**

1526 K Street  
Suite 400



The screenshot shows the NPERS website homepage. The header includes contact information (800-245-5712, 8am - 5pm M - F, Email Us), a search bar, and a Login button. The main navigation menu lists NPERS, Plan Info, Member Info, and Employer Reports. The main content area features a large banner with the text "Have you done your retirement homework?" and a description of seminars. To the right, a box titled "NPERS.NE.GOV" lists various resources: PERB Info, Investment Council, Legislative Info, Plan Info, Member Info, Employer Info, Videos, Publications, Forms, Seminar Schedules, Link to Ameritas, and Benefit Estimator.

800-245-5712 | 8am - 5pm M - F | Email Us

search  Login

 NPERS  
NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS

NPERS Plan Info Member Info Employer Reports

**Have you done your retirement homework?**

Each year NPERS provides seminars to help our members learn about their retirement plans and plan for retirement. We strongly encourage plan members to take advantage of these seminars, which are now available both in-person and online!

For more information, visit our [State/County](#) and [School](#) seminar pages

**NPERS.NE.GOV**

- PERB Info
- Investment Council
- Legislative Info
- Plan Info
- Member Info
- Employer Info
- Videos
- Publications
- Forms
- Seminar Schedules
- Link to Ameritas
- Benefit Estimator

## Online Account Access

### Online Account Access

- Review Compensation
- Review Service
- Review Beneficiaries\*
- View 1099R

### To Create Your Account

- Valid Email Address
- Social Security #
- Retirement #

\*Not available for all accounts.

The screenshot shows a web form titled "Part 1 of 2- Demographic Information". It contains several input fields: Username (with a note "(between 6 and 15 characters)"), Password (with a note "(at least 12 characters)"), Confirm Password, First Name, Middle Initial, Last Name, SSN (with three separate boxes for each digit), Email, Confirm Email, Secret Question (a dropdown menu with "Please select a question"), and Answer to Secret Question. At the bottom, there is a checkbox for "I'm not a robot" and a CAPTCHA image.

## Benefit Estimator

- Non-Secure
- No Login Needed
- Input Your Data
- No Names or SSN
- Future Dates/Data

The screenshot shows a web form titled "Benefit Estimator" with two tabs: "Your Information" and "Your Estimate". The "Your Information" tab is active. It contains several input fields: Your Date of Birth (MM/DD/YYYY), Estimated Termination Date (MM/DD/YYYY) with a note "If prior to 6/30/1996, contact NPERS Offices for an estimate.", Estimated Month to Begin Benefits (a dropdown menu with "Feb" selected and "2019" as the year, with a "Help" link), Estimated Years of Service at Retirement, When did you begin plan participation? (a dropdown menu with "Select Date" selected and a "Help" link), Estimated Highest Annual Salary 1, Estimated Highest Annual Salary 2, Estimated Highest Annual Salary 3, Your Account Balance, Beneficiary Type (a dropdown menu with "None" selected and a "Help" link), and Would you like to calculate your taxes? (a dropdown menu with "No" selected and a "Read Before Calculating Taxes" link). At the bottom, there are two buttons: "Calculate Your Estimate" and "Reset Fields".

# Benefit Estimator

Drop Down Fields

- Dates of Birth
- Term Date
- Benefit Start Date

**Your Information** | Your Estimate

Your Date of Birth (MM/DD/YYYY)

Estimated Termination Date (MM/DD/YYYY)   
If prior to 6/30/1996, contact NPERS Offices for an estimate.

Estimated Month to Begin Benefits   
Must be after termination date.

Estimated Years of Service at Retirement

When did you begin plan participation?

Salaries may be subject to capping

Estimated Highest Annual Salary 1

Estimated Highest Annual Salary 2

Estimated Highest Annual Salary 3

Your Account Balance   
Only required for Modified Cash Refund Estimates

Beneficiary Type  Help

Would you like to calculate your taxes?  Read Before Calculating Taxes

# Benefit Estimator

Plan Start Date

- Tier Participation

**Your Information** | Your Estimate

Your Date of Birth (MM/DD/YYYY)

Estimated Termination Date (MM/DD/YYYY)   
If prior to 6/30/1996, contact NPERS Offices for an estimate.

Estimated Month to Begin Benefits   Help

Estimated Years of Service at Retirement

When did you begin plan participation?  Help

Salaries may be subject to capping

Estimated Highest Annual Salary 1

Estimated Highest Annual Salary 2

Estimated Highest Annual Salary 3

Your Account Balance   
Only required for Modified Cash Refund Estimates

Beneficiary Type  Help

Would you like to calculate your taxes?  Read Before Calculating Taxes

# Benefit Estimator

## Pop Up Definitions

- Click on "Help"

The screenshot shows the 'Your Information' tab of the Benefit Estimator. Fields include: Your Date of Birth (05/22/1954), Estimated Termination Date (05/25/2019), Estimated Month to Begin Benefits (Jun 2019), Estimated Years of Service at Retirement (20), and When did you begin plan participation? (Before 7/1/2013). A pop-up window titled 'Highest Salary' is open, displaying instructions: 'When inputting your salary, do not use dollar signs or commas. State statutes and NPERS Rules and Regs may limit or cap your salary when calculating your benefit. Please refer to the [School Plan Handbook](#) for more information on how NPERS determines your highest periods of salary and definitions of your monthly annuity options.' The pop-up has an 'OK' button. At the bottom of the form are 'Calculate Your Estimate' and 'Reset Fields' buttons.

# Benefit Estimator

## Beneficiary Type

- None
- Spousal
- Non-Spousal

## Beneficiary DOB

- Spousal
- Non-Spousal

\*Account Balance Optional

The screenshot shows the 'Your Account Balance' section of the form. It includes a text input for 'Your Account Balance' (60000) with a note 'Only required for Modified Cash Refund Estimates'. Below is a dropdown for 'Beneficiary Type' with options: None, Spousal, and Non-Spousal. A 'Help' link is next to the dropdown. A checkbox 'Would you like to calculate your taxes?' is also present. At the bottom are 'Calculate Your Estimate' and 'Reset Fields' buttons. The 'Beneficiary Type' dropdown is open, showing the options.

# Benefit Estimator

## Benefit Options

- Handbook Links
- Monthly Amount

## Print Estimates

- Printer Icon
- Lower Right



Option	Gross Benefit Amount	Net Benefit Amount
<a href="#">Option 1 - Life Only</a>	\$1,182.99	\$1,182.99
<a href="#">Option 2 - Modified Cash Refund</a>	\$1,170.37	\$1,170.37
<a href="#">Option 3-5 Year Certain &amp; Life</a>	\$1,166.67	\$1,166.67
<a href="#">Option 3-10 Year Certain &amp; Life</a>	\$1,132.77	\$1,132.77
<a href="#">Option 3-15 Year Certain &amp; Life</a>	\$1,084.90	\$1,084.90
<a href="#">Option 4A - 50% J&amp;S</a>	\$1,101.56	\$1,101.56
<a href="#">Option 4B - 75% J&amp;S</a>	\$1,064.91	\$1,064.91
<a href="#">Option 4C - 100% J&amp;S</a>	\$1,030.62	\$1,030.62

### Your Estimate Information

Estimate Calculation Date	01/08/2019
Date of Birth	05/22/1954
Retirement Type	Regular
Plan	School Retirement System Tier 1
Plan Participation	Before 7/1/2013
Benefit Start Date	06/01/2019
Termination Date	05/25/2019
Estimated Total Service Credit (Years)	20.0000
Estimated Average Salary	\$2,916.67
Estimated Account Balance	\$60,000.00
State Tax Additional Withholding	\$0.00
Federal Tax Additional Withholding	\$0.00
Beneficiary Date of Birth	05/22/1954

# How to apply...

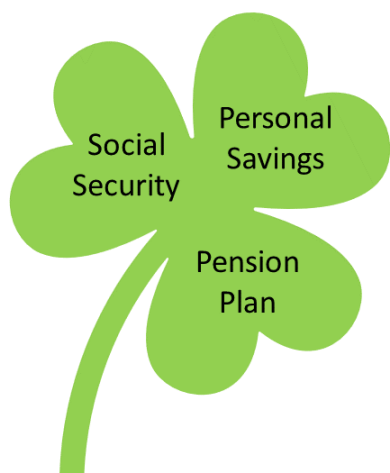
1. Call NPERS.
  - Up to six, but preferably no less than one month prior to retirement.
  - Office visit is not required.
2. NPERS prepares your information.
  - Your work history will be reviewed to verify salary and years of service.
  - An *estimate* of benefits will be created.
  - Your retirement packet will be mailed approximately 45 to 30 days prior to your effective date.
3. Complete and mail your application for retirement to NPERS.

# Nebraska School Employees Retirement Systems

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*The following pension information provides an overview of the benefits available to members of the Nebraska School Employees Retirement Systems and does not constitute the plan document which can be found in the Nebraska Statutes 79- Article 9, The Nebraska School Employees' Retirement Act.*

*The provisions of the School Retirement Laws, in all cases, supercede the information provided in this notebook.*



It takes more  
than luck to  
achieve financial  
security in  
retirement!



It takes more  
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security in  
retirement!

## Remember:

### Your Money

- No one has access
- Invested
- Available when you quit or retire
- No Social Security offset

## Defined Benefit Plan



# HOW IT WORKS:

The Nebraska School Retirement Plan is a “Defined Benefit Plan.” This means that the method for determining your retirement benefit at retirement is based on a **formula** as defined in the Nebraska School Retirement System Law.

There are two distinct concepts of a Defined Benefit Plan:

- **CALCULATION** of your benefit at retirement (how much your benefit will be), and
- **FUNDING** of your retirement benefit (where the money comes from).

## Calculation of Your Benefit At Retirement

As a member of a Defined Benefit Plan, your account balance **IS NOT** considered when calculating your retirement benefit.

As a School Plan (Defined Benefit Plan) member, your benefit at retirement is **calculated** based on a **formula**. The formula uses an average of your highest 12-months periods of salary (counting back from the final month of pay), multiplied by your total years of creditable service, the formula factor set by law, and the retirement benefit payment option you select.

### FORMULA

Average Highest  
12-Month Periods  
Compensation

X

Years of  
Creditable  
Service

X

Formula  
Factor  
(Currently 2%)

X

Option  
Factor

=

RETIREMENT  
BENEFIT  
PAYMENT

**NOTE:** Your benefit is calculated based on the **law** in effect at the time you **cease** employment. To qualify for the 2% multiplier, you must have been employed on or after May 2, 2001, and earned at least one-half year of creditable service on or after the 2000-2001 school year.

## Funding of Your Retirement Benefit

Your retirement benefit is funded from 4 sources:

Source #1	Source #2	Source #3	Source #4
YOUR ACCOUNT	YOUR EMPLOYER	STATE OF NEBRASKA	INVESTMENT EARNINGS
As a <b>MEMBER</b> of the School Retirement System, you are required by law to contribute a set percentage of your gross compensation.	Your <b>EMPLOYER</b> is required by law to match your contributions at the rate of <b>101%</b> . The employer contributions <b>are not</b> credited to your individual account, but provide funding for your benefit at retirement.	The <b>STATE OF NEBRASKA</b> annually contributes a percentage of total members' compensation and may contribute an additional amount to fund the Plan, if recommended by the actuary. These funds are appropriated by the Legislature. The current contribution rate is <b>2.0%</b> .	<b>INVESTMENT EARNINGS</b> on Plan assets help provide funds for both your future benefit and for the interest credited each month to your account.

Your retirement benefit is not based on the contributions made, but is based on a **formula**. The contributions help to fund your benefit **for life**.

## Benefit Calculation

### Formula:

- Salary (Compensation)
- Creditable Service
- Formula Factor
- Option Factor

Age (Reduced/Unreduced)

## Funding

Employee Contributions	Currently 9.78% of gross salary
Employer Contributions	101% of Employee rate
State of Nebraska	Currently 2.0% of Member Salary
Investment Returns	On average the majority of the funding

# Annual Statement

Please Review!

- Salary
- Years of Service
- Beneficiaries
- Address

## NEBRASKA SCHOOL EMPLOYEES RETIREMENT ACCOUNT STATEMENT as of June 30, 2018

Rick Sanchez  
1990 Emerald Drive  
Fremont, NE 68025

Retirement No. 100005  
Date of Birth 05/14/1946

### COMPENSATION AND YEARS OF CREDITABLE SERVICE

The Nebraska Public School Employees Retirement Plan is a Defined Benefit plan as provided by state statutes. Upon termination and reaching retirement age, eligible members may receive retirement benefits in the form of a monthly annuity (pension) paid for their lifetime.

In order to calculate monthly benefits, the Nebraska Public Employees Retirement Systems (NPERS) must maintain accurate data for the member's years of service and salary. This statement provides notification of your account as of the statement date. **Please review your salary and years of service. If you believe this data is in error, notify our office in writing ASAP.**

This statement is not a guarantee of benefits. Your years of service and salary will be reviewed and verified when you apply for benefits. The compensation listed is for the fiscal year timeframe and may not match your contract salary. For information on plan provisions, including how benefits are calculated and when to apply, please refer to the member handbook at [npers.ne.gov](http://npers.ne.gov).

**According to NPERS records, your total years of service credit as of June 30, 2018 was 5.0000.**

**According to NPERS records, your retirement compensation from July 1, 2017, to June 30, 2018, was \$45,000.**  
(Zeros will appear if you were inactive and did not contribute to the plan during the fiscal year listed.)

### **Refund Repayment Deadline Notification:**

The passage of LB1042 in 2014, created time frame limits to repay a refund. Reemployed members are now limited to five years from their return to plan participation to apply for and complete repayment. Members actively employed and participating in the plan when the bill was passed (April 17, 2014) have until April 16, 2020, to apply for and complete repayment. NPERS must receive the refund repayment application at least 60 days prior to termination or the deadlines listed above. Breaks in service may alter eligibility and repayment timeframes. Please refer to the plan handbook for further details.

NOTE: *Refunded years currently in repayment status **will not** be reflected in this statement until the payment is completed.*

### MEMBER CONTRIBUTIONS

Your accumulated contributions and interest as of June 30, 2018:

CONTRIBUTIONS (Before tax - 1986 or after)	\$	7,440.94	
CONTRIBUTIONS (After tax - before 1986)		<u>2,568.56</u>	
TOTAL CONTRIBUTIONS			\$ 10,009.08
INTEREST			<u>1,218.05</u>
TOTAL CONTRIBUTIONS PLUS INTEREST BALANCE			\$ 11,227.13

### TERMINATED MEMBER ADDRESS UPDATES

Upon termination of employment, it is your responsibility to notify NPERS of any changes in your address. Failure to provide address updates may result in loss or suspension of benefits. Address update forms are available on our website at [npers.ne.gov](http://npers.ne.gov).

### BENEFICIARY DESIGNATION - SEE REVERSE SIDE OF THIS STATEMENT

# Safe Harbor Method

Your monthly benefit will be taxed under the “Safe Harbor” method which is calculated by dividing your pre-’86 contributions by the fixed number of payments assigned to your age group. The remaining portion of your benefit will be taxable.

Age	# of Payments
Under 55	360
Over 55 but not over 60	310
Over 60 but not over 65	260
Over 65 but not over 70	210
Over 70	160

After receiving the fixed number of payments, the monthly benefit becomes 100% taxable.

## EXAMPLE

- \$5,000 in Pre-’86 Contributions
- Age 55 = 360 Payments Assigned

**\$5,000**

÷

**360**

=

**\$13.89**

**Tax-Free  
for 360  
Payments**

## Taxes

- Taxes withheld from each check
  - Federal and Nebraska (W-4P & W-4N)
- Change as needed
  - Must use W-4P (on website with *Checklist*)
- Nebraska taxes for Nebraska residents
  - Cease NE withholding if not a resident –Must file W4-N stating “Exempt”, withholding **NOT based on address**
  - State taxes determined by your new state of residence

# TAXATION

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## IMPORTANT



NPERS does not provide tax advice. In all cases, members should consult the Internal Revenue Service, their state's revenue agency, or a tax professional, as appropriate, for information on tax consequences, questions, or matters.

Contributions to the School Plan are not taxed when deducted from your salary. Distributions, whether in the form of a monthly benefit or refund, are therefore subject to state and federal income tax.

Contributions made prior to January 1, 1986, were taxed before being deducted from salary. These contributions are not subject to State and Federal income tax and will be returned to you tax free (see "Safe Harbor").

## ***When Receiving a Retirement Benefit***

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NPERS will withhold federal taxes from each monthly check at a rate you specify on the **Federal form W-4P** (NPERS3605-P) and/or **Nebraska form W-4N** (NPERS3605-N). If you do not submit these forms to NPERS, we will withhold at the rate of "single" and "0 (zero)" allowances. You may change your withholding at any time by submitting a new form.

If you do not wish to have State of Nebraska taxes withheld from your benefit or are not a resident of the state of Nebraska, the only way this may occur is if you request this exemption on the Nebraska form **W-4N** and submit that to NPERS. A change of address will NOT automatically change the withholding status of your benefit.

If you move and are no longer a resident of Nebraska, you need to submit a **W-4N** indicating you are "**EXEMPT**" from **NE State Taxes** or we will continue to withhold. A change in address will NOT automatically change your withholding status, a W-4N must be filed. Your benefit will be taxable in accordance of the laws of the state you move to. You may need to contact the Department of Revenue for the state you have moved to in order to determine tax liability and establish a payment process. NPERS can withhold Federal and Nebraska taxes, but not taxes due to another state.

Your retirement income will be reported to you on a 1099-R form each year in January for the payments received the prior year. A copy of that form will also be provided to the Internal Revenue Service.

## Benefit Tiers

### Tier 1

- Joined the plan prior to 7/1/2013

### Tier 2

- Joined on or after 7/1/2013

### Tier 3

- Joined on or after 7/1/2017

### Tier 4

- Joined on or after 7/1/2018

## Salary (Compensation)



Three (Tier 1)

or

Five (Tiers 2/3/4)  
Highest 12-Month  
Periods

# COMPENSATION

## TIER ONE

At retirement, your **three** highest 12-month periods of salary, counting back from the final month of pay, are used to determine your *final average monthly compensation* when calculating your benefit (see “8% Salary Cap”).

## TIERS TWO/THREE/FOUR

At retirement, your **five** highest 12-month periods of salary, counting back from the final month of pay, are used to determine your *final average monthly compensation* when calculating your benefit (see “8% Salary Cap”).

Compensation means gross wages or salaries payable to the member for personal services *performed* during the School Plan year and includes overtime pay, member retirement contributions, retroactive salary payments paid pursuant to court order, arbitration or litigation and grievance settlements, and amounts contributed by the member to plans under §125, 403(b), and 457 of the Internal Revenue Code.

Compensation **does not include** fraudulently obtained amounts as determined by the retirement board, amounts for accrued unused sick leave or accrued unused vacation leave converted to cash payments, insurance premiums converted to cash payments, expense reimbursements or per diems paid for expenses, fringe benefits, or bonuses for services not actually rendered, including, but not limited to, early retirement inducements, cash awards, severance pay, and employer contributions for purposes of separation payments made at retirement.

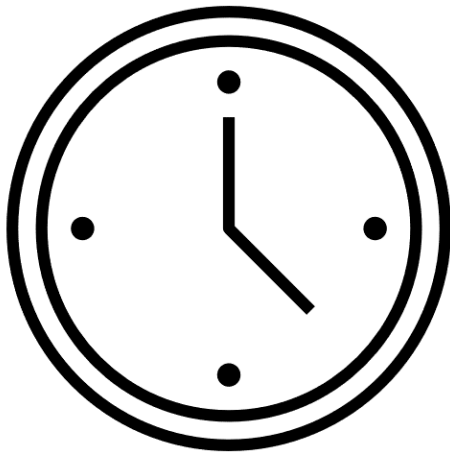
## 8% Salary Cap

### 8% CAP

Increases in compensation for plan members will be capped at 8% per year when calculating retirement benefits per Nebraska statute. No exceptions increasing the 8% cap will be allowed.

## Salary Capping

Actual		With Cap	
2019: \$48,000		2019: \$48,000	
2020: \$50,000	} 10% Increase	2020: \$50,000	} 8% Cap
2021: \$55,000		2021: \$54,000	
2022: \$56,000		2022: \$56,000	} No Cap



## Service Credit

- Granted for Time Worked
- Service Verified by Employer(s)
- Contributions on Account for that Time

# CREDITABLE SERVICE

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The service credit used to calculate your benefit is defined per state statute. All employees must have their hours tracked every time they render service, at the time they render service, to ensure they receive the correct retirement benefit.

## CREDITABLE SERVICE INCLUDES:

- Hours worked
- Used sick hours, used vacation hours, holidays, and any other leave hours for which you are paid regular wages as part of the your agreement with your employer

## CREDITABLE SERVICE DOES NOT INCLUDE:

- Lump-sum payments to the employee upon termination or retirement in lieu of accrued benefits for such days
- Eligibility and vesting credit
- Service years for which member contributions are withdrawn and not repaid by the member
- Service rendered for which the retirement board determines that the member was paid less in compensation than the minimum wage as provided in the Wage and Hour Act
- Service which the board determines was rendered with the intent to defraud the retirement system



## ***Accrual Rate***

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### **Service credit is accrued based on the total eligible hours worked.**

#### **SINCE JULY 1, 2002**

##### **Since July 1, 2002, the following rules apply:**

- If you work 1,000 or more hours in a plan year (July 1–June 30), you will receive one year of creditable service.
- You will receive fractional credit for the portion of the School Plan year worked based on 1/1000 of a year credit for each hour worked. Salaried employees who are part-time receive the same percentage of credit as their percentage of full-time equivalency.

#### **RULES FROM JULY 1, 1986 TO JUNE 30, 2002**

##### **Rules from July 1, 1986 to June 30, 2002:**

- One year of creditable service was earned by working 1,032 or more hours during a plan year. For those working between 516 hours and 1,032 hours during a plan year, partial credit was given. No person working less than 516 hours during a plan year earned service credit.

#### **PRIOR TO JULY 1, 1986**

##### **Rules prior to July 1, 1986:**

- One year of creditable service was earned on the basis of working full time for at least 120 days in a fiscal year. Under certain conditions, fractional years of service were granted for those working either part time or less than 120 days.

## ***Military Service***

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Members who are reemployed after qualified military service may be eligible for vesting and service credit for their period of military service. The employer shall be responsible for funding covered military service benefits including member and employer contributions. Military service credit provisions only apply to service that falls within the definition of uniformed service per the Uniformed Services and Reemployment Rights Act of 1994 (USERRA).

Members who wish to have their military service reviewed for potential service credit should file their request to NPERS in a timely fashion. Please contact NPERS for further assistance regarding eligibility, the application process, applicable time frames, and the documentation necessary to support such an agreement.

#### **HEART ACT**

##### **Heroes Earnings Assistance and Relief Tax Act of 2008**

For any member whose death occurs on or after January 1, 2007, while performing qualified military service, the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART Act) requires their beneficiary(ies) be entitled to any additional death benefit he or she would have received had the member been employed during the period of military service when the death occurred. For assistance, contact NPERS.

## Repayment of Refund

- Restores service credit
  - Potential return to prior Tier status
- Must be actively employed in a NE public school & contributing to the plan
- Submit application & repay within 5 years of reemployment and prior to termination
  - Application submitted 60 days prior to deadlines
- Visit NPERS website for estimates

# REPAYMENT OF REFUND AND OPTIONAL SERVICE CREDIT

## INCREASING YOUR CREDITABLE SERVICE

There are several ways you can increase your creditable service through the payment of money to the School Plan. These fall into two categories:

### Repayment of Refund

### Optional Service Credit

## *Repayment of Refund*

Repaying a refund reinstates prior creditable service and if the refund is repaid in full, it will return you to your prior benefit tier status. In addition if this restored service includes any of your highest 12-month periods of compensation, it will be used when calculating your final average compensation.

An application to repay a refund may be submitted on a one-time basis under the following conditions:

- You must be a regular employee contributing to the School Plan.
- You must apply for and repay the refund within the first five years of reemployment or prior to termination, whichever is earlier.
- Due to processing timelines, your Application for Purchase of Refunded Service form must be received by NPERS at least 60 days prior to the five-year or termination deadlines.
- If the refund is not repaid in full by the deadlines, service credit will be restored in proportion to the amount repaid.

Repayment costs are calculated based on the amount of the refund and the actuarial assumed rate of return that would have been earned on the funds from the time the refund was taken until it is repaid. For your convenience, you may estimate the cost using the refund repayment factors on the School “Plan Info” page on the NPERS website.

You may repay all or a portion of the refund. Your “oldest” years must be purchased first and you must purchase the exact amount of service credit earned in each fiscal year. If you wish to return to your prior benefit tier, you must repay the refund in full.

## EXAMPLE



### **If you took a refund which erased three years of service credit:**

Starting with the oldest service, you may elect a **one-time** repayment for one, two, or all three years.

## STEPS TO REPAY A REFUND

- Step 1** Submit a written request to NPERS at least 90 days in advance of the five-year or termination deadlines to request a refund repayment estimate. NPERS will calculate an estimated cost and send you the Application for Purchase of Refunded Service and Method of Payment forms.
- Step 2** Complete and submit the Application for Purchase of Refunded Service and Method of Payment forms to NPERS. These forms must be received at least 60 days prior to the five-year or termination deadline. Be aware this will be your one-time opportunity to elect repayment. NPERS will assign a payment due date and calculate a final cost based on the repayment option you selected. You will be notified by mail of this amount and the due date.
- Step 3** Payment must be received in our office by the five-year or termination deadlines. Methods of payment are explained at the end of this section. Members who submit a repayment application within one year of the five-year or termination deadlines cannot utilize the payroll deduction option for repayment of a refund.

# Optional Service Credit

## Why purchase?

- More service = higher monthly benefit
- May help some reach the rule of 85

## Three options

- Leave of Absence
- Out of State/Omaha
- 12-month Preretirement

## Processing timelines

- Initial request one year prior to term

## Optional Service Credit

There are three types of optional service credit that may be purchased:

### 1 LEAVE OF ABSENCE

A leave of absence is a sabbatical, maternity leave, exchange teaching program, full-time leave as an elected official of a professional association or collective bargaining unit or leave of absence to pursue further education or study. You may purchase service credit for a qualified leave of absence under these conditions:

- You must be a regular employee contributing to the School Plan.
- The leave of absence must be authorized by your board of education or the school district.
- You may purchase time equal to the leave which cannot exceed four years in length.
- You must return to employment in a school district other than a Class V district (Omaha) within one year after completing the leave of absence.
- **Interest Based Purchase** - If you were employed or under contract on or *prior to* July 19, 1996, have not changed employers since that date and elect to pay for your leave of absence *within three years* of returning from the leave, you must pay the required deposits of both the employee and employer that would have been made on your behalf if you had not taken the leave of absence, plus interest that would have accrued on the deposits, based on your compensation for the period immediately prior to the leave of absence. Payment must be completed within five years of your return to membership or prior to your termination date, whichever is sooner.
- **Actuarial Based Purchase** - If you were hired or rehired *after* July 19, 1996, you will pay the actuarial cost to the School Plan for allowing the additional service credit.

Payment must be made within five years after the election to purchase the leave-of-absence service or prior to termination, whichever comes first.

In all cases, the creditable service purchased for a leave of absence will be used to calculate your retirement benefit, but the salary associated with the service cannot be used in the calculation.

The leave of absence must be verified before NPERS can provide a purchase cost to you.

## **2 OUT OF STATE OMAHA PUBLIC SCHOOLS SERVICE**

**You may purchase credit for public school service outside of Nebraska or in the Omaha Public Schools under these conditions:**

- You are a regular employee, contributing to the School Plan.
- Credit is limited to the amount of service forfeited, up to a maximum of 10 years.
- Credit is limited to an amount equal to your total creditable service acquired in Nebraska upon termination.
- You must provide proof of forfeiture of benefits in order to purchase service.
- You must pay the actuarial cost to the School Plan for the additional service credit.

Full payment must be received within five years of your election to purchase service or prior to termination, whichever comes first.

The service purchased will be used when calculating your retirement benefit, but the salary associated with the out of state service will not be used in the calculation.

Your out-of-state or Omaha Public School service must be verified before NPERS can provide a purchase cost to you.

## **3 TWELVE-MONTH PRERETIREMENT SERVICE PURCHASE**

**You may purchase up to five additional years of service credit in contemplation of retirement. To qualify, all of the following conditions must be met:**

- You are a regular employee contributing to the School Plan.
- If you joined the School Plan before July 1, 2014, you must have a minimum of five years of earned creditable service. If you joined the School Plan on or after July 1, 2014, you must have a minimum of ten years of earned creditable service. Earned service credit does not include vesting credit (see “Eligibility/Vesting”).
- At the time you purchase the service, you must have entered a written agreement that you will retire within 12 months of the day of the agreement.
- If you do not terminate employment and begin receiving benefits, within 12 months from the date of your service purchase agreement, the purchase will be cancelled and all payments returned, excluding any interest earned.
- The cost of the service purchase is the actuarial cost to the School Plan for allowing the additional service credit and must be paid for by the School Plan member.

Payments must be completed prior to termination.

## STEPS TO PURCHASE OPTIONAL SERVICE CREDIT

- Step 1** Contact NPERS in writing and indicate type and amount of service you wish to purchase. Due to the time frames involved, NPERS recommends initiating requests to purchase optional service credit no less than 12 months prior to termination.
- Step 2** NPERS will calculate an estimated cost and send you the Application for Purchase of Service and Method of Payment forms. You can get a rough estimate of the cost to purchase out of state or 12-month preretirement service credit by utilizing the optional service credit estimator on the NPERS website.
- Step 3** Complete and submit the Application for Purchase of Service and Method of Payment forms to NPERS no less than 60 days prior to your last day of employment. If this paperwork is not received by the 60th day prior to termination, you will not be allowed to purchase service credit.
- Step 4** You will be notified by mail of the final purchase price and payment due date.
- Step 5** Payment must be received in our office by the due date or prior to termination – whichever is earlier.

### ***Methods of Payment to the School Plan***

You may make payment to the School Plan through after-tax direct payments or installment payments, after-tax payroll deductions or rollover payments. Payment options may be restricted in order to satisfy statutorily mandated deadlines. Personal checks are not accepted.

As payment, you may use a rollover from another qualified 401(a) plan [including a 401(k) plan], a 403(a) or (b) Tax Sheltered Annuity Account, a 457(b) Eligible Deferred Compensation Plan or a 408(a) Individual Retirement Account. You may also use a trustee-to-trustee transfer from a 457 deferred compensation plan or a 403(b) tax-sheltered annuity.

Payments made to purchase service on an after-tax basis will be subject to contribution limits under §415 of the Internal Revenue Code. §415 limits do not apply to repayment of refund. You may wish to consult with a tax professional for assistance

## School Employees Pension Plan

# Service Credit Estimator

Estimated cost of:

- Out of State/OPS Service
- 12 Month Preretirement Service

Estimator link on the  
School Plan Info page.

### Plan Services Rendered After

General there are significant changes to what voluntary and/or plan member during the 180-day period after termination from school plan members will have questions regarding what is now called Questions (FAQ) about LB 147's Changes to the Termination of Employment. If questions still remain regarding how this will affect the member after termination without violating re-employment rules, our Member Services team is available at (402)245-5712, option #1.

Nebraska Public School Retirement System for Nebraska school employees. As a defined benefit plan, the benefits are based on this formula:

X	Formula Factor (currently 2%)	X	Option Factor
---	--	---	------------------

### Member Resources

Forms

Publications

Member Handbook

Newsletters

Videos

Benefit Estimator

Service Estimator

Retirement Seminars



## School Purchase of Service Estimator

### Enter Type of Service and Date of Birth

Type of Service

Date of Birth (MM/DD/YYYY)

When did you begin plan participation?

Click **Next** to continue → **Next**

### Help

Select the type of service for your estimate from the drop down options. You may select "Out of State" (includes Omaha Public Schools) or "12 Month Preretirement". School plan members who wish to repay a refund should use the refund multipliers found on the School Plan Info page.

Enter your date of birth.

Plan participation means the date you joined the Nebraska Public School Retirement Plan. For most members, plan participation began on their initial date of hire. In some instances, the date of plan participation may vary based on initial employment in a temporary or part time basis, or a return to plan participation after taking a refund. Please refer to your member handbook for more information.

**NOTE:** Due to the time frames involved, NPERS recommends initiating service purchase requests no less than 12 months prior to termination.



## School Purchase of Service Estimator

### Enter your Retirement and Termination date

What is your estimated date of termination? (MM/DD/YYYY)

What will be your benefit start date? (MM/DD/YYYY)

Click **Next** to continue → **Next**

### Help

In the "estimated date of termination" field, input your last day of active employment (providing service).

In the "benefit start date" enter the date (must be the first of the month) you wish your retirement benefit to begin.

Your benefit start date must be after your date of termination.

Estimates for 12 month preretirement service purchases cannot be calculated for individuals more than 14 months away from retirement.

You must be actively employed to purchase service. Completed applications must be received by our office no less than 45 days prior to termination.

## School Purchase of Service Estimator

### Enter your Service Credit and Salary Information

Enter your total years of service.

Enter your highest 12 month period of salary.  
(NO dollar signs or commas)

Click **Next** to continue → **Next**

### Help

Enter the total years of service you will have at the time of the service purchase. Under current law, 1,000 or more hours of service in a plan year (July 1 - June 30) provides one full year of service.

Example: You have accumulated 27 years of service prior to this plan year. At the time of purchasing the service you will have worked 700 hours during the current year. You would input 27.70 total years of service.

Years of service are reported annually on member statements or may be researched by creating an online account.

Enter your highest 12 month period of salary. Does not have to be your current salary (but for most members it will be). Input total gross wages (prior to deductions) for the 12 month period.



# School Purchase of Service Estimator

## Enter Amount of Service

Number of years you wish to purchase?

3

Number of months you wish to purchase?

0

Click **Next** to continue → **Next**

## Help

Input the total service you wish to purchase.

Example: If you wish to purchase 3 years of service select 3 for the years and 0 for the month. If you wish to purchase 3 years and 6 months, select 3 for the years and 6 for the months.

**Out of State/OPS** Credit is limited to the amount of service forfeited, up to a maximum of 10 years. In addition, credit cannot exceed an amount equal to your total creditable service acquired in Nebraska upon termination. Excess service will not be used in the benefit calculation and the purchase cost refunded. You must be currently employed and contributing to the plan to purchase service. You will be required to provide proof of forfeiture of benefits from the prior system.

**12 Month Preretirement** You may purchase up to a maximum of 5 years. You must be currently employed and participating in the plan. You must have already accrued a minimum amount of service credit in order to purchase additional years of service. You must meet age and years of service requirements (including the service purchased) to be eligible to draw a benefit, and have entered into a written agreement to retire within 12 months.

## Your Estimate Information

Current Date:	10/26/2022
Type of Service Purchase:	12 Month Preretirement
Member Date of Birth:	05/05/1967
Termination Date:	02/01/2023
Benefit Start Date:	03/01/2023
Total Years of Service:	27
Highest Salary:	\$55,000.00
Additional service to be purchased:	3.0
Cost:	\$58,605.03
Member Date of Plan Participation:	Before 7/1/2013

The estimated purchase cost produced by this estimator represents a lump sum amount only. You may also purchase optional service credit through tax deferred payroll deduction (post-tax) or direct installment payments (post-tax). Purchases made through payroll deduction or direct installment payments **will include a finance charge and will add to your purchase cost.**

In all circumstances, payment for optional service credit must be completed prior to your termination date.

If you wish to proceed with the purchase of optional service credit, please write to NPERS and indicate the type of service you wish to purchase and the amount of service credit you wish to purchase. In response, NPERS will provide you an **estimated** cost, an Application for Purchase of Service and a Method of Payment form. You must complete and return *both* the Application and Method of Payment form to our office to receive the **actual** cost.

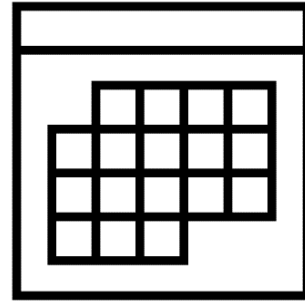
### NOTE!

Due to the time frames involved, NPERS recommends initiating service purchase requests no less than 12 months prior to termination. Completed applications must be received no less than 60 days prior to your termination date. Applications submitted after this time frame will not be accepted.

**IMPORTANT NOTE:** Do not send payment at this time. Your "actual cost" will not be computed until NPERS receives a completed application and method of payment form from you.

## Eligibility/Vesting

- Five (or more) years service credit
- Less than 5 years - only eligible for refund
  - Refund does not include employer match



# ELIGIBILITY/VESTING

Members must be vested in order to be eligible for a monthly retirement benefit. Unvested members are only eligible for a refund consisting of their contributions, plus interest.

## VESTING PROVISIONS

**There are two vesting provisions, per state statute:**

- Accruing five years of service credit in the Nebraska Public School Retirement plan
- Working at a participating employer up to age 65 with at least half a year of service credit

## IMPORTANT



The half a year vesting provision at age 65 will not apply to a member who joined the School Plan on or after July 1, 2016, or a member who has taken a refund or retirement and returns to plan participation on or after July 1, 2016.

## Vesting Credit

Within the first 180 days of employment, a school employee may apply to NPERS for eligibility and vesting credit for years of participation in another Nebraska governmental plan, as defined by §414(d) of the Internal Revenue Code.

## IMPORTANT



Vesting credit is not “service credit.” It will not be included as creditable service in your retirement benefit calculation but instead is used to determine eligibility/ vesting.

Your employer should provide you with an Application for Eligibility and Vesting Credit form at the time of your initial employment. To be considered, your completed application must be received by NPERS within 180 days of your employment. There are no exceptions. If you fail to apply for vesting credit within this time frame, you are not eligible for vesting credit.

During the years of participation in another Nebraska governmental plan, you must have been a full-time or a part-time employee.

## EXAMPLES OF NEBRASKA GOVERNMENTAL EMPLOYMENT

- |                         |                                     |
|-------------------------|-------------------------------------|
| ■ State government      | ■ Law enforcement                   |
| ■ Municipal government  | ■ County government                 |
| ■ Public power district | ■ State university or state college |

Employment that would not qualify would be federal government, out-of-state university or college, and any non-governmental employment.

## Eligibility/Vesting

- Your age on your effective date
  - Effective date is when benefits begin
- Unreduced benefit
  - Effective date on or after age 65
  - Effective date prior to age 65
    - Rule of 85 (Tiers 1, 2, and 3)
      - Minimum age 55
      - Age + Service equals 85 or greater
- Reduced benefit
  - Ages 60 - 64
    - 3% reduction for every year under 65
    - Permanent reduction

# RETIREMENT: AGE

Once vested, your age will determine if you are eligible to begin receiving monthly benefits and if those benefits are reduced or unreduced.

## IMPORTANT



### There are two important points to remember:

- NPERS will calculate benefits using your age on your effective date of retirement rather than your age when you ceased employment.
- Benefits are calculated based on the law in effect at the time you terminate employment.

## ***Age 65: Unreduced Normal Retirement***

“Normal” retirement age is age 65. Vested members are eligible to receive an unreduced retirement benefit at age 65.

## ***Rule of 85: Unreduced Early Retirement***

### **TIERS ONE/TWO/THREE**

At ages 55 to 64, you may qualify to receive unreduced benefits under the “Rule of 85” if your attained age plus your creditable service equals 85 or greater.

## EXAMPLE: 55 YEARS OF AGE, 30 YEARS OF SERVICE



**55**  
Years of Age

+

**30**  
Years of Service

=

**85**

There is no early retirement reduction of your benefit.

## EXAMPLE: 58 YEARS OF AGE, 27 YEARS OF SERVICE



**58**  
Years of Age

+

**27**  
Years of Service

=

**85**

Eligible for an unreduced retirement benefit.

If you have partial years of service credit, NPERS will use your partial attained age to determine eligibility for the “Rule of 85.”

## EXAMPLE: 55.5 YEARS OF AGE, 29.5 YEARS OF SERVICE



**55.5**  
Years of Age

+

**29.5**  
Years of Service

=

**85**

Eligible for an unreduced retirement benefit.

### TIER FOUR

At ages 60 to 64, you may qualify to receive unreduced benefits under the Tier Four “Rule of 85” if your attained age plus your creditable service equals 85 or greater.

## EXAMPLE: 60 YEARS OF AGE, 25 YEARS OF SERVICE



**60**  
Years of Age

+

**25**  
Years of Service

=

**85**

There is no early retirement reduction of your benefit.

## EXAMPLE: 63 YEARS OF AGE, 22 YEARS OF SERVICE



**63**  
Years of Age

+

**22**  
Years of Service

=

**85**

There is no early retirement reduction of your benefit.

If you have partial years of service credit, NPERS will use your partial attained age to determine eligibility for the “Rule of 85.”

## EXAMPLE: 60.5 YEARS OF AGE, 24.5 YEARS OF SERVICE



**60.5**  
Years of Age

+

**24.5**  
Years of Service

=

**85**

If you have 24.5 years of service, you will meet the “Rule of 85” once you attain the age of 60 and six months.

### ***Early Retirement At Age 60: Reduced***

You may qualify to receive a reduced retirement benefit as early as age 60 if you have five or more years of creditable service.

There will be a **permanent** 3% *per year reduction* for each year your attained age is less than age 65.

ATTAINED AGE (MUST BE AT LEAST 60)	CREDITABLE SERVICE	BENEFIT REDUCTION
60	24 YEARS OR LESS	15%
61	23 YEARS OR LESS	12%
62	22 YEARS OR LESS	9%
63	21 YEARS OR LESS	6%
64	20 YEARS OR LESS	3%

## Eligibility/Effective Date

- Effective date is when benefits begin
- First day of the month following...
  - You are eligible for benefits (Age & Vesting);
- AND
- Your school employment terminates; AND
- Your completed application is received by NPERS
- First benefit in approximately 90 days
  - Your contributions/hours must be submitted/reported
  - 1<sup>st</sup> payment retroactive to effective date
  - Potential 95% “preliminary” benefit

### WARNING



If you do not file your application for retirement with NPERS in a timely manner in accordance with these requirements, it will result in a loss of benefit payments. ***If you have questions about how your effective date of retirement is established, please contact NPERS for clarification.***

### EXAMPLE: DETERMINING EFFECTIVE DATE

If you are age 55, have 30 years of service and your school employment terminates May 25, your effective date would be June 1 (provided your application has been received prior to June 1).



<b>55</b> Years of Age	+	<b>30</b> Years of Service	+	<b>5/25</b> Termination	=	<b>6/1</b> Effective Date
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However, if you have 30 years of service, your school employment terminates May 25, but you do not turn age 55 until June 15, your effective date would be July 1. If you were to inadvertently wait until September to submit your completed application to NPERS, your effective date would be October 1, and you would have lost benefit payments for July, August and September.

Your employer will notify NPERS of the date of your termination by submitting a Non-Contributing Member Form. Your employment contract language will be used to determine the date your employer-employee relationship is dissolved for purposes of determining your effective date of retirement.

You can expect your first payment approximately **90 days after** your effective date of retirement provided NPERS has received all necessary documentation. No matter when you actually receive your first payment, it will be retroactive to your effective date of retirement. *During peak summer retirement months, processing time could be longer.*

- If the school has reported your total hours and submitted all contributions at the time NPERS processes your account, we will process your benefit payment as a final monthly retirement benefit.
- If the school has reported your total hours but not yet submitted all contributions to NPERS, we may be able to process a 95% “preliminary” monthly retirement benefit. If your account is processed as a preliminary benefit payment, NPERS will recalculate your monthly retirement benefit after you have received an equivalent of five months of benefit payments. Under certain circumstances, such as a salary dispute or an extended contract negotiation, it may be more than five months before the recalculation occurs. The recalculation will include all salary and contribution information received from the school and will finalize your monthly retirement. Recalculation of your benefit may or may not change your monthly benefit amount.

# RETIREMENT: APPLICATION PROCESS

## IMPORTANT



It is your responsibility to apply for your benefit! Retirement benefits will not start automatically. **Delaying your application may result in a partial or complete loss of pension benefits!**

## STEPS TO TAKE BEFORE YOU RETIRE

- Step 1** Contact NPERS in writing or by telephone at least **three months** before your anticipated retirement/effective date to avoid delays in payment. If you contact NPERS in writing, please include your name, phone number, home address, Social Security number, employer/position, and your anticipated date of termination. If you wish to include estimated benefits for either the Spousal or Non-Spousal Joint and Survivor options, please include the date of birth of the individual you intend to select as your beneficiary (see “Retirement Benefit Payment Options”).
- Step 2** NPERS will verify your salary and service history, and create an estimate of benefits *based on your current account status*. Final benefit amounts will be determined when your employer submits your final salary and service data to our office, and your retirement application is received by NPERS.
- Step 3** NPERS will send you a Retirement Packet. This packet will contain your estimate of benefits and the paperwork you need to complete including the Application for Retirement form.

## STEPS TO TAKE BEFORE YOU RETIRE

**Step 4** Complete and return your Application for Retirement to NPERS preferably 30 days, but *no more than 120 days prior* to your effective date of retirement. You may file your application by mail or in person by making an appointment with NPERS.

### WARNING



Regardless of how you file, please note: NPERS cannot accept an application earlier than 120 days prior to your effective date and will send a new application for you to resubmit.

**Step 5** Verify your age by filing with NPERS a legible copy of your Certificate of Birth recorded before you were five years of age. If your birth certificate was not recorded before you were age five, you will need to submit an additional document to prove your age. Contact NPERS for a list of additional documents allowed.





Nebraska Public Employees  
Retirement Systems

npers.ne.gov

1526 K St. Ste. 400 PO Box 94816 Lincoln, NE 68509-4816 PHONE 402-471-2053 TOLL FREE 800-245-5712 FAX 402-471-9493

Last		First		Middle	Date of Birth		-	-	Plan Type (Check one.)
Name									
Social Security Number				-	-	Email			<input checked="" type="checkbox"/> School
Address			City		State		Zip		
Home Phone Or Cell Phone			Work Phone		Employer				

### School Application for Retirement

Position or Job Title	If you are/were a contract employee, how many days are/were in your contract?	
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**I am applying for a retirement annuity in accordance with the provisions of the Nebraska School Retirement System.**

**Retirement Type:** (CHOOSE ONE) ☐ Regular Retirement (3400) ☐ Disability Retirement (3405) ☐ Alternate Payee (3406)

**What date do you understand your termination date to be:** \_\_\_\_ / \_\_\_\_ / \_\_\_\_ PLEASE READ ⇌  
MONTH DAY YEAR

Termination of employment is defined in statute. The definition of termination of employment does not necessarily mean the last day that you physically work(ed). NPERS may request documentation from your employer to substantiate your termination date. If your termination date changes, your retirement effective date may change.

**Proposed Retirement Date:** \_\_\_\_ / 1 / \_\_\_\_ NPERS WILL DETERMINE YOUR ACTUAL RETIREMENT DATE.

Your retirement effective date will be, the later of, the 1<sup>st</sup> day of the month following the month your properly completed application is received by NPERS, or the 1<sup>st</sup> day of the month following the month you terminate(d) employment. By law, your retirement application may be received by NPERS no sooner than **120 days** prior to your retirement effective date. If your termination date changes, your retirement date may change and the **120 day** window for filing your retirement application may change. Please be aware of the filing timeline so that your application is not received too early or too late.

**DO NOT JEOPARDIZE YOUR RETIREMENT!**  
Your termination date is an important date. You cannot render service after your termination date for 180 days, except for **intermittent volunteering** or **intermittent substituting**. If you are planning on rendering service, except for **intermittent volunteering** or **intermittent substituting**, on any of the 180 days after your termination date, then you **cannot** retire. If the Retirement Board determines that you did not experience a bona fide separation from service, you will be required to repay your benefit.

### ANNUITY OPTIONS

Select your annuity type below. All options are for your lifetime. Please review page 3 of this form for an explanation of each type of annuity. Your retirement option cannot be changed after the effective date of your retirement.

1) ☐ **LIFE ONLY.** There is no beneficiary designation. If you list beneficiaries on page 2, this application will be INVALID.

2) ☐ **MODIFIED CASH REFUND.** You MUST list beneficiaries on page 2 or this application will be INVALID.

3) ☐ **PERIOD CERTAIN & CONTINUOUS.** You MUST list beneficiaries on page 2 or this application will be INVALID.

Select the guarantee period: ☐ a. FIVE-YEAR ☐ b. TEN-YEAR ☐ c. FIFTEEN-YEAR

4) ☐ **JOINT & SURVIVOR.** You MUST list your spouse as the sole beneficiary. Please note the beneficiary **cannot** be changed. If you list beneficiaries on page 2, this application will be INVALID.

☐ a. 50% ANNUITY ☐ b. 75% ANNUITY ☐ c. 100% ANNUITY This option is not available to an alternate payee.

Spouse's  
Name: \_\_\_\_\_

SSN: \_\_\_\_\_

(Beneficiary cannot be changed.)

Birth Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

5) ☐ **NON-SPOUSAL JOINT & SURVIVOR.** You MUST list one individual as the sole beneficiary. If you list beneficiary(ies) on page 2, this application will be INVALID. This beneficiary **cannot** be changed. This option is not available to an alternate payee.

Name of  
Beneficiary: \_\_\_\_\_

SSN: \_\_\_\_\_

Relationship: \_\_\_\_\_

Birth Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**IMPORTANT: Your application is not valid unless your signature is notarized on page 2 of this form.**

# **SCHOOL RETIREMENT APPLICATION BENEFICIARY DESIGNATION – FOR OPTION 2 AND OPTION 3 ONLY**

**READ CAREFULLY BEFORE COMPLETING:** This Beneficiary Designation applies only to **Option 2** and **Option 3**. Do not list beneficiary(s) on this page if you selected **Option 1**, **Option 4** or **Option 5** on the front side of this form. The beneficiary designation below will replace any previous beneficiary listing, and can be changed at any time. If you wish to designate more than four Primary or Contingent Beneficiaries, please call our office and request a Supplemental Beneficiary Form. Please review the section "DESIGNATING A BENEFICIARY" on the enclosed School Retirement Packet Information sheet for further information. **Please print, no cursive.**

**PRIMARY BENEFICIARY(IES):** I designate the following person(s) to be my Primary Beneficiary(ies) for the retirement option selected on page 1 of this form. All Primary Beneficiaries will share equally in the benefit unless I include a percentage (%) on the line following the date of birth. NPERS does not observe the passing of benefits to the heir(s) of deceased beneficiary(ies) per stirpes. The shares of all Primary Beneficiaries **must total 100% or this application will be INVALID.**

NAME OF BENEFICIARY	SPOUSE/CHILD/OTHER	M / F GENDER	SOCIAL SECURITY NUMBER	DATE OF BIRTH	%
NAME OF BENEFICIARY	SPOUSE/CHILD/OTHER	M / F GENDER	SOCIAL SECURITY NUMBER	DATE OF BIRTH	%
NAME OF BENEFICIARY	SPOUSE/CHILD/OTHER	M / F GENDER	SOCIAL SECURITY NUMBER	DATE OF BIRTH	%
NAME OF BENEFICIARY	SPOUSE/CHILD/OTHER	M / F GENDER	SOCIAL SECURITY NUMBER	DATE OF BIRTH	%

**CONTINGENT BENEFICIARY(IES):** I designate the following person(s) to be my Contingent Beneficiary(ies) for the retirement option selected on page 1 of this form. I understand my Contingent Beneficiary(ies) will receive a share of my benefit only if all Primary Beneficiaries pre-decease me or refuse their shares of the benefit. All Contingent Beneficiaries will share equally in the benefit unless I include a percentage (%) on the line following the date of birth. NPERS does not observe the passing of benefits to the heir(s) of deceased beneficiary(ies) per stirpes. The shares of all Contingent Beneficiaries **must total 100% or this application will be INVALID.**

NAME OF BENEFICIARY	SPOUSE/CHILD/OTHER	M / F GENDER	SOCIAL SECURITY NUMBER	DATE OF BIRTH	%
NAME OF BENEFICIARY	SPOUSE/CHILD/OTHER	M / F GENDER	SOCIAL SECURITY NUMBER	DATE OF BIRTH	%
NAME OF BENEFICIARY	SPOUSE/CHILD/OTHER	M / F GENDER	SOCIAL SECURITY NUMBER	DATE OF BIRTH	%
NAME OF BENEFICIARY	SPOUSE/CHILD/OTHER	M / F GENDER	SOCIAL SECURITY NUMBER	DATE OF BIRTH	%

## **MEMBER SIGNATURE:**

Sign and date **ONLY** in the presence of a Notary Public. **DO NOT** fax or email. This form must be received as an **ORIGINAL**.

I certify that I have chosen the annuity option on the reverse side of this form. I understand that my retirement option selection is irrevocable.

Member Signature \_\_\_\_\_ Date \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
Month Day Year

**STAMP HERE**

**Signature  
dates MUST  
match**

I hereby certify that the above member,  
whose identity I have established to my own satisfaction,  
freely and voluntarily signed this application in my presence.

State of: \_\_\_\_\_ }

County of: \_\_\_\_\_ }

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
Day Month Year

Notary Public Signature \_\_\_\_\_ My COMMISSION expires: \_\_\_\_\_

# ACCEPTABLE METHODS OF PROOF

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If proof is required in order to ensure the proper distribution of benefits to a member or the beneficiary of a member, the type(s) of proof listed below will be necessary for NPERS to make the legally-required factual determination.

## *To Prove Age*

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### **Preferred Methods of Proof**

1. A birth certificate recorded before age 5 (which has a filing date and signature of the local Registrar is required or two proofs will be needed.) (See other proof)
2. A religious record of birth or baptism recorded before age 5. (requires church official signature)
3. A delayed birth certificate.

---

### **Other Methods of Proof**

#### **Two or more forms must be provided.**

1. Hospital birth record or certificate.
2. Notification of registration of birth made before age 5.
3. Physician's or midwife's birth records.
4. Bible or other family record.
5. Naturalization record.
6. Military record.
7. Immigration record.
8. Passport.
9. Selective service registration record.
10. Employer's record. Signed by Employer.
11. Marriage record.
12. A statement signed by the individual giving the reason why he or she cannot obtain other convincing evidence of age and the sworn statements of two other persons who have personal knowledge of the age that the individual is trying to prove.

## *To Prove Social Security Number*

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### **Preferred Methods of Proof**

1. Legible copy of the official Social Security Card.
2. Official Communication from the Social Security Administration on their official agency letterhead.

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### **Other Methods of Proof**

1. Official communication from the Internal Revenue Service, United States Military or Immigration and Naturalization Service on their official agency letterhead.

## *To Prove Death*

---

### **Preferred Methods of Proof**

1. A certified copy of or extract from the public record of death, or verdict of the coroner's jury of the state or community where the death occurred; or a certificate or statement of death issued by a local registrar or public health official.
2. A signed statement of the funeral director, attending physician, or official of an institution where death occurred.
3. A certified copy of, or extract from, an official report or finding of death made by an agency or department of the United States or any state.
4. If death occurred outside the United States, an official report of death by a United States Consul or other authorized employee of the United States Department of State, or a certified copy of the public record of death in a foreign country.

---

### **Other Methods of Proof**

1. The individual who must furnish evidence of death will be asked to explain the reason thereof and to submit other convincing evidence, such as sworn statements of at least two persons who have personal knowledge of the death. These persons must be able to swear to the date, time, place, and cause of death.

## *To Prove a Valid Marriage*

---

### **Preferred Methods of Proof**

1. A copy of the public record of the marriage, certified by the custodian of the record or by an NPERS employee.
2. A copy of a religious record of the marriage certified by the custodian of the record or by an NPERS employee.
3. The original certificate of marriage.

---

### **Other Methods of Proof**

1. A sworn statement of the clergyperson or official who performed the marriage ceremony.
2. Other convincing evidence, such as the sworn statements or at least two persons who have direct knowledge of the marriage, preferably eyewitnesses to the marriage ceremony.

## ***To Prove That a Marriage Has Ended***

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### **Preferred Methods of Proof**

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1. A certified copy of the decree of divorce or annulment.
2. Evidence of the death (see To Prove Death) of a party to the marriage.

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### **Other Methods of Proof**

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1. The marriage has ended cannot be obtained, the member or beneficiary must explain the reason therefore and submit other convincing evidence that the marriage has ended.

## ***To Prove Parent-Child Relationships***

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### **Preferred Methods of Proof**

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1. A copy of the member's or child's public or religious birth record made before the child was 5. If the record shows the same last name, it will be accepted as valid.

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### **Other Methods of Proof**

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1. Proof of the member's marriage or of the marriage of the member's parents, if needed to remove any reasonable doubt of the relationship.
2. Proof that the person claiming to be a child of the presumed parent would be able to inherit under intestate succession laws of the state where the death occurred (or in which the presumed parent had a permanent home)
3. A signed statement from the presumed parent that the person in question is his or her natural child.
4. A copy of a court order showing that the person in question has been declared to be the child of the presumed parent, or a copy of a court order requiring the presumed parent in question to contribute to the support of the person in question because such person is his or her child.
5. Or other such supporting evidence may be required in order to establish the parent/child relationship.

## ***To Prove Stepparent-Stepchild Relationships***

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### **Preferred Methods of Proof**

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1. Proof may be determined by NPERS by means of the proof required under To Prove That A Marriage Has Ended to show a child's relationship (natural or adoptive) with the spouse of the presumed stepparent and that a valid marriage existed between the presumed stepparent and the spouse.

## ***To Prove a Parent-Child Relationship By Legal Adoption***

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### **Preferred Methods of Proof**

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1. A copy of the decree or order of adoption, certified by the custodian of the record.
2. A photocopy of the decree or order of adoption.
3. Evidence that the spouse of a decedent adopted the children of the decedent after the decedent's death, as specified in the above two subsections.

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### **Other Methods of Proof**

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1. In the event that the record of adoption is sealed by court order or by law, NPERS will accept as proof of adoption an official notice received by the adoption parents at the time of adoption that the adoption has been completed or a birth certificate issued as a result of the adoption proceeding.

# COLA

## Cost of Living Adjustment

- Annual adjustment each July
  - After drawing benefits one full fiscal year
- Benefit increase based on annual change in CPI-W
- Tier 1 – a maximum of 2.5%
  - Must maintain 75% purchasing power
- Tiers 2, 3, & 4 – a maximum of 1.0%
  - No 75% purchasing power provision
- If CPI-W is less, you get CPI-W rate

## COST-OF-LIVING ADJUSTMENT (COLA)

After you have been retired for at least one full fiscal year, your benefit will be reviewed for a COLA each July 1. This increase will be determined using the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) during the previous fiscal year.

COLA provisions vary depending on tier status.

### TIER ONE:

Your COLA is capped at 2.5%. If the CPI-W is 2.5% or less, you will receive the CPI-W, but if the CPI-W is higher than 2.5%, your COLA will be 2.5%.

Any time inflation erodes the value of your retirement benefit below 75% of the original purchasing power, your COLA for that fiscal year will be the amount of the CPI-W rate. The 2.5% cap does not apply to the 75% purchasing power COLA.

### TIERS TWO/THREE/FOUR:

Your COLA is capped at 1.0%. If the CPI-W is 1.0% or less, you will receive the CPI-W, but if the CPI-W is higher than 1.0%, your COLA will be 1.0%. There is no 75% purchasing power COLA provision.

# Required Minimum Distributions

IRS requires a distribution be taken from your account to create a taxable event so taxation can be assessed on the funds that have been growing tax free.

**Failure to meet your RMD deadline could result in the loss of your opportunity for a lifetime, monthly benefit payment.**

## ***RMD AGES***

Legislation changes over the past few years have created different RMD ages depending on when you were born.

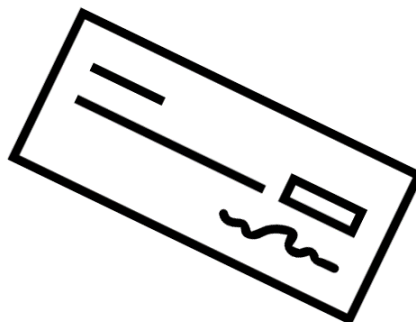
If you were born  
**prior to 7/1/1949**  
your RMD age is **70½**

If you were born  
**on or after 7/1/1949**  
but **before 1/1/1951**  
your RMD age is **72**

If you were born  
**on or after 1/1/1951**  
your RMD age is **73**

## Benefit Payment Options

- Life Only
- Modified Cash Refund
- Period Certain and Continuous
  - 5-, 10-, and 15-year options
- Joint and Survivor
  - 50%, 75%, and 100% options
- Non-Spousal Joint and Survivor



## Sample Benefits (Tier 1)

Based on an Average Final Salary of \$35,000

Options	Normal Age 65, 20 Years	Reduced Age 60, 20 Years	Rule of 85 Age 55, 30 Years
1. Life Only	\$1,182.99	\$999.96	\$1,759.54
2. Modified Cash Refund (Assumes \$60,000 Account Balance)	\$1,170.37	\$992.28	\$1,757.98
3. Period Certain & Continuous			
a. 5-Year	\$1,166.67	\$991.67	\$1,750.00
b. 10-Year	\$1,132.77	\$975.46	\$1,735.09
c. 15-Year	\$1,084.90	\$951.38	\$1,711.78
4. Joint & Survivor Annuity*			
a. 50%	\$1,101.56	\$943.01	\$1,678.93
b. 75%	\$1,064.91	\$916.90	\$1,641.34
c. 100%	\$1,030.62	\$892.20	\$1,605.40
5. Non-Spousal J&S Annuity**	\$998.40	\$876.25	\$1,589.89
* Assumes both spouses are same age      **Assumes survivor is 20 years younger in age			



# RETIREMENT BENEFIT PAYMENT OPTIONS

**You will receive a retirement benefit for your lifetime regardless of the benefit payment option (annuity) you select.**

<b>ANNUITY OPTION 1</b>	<b>Life Only Annuity</b> – Provides a monthly payment <b>for your lifetime</b> with no refund or death benefit. There is no beneficiary designation under this option.
<b>ANNUITY OPTION 2</b>	<b>Modified Cash Refund Annuity</b> – Provides a monthly payment <b>for your lifetime</b> . If you die before receiving payments equal to your accumulated retirement account balance at retirement, the remaining amount will be paid in a lump sum to your beneficiary(ies) or estate. You may list as many <b>beneficiaries</b> as you wish, and you may change these beneficiaries at any time after retirement.
<b>ANNUITY OPTION 3</b>	Provides a monthly payment <b>for your lifetime</b> with a potential death benefit based on a time frame to your beneficiary(ies) or estate. You may list as many beneficiaries as you wish and change them at any time.
	<b>5-Year</b> Provides a monthly payment <b>for your lifetime</b> , with a guarantee that if you die before receiving <b>60 payments</b> , the remaining monthly payments will be paid to your beneficiary(ies) or estate.
	<b>10-Year</b> Provides a monthly payment <b>for your lifetime</b> , with a guarantee that if you die before receiving <b>120 payments</b> , the remaining monthly payments will be paid to your beneficiary(ies) or estate
	<b>15-Year</b> Provides a monthly payment <b>for your lifetime</b> , with a guarantee that if you die before receiving <b>180 payments</b> , the remaining monthly payments will be paid to your beneficiary(ies) or estate.
<b>ANNUITY OPTION 4</b>	<b>Joint and Survivor Annuity</b> – Provides a monthly payment <b>for your lifetime</b> , and a percentage of that benefit to your spouse after your death. You must list only your spouse as beneficiary and should he/she predecease you, you cannot select another beneficiary. NPERS will require legible proof of age for your spouse and a legible certified copy of your marriage license. (This option is not available to an Alternate Payee. For a definition of alternate payee, see “Spousal Pension Rights Act.”)
	<b>50%</b> Provides a monthly payment <b>for your lifetime</b> . When you die, your surviving spouse will receive 50% of your benefit, paid monthly for his/her lifetime.
	<b>75%</b> Provides a monthly payment <b>for your lifetime</b> . When you die, your surviving spouse will receive 75% of your benefit, paid monthly for his/her lifetime.
	<b>100%</b> Provides a monthly payment <b>for your lifetime</b> . When you die, your surviving spouse will receive 100% of your benefit, paid monthly for his/her lifetime.
<b>ANNUITY OPTION 5</b>	<b>Non-Spousal Joint and Survivor Annuity</b> – Provides a monthly payment <b>for your lifetime</b> . When you die, your surviving beneficiary will receive 50% of your benefit, paid monthly for his/her lifetime. You may designate only one person as your permanent beneficiary (this cannot be your spouse) and you cannot change this beneficiary after commencement of the benefit. NPERS will require legible proof of age of your beneficiary. (This option is not available to an Alternate Payee. For a definition of alternate payee, see “Spousal Pension Rights Act.”)

## WARNING



**You cannot change your payment option AFTER your effective date of retirement.** Before you make your selection, we suggest you obtain your personal estimates of benefit amounts by contacting NPERS or using the benefit estimator on the website at [npers.ne.gov](http://npers.ne.gov).



# Choosing a Payment Option

Things to discuss with your family before choosing an option:

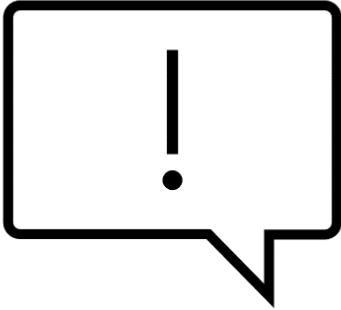
- Your health and family health history
- Other financial income in addition to your retirement benefit
- Your beneficiaries who might depend on a benefit if you die
- The health of your beneficiaries
- The age difference between you and your beneficiaries

## Salary Replacement

Years of Creditable Service	% of Final Average Compensation Age 65 – Option 3(a)
5	10%
10	20%
15	30%
20	40%
25	50%
30	60%
35	70%
40	80%

To qualify for the 2% multiplier, you must have been employed on or after May 2, 2001, and earned at least one-half year of creditable service on or after the 2000-2001 school year.

# Suspension of Benefits



- Keep your address current with NPERS!
  - Benefits will be suspended if mail is designated undeliverable & returned to our office.
- Submit updates in writing to our office.
  - All benefits will be restored.

# Reemployment After Retirement

## Federal Tax Code

- Requires a termination to take benefits
  - Benefits = pension/annuity or refund

## *Bona Fide Termination* Per Nebraska Statute

- Minimum 180 calendar day-break
- At all participating plan employers
- No service during this time
  - Paid or Voluntary
  - Part-time/Temporary/Seasonal

# Reemployment After Retirement

## Substitute and/or Voluntary Service Exception (Statute 79-902(45)(b)(i))

Subbing and/or Volunteering allowed during the 180-days if...

- Service is on an *intermittent basis*.
  - Defines ***intermittent basis*** as no more than 8 days in a calendar month of voluntary and/or substitute service provided on a day-to-day basis (no prearrangement).
  - Further defines ***day of service*** as any length of voluntary and/or substitute service provided during a single calendar day. This is whether that service is 5 minutes or 8 hours long.

## Substitute and/or Voluntary Service Exception:

### Things you CAN'T DO:

- Combine 8 subbing days and 8 volunteering days – 16 days total
- 8 days at one NE school and another 8 at a second NE School -16 days total
- Agree to train your replacement (prearrangement)
- Refereeing, Officiating, or Coaching –considered regular employment

# Reemployment After Retirement

## Prearranged Returns to Employment

- Not a *bona fide termination*
  - Ineligible for pension/annuity or refund
- Any written or verbal agreement made prior to or during the 180-day break
  - Members cannot agree “in advance” to resume service/employment after 180 days
- Includes agreements to provide:
  - Paid or voluntary service
  - Part-time/Temporary/Seasonal/Coaching etc.

# Reemployment After Retirement

## If No *Bona Fide Termination*

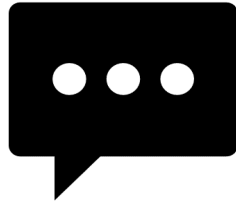
- Mandatory benefit repayment
- The full amount paid...
  - May include interest
- Potential garnishment of assets

## Reemployed *After a Bona Fide Termination*

- Return as a new member & new account
  - New account in Tier 4
  - Prior account benefit payments continue

## Reemployment After Retirement

When in doubt... Contact NPERS!



# REEMPLOYMENT

State statute and federal tax code regulations stipulate a member **MUST** incur a bona fide termination of employment in order to receive a refund or retirement benefit. If it is determined a reemployed member did not incur a bona fide termination of employment, benefits will be suspended, and the member shall be required to repay all refunds or benefits plus interest.

Per Nebraska Statute, a member shall not be deemed to have incurred a bona fide termination if he/she subsequently provides service (paid or voluntary) for any employer participating in the retirement system within 180 calendar days after ceasing employment, unless such service is minimal substitute and/or volunteer service provided on an intermittent basis.

In this context, “intermittent basis” means no more than 8 days in a calendar month of voluntary and/or substitute service provided on a day-to-day basis (no prearrangement) and a “day of service” means any length of voluntary and/or substitute service provided during a single calendar day (whether that is 5 minutes or 8 hours of service). For more information regarding this type of service refer to our Frequently Asked Questions (FAQ) about LB 147’s Changes to the Termination of Employment Rules document available on our website.

Federal law prohibits an employee and employer from prearranging ANY return to employment or service at an employer participating in the School Plan during or before the 180-day period. These arrangements are considered by the IRS as a “sham termination.” If at any time it is determined a sham termination has occurred, benefits will be suspended and all benefits previously issued must be repaid – including interest. Failure to repay can result in garnishment of assets including wages, checking and savings accounts, and other retirement assets.

## ***Reemployment Before Retirement***

### REEMPLOYMENT BEFORE RETIREMENT

**If you have previously taken a refund:**

If you have previously taken a refund of your accumulated contributions plus interest, you may repay the total amount and reestablish your prior service credit. If you choose to not repay the refund, you will reenter the system as a new member (see “Repayment of Refund”).

**If you have NOT previously taken a refund:**

If you have NOT taken a refund of your account, the new service credit you acquire will be added to your previous service when determining total “creditable service” for retirement purposes.

## WARNING



If you have terminated employment and taken a refund, your previous beneficiary designation(s) is void and you must complete and submit to NPERS a new Beneficiary Designation form.

## Reemployment After Retirement

If you return to employment after fulfilling the requirements for a bona fide termination and meet membership requirements, you will return to plan participation as a new member. Retirement contributions will be withheld from your compensation and you will receive service credit for service commencing from the date of eligibility. Your tier of participation will be based on the date you returned to plan participation. You should fill out a new Beneficiary Designation Form for your new account when you return to work.

## IMPORTANT



If you return to employment, that is provide service other than intermittent voluntary and/or substitute service, at any participating employer prior to 180 calendar days from your termination date, you must notify NPERS of your return to service.

## Death Before Retirement

### Spousal Benefit

- 20 years of service or age 65
  - Eligible for annuity
- 5 to 20 years of service
  - Annuity OR
  - Refund +101%

### Annuity Option

- Spouse must be the sole primary per a beneficiary form
- File within 120 days of death

### Non-Spousal Benefit OR Less Than 5 Years

- Lump sum payment of member contributions

# DEATH BENEFITS

## Death Benefit After Retirement

If your death occurs *after* you have begun receiving your retirement benefits, your beneficiary(ies) or estate will be eligible for any payments remaining under the retirement option you selected when you retired. Proof of death is required before payment can be made.

## Death Benefit Before Retirement

If you die *prior to* your date of retirement, your benefits will go to your named, primary beneficiary(ies). Your benefits will go to your named, contingent beneficiary(ies) only if *all* your primary beneficiary(ies) have predeceased you. NPERS does not observe the passing of benefits to heir(s) of deceased beneficiary(ies) *per stirpes* (see “Beneficiary Designation”).

### IMPORTANT



The spousal death benefits will apply **ONLY** if you have submitted a beneficiary form to NPERS designating your spouse as your sole, primary beneficiary.

If you die while employed with the public school system, your school district should notify NPERS as soon as possible. NPERS will send the necessary forms to the beneficiary you have listed.

## General Beneficiary’s Option

If you die prior to retirement, your estate or named beneficiary, other than a surviving spouse (see below for spouse’s options), will receive a lump-sum refund of your contributions plus accumulated interest. RMD requirements apply (see “Taxation”).

## Surviving Spouse’s Options

***If you die prior to retirement and have designated your spouse as the sole, primary beneficiary by submitting a beneficiary form to NPERS, the following options are available:***

If you die with 20 or more years of creditable service...

**OR**

You are age 65 or older...

### YOUR SURVIVING SPOUSE MAY CHOOSE:

#### ANNUITY OPTION

Provided your spouse applies to NPERS **within 12 months** of the date of your death, he/she may select a monthly retirement annuity benefit, paid for the rest of his/her life under a 100% Joint and Survivorship option. The benefit is effective on the date of your death, regardless of your age at death, and will not be reduced for early retirement. NPERS will require legible proof of age for your spouse and a legible certified copy of your marriage license.

If the 12-month deadline is **not** met, your spouse will receive a refund consisting of your contributions plus accumulated interest.

### OR THEY MAY CHOOSE:

#### REFUND OPTION

Provided your spouse applies to NPERS **within 12 months** of the date of your death, he/she may elect to receive a lump sum refund of your contributions plus interest AND an additional amount equal to 101% of your contributions plus interest. If you terminated prior to May 1, 2001, or the 12 month deadline is **not** met, your spouse will receive a refund consisting of your contributions plus accumulated interest.

If you die with 5 or more years of creditable service but less than 20 years of creditable service...

**AND**

You are younger than age 65 at death...

### YOUR SURVIVING SPOUSE MAY CHOOSE:

#### ANNUITY OPTION

Provided you were employed in a Nebraska public school on or after May 1, 2001, and your spouse applies to NPERS **within 12 months** of the date of your death, he/she may select a monthly retirement annuity benefit, paid for the rest of his/her life under a 100% Joint and Survivorship option. The annuity will be reduced for early retirement. NPERS will require legible proof of age for your spouse and a legible certified copy of your marriage license.

If this deadline is **not** met, your spouse will receive a refund only of your contributions plus accumulated interest.

### OR THEY MAY CHOOSE:

#### REFUND OPTION

Provided you were employed in a Nebraska public school on or after May 1, 2001, and your spouse applies to NPERS **within 12 months** of the date of your death, he/she may elect to receive a lump sum refund of your contributions plus interest **AND** an additional amount equal to 101% of your contributions plus interest. If you terminated prior to May 1, 2001, or the 12 month deadline is **not** met, your spouse will receive a refund consisting of your contributions plus accumulated interest.

If you die with less than 5 years of creditable service...

**AND**

You are younger than age 65 at death...

### YOUR SURVIVING SPOUSE WILL RECEIVE:

- A lump-sum refund of your contributions plus accumulated interest.

All or part of a death benefit refund may be rolled over or transferred to another eligible retirement plan or IRA (Traditional or Roth).

### IMPORTANT



- If you die after your effective date of retirement, NPERS will pay the benefits under the designated retirement payment option on your Application for Retirement (see "Retirement Benefit Payment Options").
- Proof of death is required before death benefit payments can be made.
- Once a beneficiary begins receiving a benefit, upon the beneficiary's death any remaining benefit will be paid to the beneficiary's estate. Designations *per stirpes* are not observed.
- NPERS recommends your beneficiary notify our office of your death as soon as possible. This is especially important if, at the time of your death, you were not actively employed in a public school and had deferred your retirement benefit.



# Beneficiary Changes

## Change by mail

- Obtain form from employer or NPERS website
  - Cannot ID beneficiaries by phone
  - You can review but not change online
- Complete form and mail in
  - Signature must be **notarized**

## When to designate

- Now
- At retirement, based on retirement payment option

## Beneficiary Designation Form

- Mark plan type
- List **primary** beneficiary(ies)
  - Your survivors **or**
  - Your estate **or**
  - A trust (or other legal entity)
    - Include name of Trust
    - Include name of Trustee
- Percentages must equal 100%
- Fractional amounts up to two decimal places
- List **contingent** beneficiary(ies)

Name Last First Middle Maiden		Date of Birth - -	Plan Type (check all that apply) <input type="checkbox"/> School <input type="checkbox"/> State <input type="checkbox"/> County <input type="checkbox"/> Judges <input type="checkbox"/> Patrol <input type="checkbox"/> DCP
Social Security Number - -		Email Address	
Address		City State Zip	
Home Phone	Work Phone	Employer	

### Beneficiary Designation Form

**READ CAREFULLY BEFORE COMPLETING:** Benefits will be paid to your survivors exactly as you provide on this form. This form supersedes prior beneficiary designation forms. If you name a trust or other legal entity as your beneficiary, include the name of both the trust and the trustee. Submit the original document only; **photocopies and faxes will not be accepted.** If you wish to designate more than five beneficiaries in either the Primary or Contingent category, you must attach a supplemental form(s) and indicate the number of additional pages here. \_\_\_\_\_

**PRIMARY BENEFICIARY(IES):** I designate the following person(s) to be my Primary Beneficiary(ies) for the Retirement Plan noted above. All Primary Beneficiaries designated will share equally in the benefit unless I have included a percentage (%) amount on the line following the date of birth below. **(The shares of all Primary Beneficiaries must total 100%.) PLEASE PRINT.**

Name of Beneficiary	Spouse/Child/Other	M / F Gender	Social Security Number	Date of Birth	%
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

**CONTINGENT BENEFICIARY(IES):** I designate the following person(s) to be my Contingent Beneficiary(ies) for the Retirement Plan noted above. I understand my Contingent Beneficiary(ies) will receive a share of my benefit if all Primary Beneficiaries pre-decease me or refuse their shares of the benefit. All Contingent Beneficiaries designated will share equally in the benefit unless I have included a percentage (%) amount on the line following the date of birth below. **(The shares of all Contingent Beneficiaries must total 100%.) PLEASE PRINT.**

Name of Beneficiary	Spouse/Child/Other	M / F Gender	Social Security Number	Date of Birth	%
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

#### SIGNATURE OF MEMBER

Date \_\_\_\_\_

I hereby certify that the above member, whose identity I have established to my own satisfaction, freely and voluntarily signed this beneficiary designation form in my presence.

State of \_\_\_\_\_

County of \_\_\_\_\_

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

STAMP HERE

#### NOTARY PUBLIC SIGNATURE

My commission expires: \_\_\_\_\_

## Beneficiary Designation Supplemental Form

**IMPORTANT:** This form is to be used as a supplement to the Beneficiary Designation Form only if you wish to designate more than five Primary or Contingent Beneficiaries. You may use as many Supplemental forms as needed. ***This form will NOT be accepted without the original, notarized Beneficiary Designation Form.***

**NAME** \_\_\_\_\_

**SOCIAL SECURITY NUMBER** \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

### PRIMARY BENEFICIARY(IES) (continued):

Fill in a percentage amount (%), for all persons designated below **(the shares of all primary beneficiaries must total 100%, including those listed on page 1)**. If all beneficiaries are to share equally, no percentage needs to be listed. **PLEASE PRINT.**

Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____

### CONTINGENT BENEFICIARY(IES) (continued):

Fill in a percentage amount (%), for all persons designated below **(the shares of all contingent beneficiaries must total 100%, including those listed on page 1)**. If all beneficiaries are to share equally, no percentage needs to be listed. **PLEASE PRINT.**

Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____
Name of Beneficiary _____	Spouse/Child/Other _____	<u>M / F</u> Gender _____	Social Security Number _____	Date of Birth _____	% _____

**SIGNATURE OF MEMBER** \_\_\_\_\_ **Date** \_\_\_\_\_

# Health Insurance

Ages 50-65

- *EHA and BCBS*
  - Direct Bill Plan
  - You pay full premium, plus fees
  - Website: [ehaplan.org/retiree-info](http://ehaplan.org/retiree-info)
- *Affordable Care Act?*

Age 65

- *Medicare*
  - SHIP Presentation



## HEALTH INSURANCE AFTER YOU RETIRE

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Maintaining your health insurance coverage after retirement is an important part of providing economic security during your retirement. A group health insurance policy gives you access to both a large network of participating providers and to lower group costs for insurance.

### Coverage options

1. You may continue your current coverage on a COBRA plan for up to 18 months after your employment ends, and you will need to contact your COBRA administrator for additional details.
2. If you have 60 months of continuous Educators Health Alliance (EHA) coverage through your school system and are between the ages of 50 – 64, you will be eligible to continue your group health insurance on a **Direct Bill Plan**. Once you turn 65 years old and become eligible for Medicare, you will be given the opportunity to convert to an Educators' Medicare Supplement plan.

3. If you are over age 65 when you terminate your group health insurance plan through an EHA school, you will be opportunity to apply for an Educators' Medicare Supplement plan.
4. You may purchase your own retail policy by contacting an agent at the insurance company of your choice.

### **How it works**

1. Notify your school benefits department that you intend to retire, and your school will notify Blue Cross and Blue Shield of Nebraska that your group coverage will be terminating.
2. Blue Cross will mail you a health insurance packet of materials that explains your coverage options as an EHA retiree. If notification is received in a timely fashion, your packet will be mailed approximately 45 days before the end of your coverage. If you have questions about your current coverage termination date, please contact your benefits department.
3. Complete your health insurance application and return it to Blue Cross and Blue Shield of Nebraska (Attention: Membership) at PO Box 3248, Omaha, NE 68172.
4. When you near age 65, contact Social Security and Medicare up to 3 months prior to your birth month to apply for Medicare. You can get enrollment information on Medicare's web site at ***www.medicare.gov***, or call Medicare at 1- 800-MEDICARE (1-800-633-4227).
  - a. Social Security can help you with signing up for Medicare Part B. You can reach Social Security at 1-800-772-1213.
  - b. Additional information and help with enrollment in Medicare can be obtained by calling the Nebraska Senior Health Insurance Information Program, SHIIP, at 1-800-234- 7119.
  - c. **Note:** The Educators' Medicare Supplement plans do not include prescription coverage, so you will need to contact an agent with your local health insurance company to purchase a prescription plan.