

TFFR Legislation Approved

House Bill 1080 sponsored by the TFFR Board has been approved by the Legislature. The provisions will go into effect on August 1, 2009 and include technical and administrative changes to the TFFR program. The changes have no financial impact on the Fund. Most of the changes are needed to incorporate federal tax law changes as they relate to qualified governmental plans. Other changes include clarification that non-contracted substitute teaching does not apply to the annual hour limit for re-employed retirees. In addition, confidentiality provisions are modified to allow disclosure of retirement information in certain limited situations.



Confidentiality of Records

Recently approved legislation modifies TFFR's confidentiality provisions. Following is a summary of the updated provisions. *Employers should pay special attention to subsections 4 and 13.*

All records relating to the retirement benefits of a member or a beneficiary under TFFR are confidential and are not public records. Employers must keep such information confidential. The information and records may be disclosed, under rules adopted by the TFFR board, only to the teacher, or to:

1. A person to whom the teacher has given written consent.
2. A person legally representing the teacher.
3. A person authorized by a court order.
4. A member's participating employer, limited to information concerning the member's years of service credit, age, employer and employee

contribution amounts, and salary. The board may share other types of information to validate the employer's compliance with existing state or federal law. Any information provided to an employer must remain confidential.

5. The administrative staff of NDPERS for purposes relating to membership and benefits determination.
6. State or federal agencies for the purpose of validating member eligibility or employer compliance with existing state or federal law.
7. Member interest groups approved by the board, limited to information concerning the member's death.
8. A government child support enforcement agency for purposes of establishing, modifying, or enforcing a child support obligation.
9. The member's spouse or former spouse, that individual's legal representative, or a judge, to aid the parties in drafting a qualified domestic relations order. The information disclosed must be limited to information necessary for drafting the order.
10. Beneficiaries designated by a member to receive benefits after the member's death, but only after the member's death.
11. The general public, but only after TFFR has been unable to locate the member for a period in excess of two years, and limited to the member's name and the fact that TFFR has been unable to locate the member.
12. Any person if the board determines disclosure is necessary for operational purposes.
13. A person if the information relates to an employer service purchase, but is limited to the member's name and employer, the amount of service credit purchased, and the total amount expended by the employer for the purchase. Information under this subsection may only be obtained from the member's employer.

TFFR Pre-Retirement Seminars

TFFR's 2009 statewide pre-retirement seminars have been scheduled and every teacher is invited to register. The full day pre-retirement planning seminar covers TFFR benefits, financial planning, estate planning, Social Security benefits, PERS health insurance, and adjusting to retirement.

The seminars will be held in Bismarck on July 14, 2009 and in Grand Forks on July 15, 2009. Your help in marketing these seminars is always appreciated. To register, teachers should call the TFFR office at 1-800-952-2970 or 328-9886.

Summer Programs

Summer programs like summer school and driver's education are generally reportable to TFFR because the teachers are under contract with the school district. To ensure proper documentation for all TFFR reportable summer employees, school districts should issue written agreements for summer programs. In some cases, the district may not issue summer contracts to any of its summer school teachers, but hires all their summer school teachers from within the district. If so, the summer school teaching is reportable to TFFR because the teachers are already contracted with the district. However, if the district does not issue summer school contracts and hires a summer school teacher from outside the district, the non-contracted teachers from outside the district are not reportable to TFFR.

Summer programs are reportable in the fiscal year in which the pay is earned. Salary earned for most summer programs (including driver's education) will be reported in two fiscal years.

Example: A licensed teacher is contracted to teach a summer program from June 1 through July 15 (20 days in June and 10 days in July). The employer needs to report the salary and hours earned from June 1 to June 30 on the June report (due July 15) and the salary and hours earned from July 1 to July 15 on the July report (due August 15) regardless of when the salaries were paid.

Reporting Leave of Absence

A member action form must be completed when a member is granted a leave of absence and another is required upon the member's return to TFFR

covered employment. Members on a leave of absence may not refund their account nor begin regular retirement benefits. However, TFFR disability benefits may be paid if a member is on medical leave and has used, forfeited, or been paid out all sick leave benefits.

Fiscal Year-End Reminders

- Salary needs to be reported when **earned** and not when paid. Members contracted over 9 months, but paid over 10, 11, or 12 months, must be expensed out on the June report which is due July 15.
- All member records including re-employed retirees must be closed with compensated hours and last date worked. Compensated hours should be capped at 700 hours for active members. However, do not cap the hours reported for re-employed retirees and report actual compensated hours even if it exceeds 700 hours. (For re-employed retirees, include in-staff subbing hours and exclude extra-curricular and professional development hours.)
- Payments for unused vacation and/or sick leave should not be reported to TFFR.
- An *Employer Payment Plan* form must be filed if an employer is changing models. The form should be sent no later than the due date of the first fiscal year monthly report (August 15). The new model must be implemented at the beginning of a fiscal year (July 1) and must cover all TFFR members. Administrators cannot be covered under a different model.
- If you do not have contributions to report for a month, written notification to TFFR documenting you will not be reporting anything is still required.



Spring IS coming!