

Report Card Highlights

Enclosed is the recent issue of the Report Card newsletter. Please pay special attention to the following articles:

- **Legislative Study Bills for 2009** – Two bills impacting TFFR have been filed with the interim Legislative Employee Benefits Programs Committee for study.
- **New Benefit Provisions From 2007 Legislation** – New TFFR members and returning refunded members employed on or after July 1, 2008 will be Tier 2 members. Tier 2 membership has a different retirement benefit structure but will not affect how employers report to TFFR.
- **Employer Contribution Rate Increase** – Effective July 1, 2008, employer contribution rates increase from 7.75% to 8.25%. Member contribution rates remain at 7.75%. The employer contribution rate increase applies to both Tier 1 and Tier 2 members, as well as re-employed retirees.
- **Benefits Counseling Outreach Programs** – Enclosed are the dates and locations available for TFFR members to schedule 30-minute individual counseling appointments to discuss TFFR benefits and other retirement concerns.

Pension Disclosure Statement (GASB #25)

TFFR receives numerous requests at the end of each fiscal year from various accounting firms requiring the dollar amount of contributions reported and paid by a given school district. The requested information is located on the final fiscal year-end employer summary report provided to school districts each August. On the final page of the summary report (employer totals section), the dollar amount of the contributions reported and paid is documented.

Since this documentation is provided to the school district on a fiscal year basis, the requests will be referred to the individual school district(s).

Enclosed is your final 2007-08 year-end Employer Summary Report and a copy of the GASB #25 Disclosure Statement.

Please review the final year end summary report for accuracy.



Regional Education Associations **(REAs)**

NDCC 15-39.1 requires TFFR membership for all persons licensed to teach in North Dakota by the ESPB and contractually employed in teaching, supervisory, administrative, or extracurricular services by any state institution, special education unit, school board, or other governing body of a North Dakota school district. This also includes persons contractually employed by one TFFR employer to provide services to another employer under a third party agreement.

Based on this language, we have determined that REA employees are subject to TFFR participation rules under the following conditions:

1. If an REA employee is licensed by ESPB, and contractually employed by an REA (or other TFFR employer), that person is required to participate in TFFR and member and employer contributions must be paid to TFFR.
2. If an REA employee is retired and receiving benefits from TFFR, that person is subject to the TFFR retiree annual hour limits and employer contributions must be paid to TFFR.

If you are a fiscal agent for an REA, please make sure you are properly reporting REA employees to TFFR. If you are aware of an REA that is its own fiscal agent and has not completed the paperwork to become a TFFR reporting employer, please contact Durene or Shelly at the retirement office.

Employing Retirees in Critical Shortage Areas

In addition to the "General Rule," retired teachers may also return to TFFR covered employment in an approved "Critical Shortage Area" (CSA) and exceed the annual hour limit

without losing retirement benefits. (See Member Handbook pg 41-43.) If the member's retirement date is after January 1, 2001, a one year waiting period is required. Only non-contracted substitute teaching may be performed during the waiting period.

The critical shortage areas are determined each year by the Education Standards and Practices Board (ESPB). For the 2008-2009 school year, all subject areas are deemed critical except elementary education and physical education. A critical shortage area exception may also be requested based on geographical area.

Reminders

- Please submit a Notification of School District Change form if there are any changes in contact or demographic information. This will ensure we have current information on file when corresponding with each district.
- If you are employing a new teacher or have teachers with a name or address change, TFFR will need a new Member Action form.
- If you are employing a new teacher, please double check and make sure you are including the correct social security number. Providing the wrong social security number creates many IRS and TFFR reporting problems.
- If you have employed a TFFR retiree, please make sure to complete the TFFR Retired Member Employment Notification form within 30 days of employment. This form must be completed each year a retiree is employed.
- For updated forms, please visit our website: <http://www.nd.gov/rio> or contact our office. Please discard outdated forms.