

May 2016

TFFR
BUSINESS
MANAGER
WORKSHOP

What's Not New



- TFFR Contact Information

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What's New!!!

GASB 68 FY2015 Information

- GASB 68 FY2015 Report
(handout)
- Disclosure Template – 2016
(handout)
- Sample Journal Entries – 2016

BEGIN BY FILLING IN THE BLANKS IN THIS SECTION

Actual Current Year (FY16) contributions paid were	9,000,000	employer contributions only - not employer paid employee portion - from TFFR Employer Summary Report 6/30/2016
Actual Prior Year (FY15) contributions paid were	8,456,738	employer contributions only - from Exhibit E Column 8 of 2015 TFFR GASB 68 Report (enter as a positive)
Beginning NPL	111,509,377	Exhibit E Column 2 from 2014 TFFR GASB 68 Report
Pension Expense	9,590,235	Exhibit E Column 13 from 2015 TFFR GASB 68 Report
Deferred Outflows of Resources 2015	18,166,485	Exhibit E Column 17 from 2015 TFFR GASB 68 Report
Deferred Inflows of Resources 2015	1,590,365	Exhibit E Column 22 from 2015 TFFR GASB 68 Report
Deferred Outflows of Resources 2014	852,639	Exhibit E Column 17 from 2014 TFFR GASB 68 Report
Deferred Inflows of Resources 2014	12,667,724	Exhibit E Column 22 from 2014 TFFR GASB 68 Report
Ending NPL	141,034,081	Exhibit E Column 2 from 2015 TFFR GASB 68 Report
Net Debit "DR"/(Credit "CR") to NPL	(29,524,704)	

7/1/15 Reverse deferral of previous year contributions	
DR NPL	8,456,738
CR	
Deferred Outflows	8,456,738

6/30/16 Entry		
DR(CR) NPL	(37,981,440)	net difference - calculated
DR(CR) Pension Expense	9,590,235	
DR(CR) Deferred Outflows	17,313,846	
DR(CR) Deferred Inflows	11,077,359	

Disclaimer: The GASB 68 Employer Sample Journal Entries provided by the North Dakota Teachers' Fund for Retirement (TFFR) are intended to provide participating employers with general guidance in accounting and financial reporting matters. The materials do not constitute, and should not be treated as, professional advice regarding the use of any particular financial reporting technique. Every effort has been made to assure the accuracy of these materials. However, TFFR participating employers and auditors should independently verify all statements and journal entries before applying them to a particular fact situation, and should independently determine the consequences of any particular technique before implementing.

6/30/2016	
The entries above result in a net DR/(CR) to NPL of	(29,524,702)
Net Change required to get to correct ending NPL	<u>(29,524,704)</u>
	-
Additional DR/(CR) to NPL required	(2)
Offsetting (DR)/CR entry should be to Pension Expense	

This additional entry is needed do to certain rounding differences within the schedules.

6/30/16 For deferral of current (FY16) contributions	
DR Deferred Outflow	9,000,000
CR Pension Expense	9,000,000

Updated TFFR Forms

- **Member Action Form**

- Added confirmation that individual has a ND teaching license and a written agreement

- **Salary Verification—Pending Retiree Form**

- Complete using **contract** salary not retirement salary

- Remember to attach pay documentation (contracts, pay authorizations, etc.)

- **Notification of District Changes** (handout)

- Contact information for business manager and administrator

- Every employer needs to complete and return to TFFR



MEMBER ACTION FORM (001)
 NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE
 TEACHERS' FUND FOR RETIREMENT DIVISION
 SFN 50981 (4-2016)

Please see reverse side for important information on death benefits, naming a beneficiary, and purchasing refunded service credit. In compliance with the Federal Privacy Act of 1974, the disclosure of the individual's social security number on this form is mandatory pursuant to 26 U.S.C. § 3402. The individual's social security number is used for tax reporting and as an identification number.

Name (First, Middle, Last)		Social Security No. or Person ID	Gender	Birth Date
Mailing Address (Street or Box)		City	State	ZIP Code
Married <input type="checkbox"/>	Single <input type="checkbox"/>	Maiden Name	Name of Spouse (First, Middle, Last)	
School District		Work Telephone No.	Home Telephone No.	E-mail Address

- I have a current ND teaching license and a contract or other written employment agreement with the employer above.
 Yes No
- I am (Check only one if applicable):
 New, first time TFFR member. Complete #3 and #4. On a leave of absence for school year(s) _____.
 Active TFFR member changing or adding an employer. Returning from a leave of absence effective _____.
 Inactive TFFR member returning to employment. Retired TFFR member returning to employment.
 Refunded TFFR member returning to employment.
 Complete #3 and #4.
- I have previous ND employment covered by the Public Employees Retirement System (PERS) or the Highway Patrol Retirement System (HPRS). Yes No Where _____ When _____
- I am naming or updating my beneficiary designation.

Primary Beneficiary(ies)	Relationship	Social Security No.	Date of Birth	Gender	% Share	Address
Total must equal					100%	

Spousal Consent

If you are married and designate a beneficiary other than your spouse, your spouse must consent in writing to the alternate beneficiary (NDCC 15-39.1-17).

I have read and understand the death benefit information on the reverse side. I consent to the above named beneficiary(ies) designated by the above named TFFR member.

Signature of Spouse
Date

Member's Signature

I have read and understand the death benefit information on the reverse side. I designate the above named beneficiary(ies) to my TFFR account.

Signature of Member
Date

Return To:
 ND Retirement and Investment Office
 1990 Burnt Boat Drive, P.O. Box 7100
 Bismarck ND 58507-7100
 www.nd.gov/rfo

Telephone: 701-328-9885
 Toll free: 800-952-2970
 Fax: 701-328-9897

This form is available in an alternate format upon request.



SALARY VERIFICATION – PENDING RETIREE (126)

NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE
 TEACHERS' FUND FOR RETIREMENT DIVISION
 SFN 59158 (2-2016)

Member: Take this form to your employer's business manager or payroll office for completion. Discuss with them any anticipated leave without pay and/or any extra duties that may affect your current salary.

Business Manager: Please complete this form for a TFFR member who is retiring. List base contract salary and detail any salary additions or reductions by month. Include any salary to be earned or lost in the appropriate month. Additional pay must be documented. Please include copies of all pay documentation (contracts, board minutes authorizing payment, etc.) and any other documentation that will assist TFFR in verifying the member's current salary. Report eligible TFFR salary only.

Member Name	Person ID (Office Use)	Fiscal Year 7-01-____ through 6-30-____
Annual Base Contract Salary	Number of Payments	
Estimated Last Day Worked	Estimated Number of Compensated Hours	

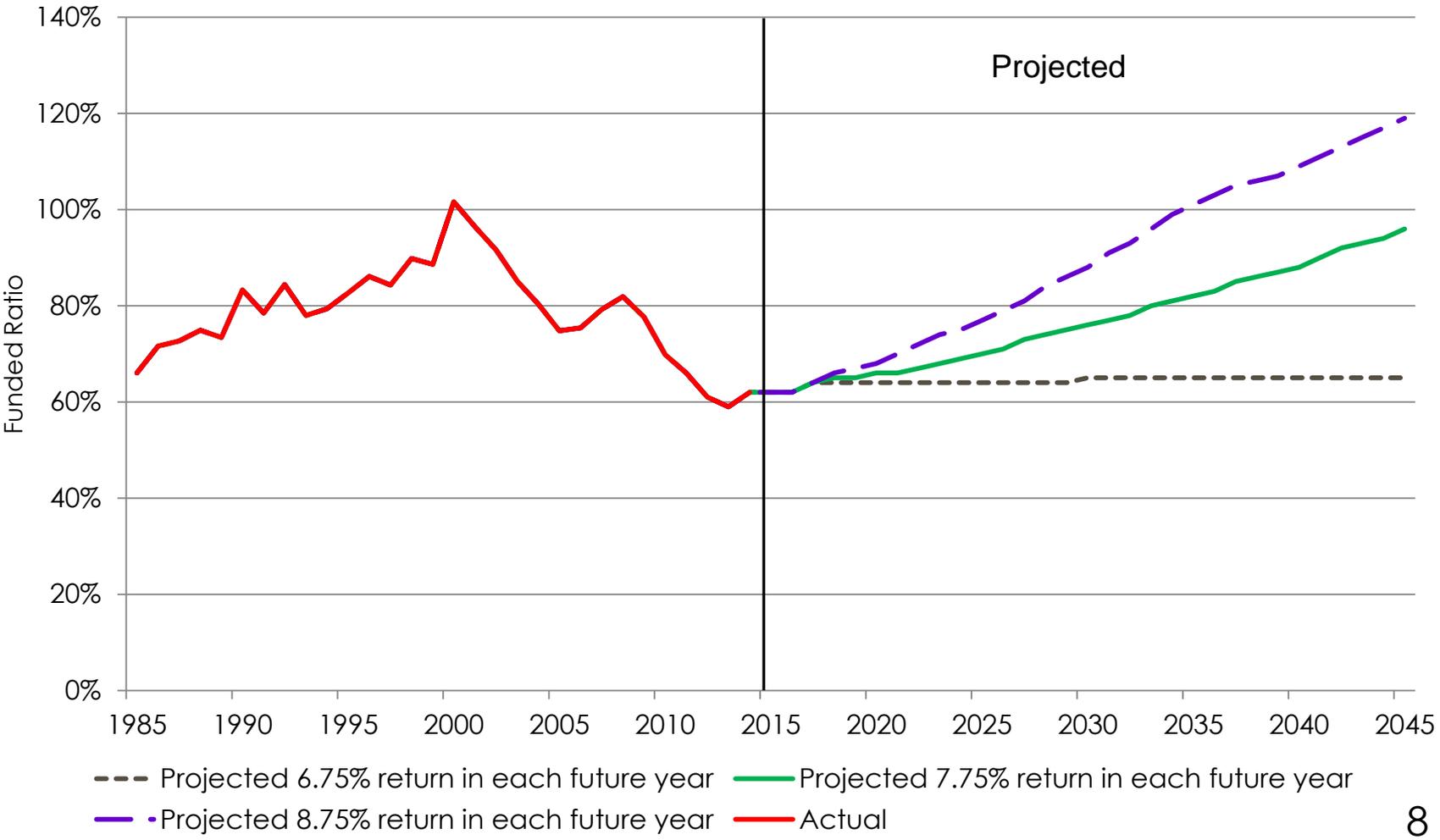
Month	Base Contract	Additions/Reductions to Base Contract (Do not list ineligible TFFR pay—Ex: unused leave, bus driving, etc.)	Total Eligible Contract Salary (Do not include TFFR pickup)
<i>Example</i>	\$3,000	\$1,000 BB Coaching; \$500 Curriculum Writing; -\$230.50 Leave W/out Pay	\$4,269.50
July			
August			
September			
October			
November			
December			
January			
February			
March			
April			
May			
June			
Total Estimated Eligible Contract Salary for Fiscal Year			\$

Name of Employer	Employer Number	Employer Model
Signature of Business Manager	Date	Telephone Number

Return to: ND Retirement and Investment Office
 PO Box 7100, Bismarck ND 58507-7100
 Telephone: 701-328-9885 Toll Free: 1-800-952-2970
 Fax: 701-328-9897 Website: www.nd.gov/rio

TFFR Funded Ratio (AVA)

Actual and Projected (based on 2015 valuation)



Recent TFFR Studies

- Actuarial Experience Study
- Asset Liability Study
- Actuarial Audit
- IRS Determination Letter

New TFFR Board Policy – Ineligible TFFR Salary

- Effective July 1, 2016, additional payments made by a TFFR participating employer to a licensed TFFR member for equipment maintenance and repair, jobsite prep and finish work, and similar types of non-teaching duties are not eligible salary for TFFR purposes if the duties are not included on the member's regular teaching contract(s).

Sample Contract 1

Workforce Training Instructor Contract

I, the undersigned, agree to the following Customized Training contract terms between,

Instructor:

Training: CDL Permit Prep and Driving Course
June 10 – July 19, 2013*
Monday-Thursday 3:30-9:30 p.m. / Saturdays 8:00 a.m.-6:00 p.m. (220 hours)
*Dates/times may change

Payment:

\$27.50 per hour X 40 Permit Prep Course hours = \$1100.00
\$27.50 per hour X 6 Permit Prep Course prep hours = \$165.00
\$27.50 per hour X 180 Driving Course hours = \$4950.00
\$27.50 per hour X 28 Driving Course prep hours = \$770.00
\$27.50 per hour X 50 submitted hours of prep maintenance on tractor trailer = \$1,375.00

Reportable

Total = \$8360.00

- Training will take place at I
- Rate of pay will be \$27.50 per hour for classroom and prep hours.
- Prep hours are based on 1 hour prep for every 6 hours of teaching.
- Contract is for 220 hours of hands-on instruction, 34 hours of prep time, and 50 hours of submitted hours of prep maintenance.
- Testing hours will be additional to contract and prior arrangements will be made for scheduling testing for students.
- Instructor is expected to be at training site 15 minutes prior to class time.
- Payment will be paid in three installments or payroll dates.
- Fringe benefits to include: TFFR, Social Security, Medicare.

Workforce Training Instructor

6-19-13
Date

Director

6-10-13
Date

6/10/2013

Sample Contract 2

Reportable

CDL DRIVER TRAINING

MEMORANDUM OF AGREEMENT

2012-13

will be compensated at a rate of \$27.50 per hour for CDL Driver Testing for held April 29, 30, May 1, 2 and 22, 2013 for a maximum of 15 hours. Fringe benefits will include Employer's share of Social Security/Medicare and Teachers Fund for Retirement. Time sheets will be kept as evidence of hours completed. Late time sheets will be run in the following month's payroll.

I agree to the above terms.

Date

Date

Sample Contract 3

EMPLOYMENT AGREEMENT

NAME: _____

DATE: 5-30-14

S.S.#: _____
Summer Work

EMPLOYEE CLASS: High Tech Consortium

The capacity of your position is to rotate and prepare the equipment for the STEM Academy in _____
1. Summer inventory and maintenance on the equipment to prepare for the fall 2012 rotation is also included.

Not Reportable

1. Your employment period begins ~~August 1, 2014~~ August 1, 2014 and ends ~~August 8, 2014~~ August 8, 2014 provided work is satisfactory or there is no curtailment or lack of work during this period of time.
2. Your salary for this period of employment has been set at: \$9.00 per hour for drive time and \$13.00 per hour for equipment work with a maximum of \$2,000.
3. You are entitled to 0 days of vacation leave.

Please sign and return all copies of this agreement, one copy shall be returned to you.

Return by: May 15, 2014

Employee

Assistant Director

Sample Contract 4

Not Reportable

PLASMA CUTTER REPAIR MEMORANDUM OF AGREEMENT

2013-14

will be compensated at a rate of \$27.50 per hour for repair of Plasma Cutter in
Repair for Plasma Cutter will be October 3, 2013/outside of contract time for a total
of 2.5 hours. Fringe benefits will include Employer's share of Social Security/Medicare and
Teachers Fund for Retirement. Time sheets will be kept as evidence of hours completed. Late
time sheets will be run in the following month's payroll.

I agree to the above terms.

Date

Date

Before and After School Programs

- Licensed teacher with a written agreement to work a before or after school program
 - ❖ **Report before and after school pay**
- Licensed teacher with a written agreement works for you during the regular school day and also works a before or after school program without a written agreement (core worker in these programs or a fill-in)
 - ❖ **Report before and after school pay as additional duties**

Before and After School Programs

- Licensed teacher with no written agreement works a before or after school program
 - ❖ **Do not report before and after school pay**
- Licensed teacher hired and contracted by a consortium, REA, Special Education Unit, or Vocational Education Unit is assigned to provide services in your school. Any additional duties they do for you are reportable, except in-staff subbing (in-staff subbing can only occur with the contracting employer). If this individual works a before or after school program for you (core worker or fill-in) the work is reportable as additional duty pay. A fill-in for these programs is not in-staff subbing.
 - ❖ **Report before and after school pay as additional duties**

Same Gender Marriage

- A US Supreme Court decision requires that same gender marriages be recognized in all states and that married same gender couples receive all the legal rights and benefits afforded married opposite gender couples.
- Impacts available TFFR retirement benefit options and death benefits paid to a beneficiary if a TFFR member dies before retirement.
- TFFR members that need to update their marital status or designation of beneficiary should complete a Designation of Beneficiary form.

Non-District Licensed & Contracted Extra-Curricular Employees

- Licensed employees that perform only extra-curricular duties with a written agreement must be reported to TFFR.

2017 Legislation

- As of now, TFFR is not aware of any proposed legislation that impacts the pension plan.

Interest Charged on PFY Corrections

- Changed from 8% to 7.75%

Late Reporting Penalty and Interest

- \$250 Penalty
- 1% Interest per month (12%)

Business Manager Training Workshops

- Created for new business managers (3 or less years of experience)
- TFFR reporting basics
- Informal training at TFFR office in Bismarck
- 2-3 hours long
- Small class size (5 or less business managers per session)
- First session scheduled – June 16, 2016

Questions??

