

PENSION ACCOUNTING AND REPORTING REQUIREMENTS

TFFR receives requests at the end of each fiscal year from various accounting firms requiring the dollar amount of pension contributions reported and paid by a school district. The 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 TFFR contributions reported and paid are 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).

Your 2012-13 Employer Summary Report and a copy of the current Governmental Accounting and Standards Board (GASB) #25 Disclosure Statement were recently sent to all TFFR employers. **Please review the Employer Summary Report to make sure that the correct salary was reported for each teacher.**



GASB has recently approved two new standards that will change the accounting and financial reporting of public employee pensions by state and local governments. Statement No. 67, *Financial Reporting for Pension Plans*, addresses financial reporting for state and local government pension plans. Statement No. 68, *Accounting and Financial Reporting for Pensions*, establishes new accounting and financial reporting requirements for governments that provide their employees with pensions.

The guidance contained in these Statements will change how governments calculate and

report the costs and obligations associated with pensions. It is designed to improve the decision-usefulness of reported pension information and to increase the transparency, consistency, and comparability of pension information across governments.

Statement 67 replaces the requirements of Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, for most public employee pension plans. Statement 68 replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, for most government employers. The new Statements also replace the requirements of Statement No. 50, *Pension Disclosures*, for those governments and pension plans.

The provisions of Statement 67 are effective for financial statements for periods beginning after June 15, 2013, and the provisions of Statement 68 are effective for fiscal years beginning after June 15, 2014.

TFFR is working with our actuary to understand how the GASB changes will impact TFFR and TFFR employers. Additional information can be found at the GASB website, www.gasb.org. You should visit with your accounting, audit, and legal specialists for assistance in determining how these new standards will impact your school district financial statements.

DON'T BE LATE: TFFR REPORTS AND PAYMENTS DUE THE 15TH

The monthly report and payment of member and employer contributions must be received by TFFR by the 15th of each month following the month in which the members' salary was earned.

NEW MEMBER REPORTING REQUIREMENTS

If the 15th falls on a weekend or holiday, the report and payment are due the next business day.

State law requires TFFR to take action if an employer fails to remit the monthly report and payment by the due date. Employers that fail to remit the monthly report and/or payment by the due date, will be assessed a penalty of \$250 plus interest of one percent per month for each month the report or payment is late.

A written request from the Superintendent for a waiver of the \$250 penalty may be approved under limited circumstances, but the interest must be paid. TFFR may also notify the Department of Public Instruction to withhold state foundation payments until reports, payments, penalties and interest are paid.

REPORT CARD HIGHLIGHTS

The July 2013 edition of the [Report Card Newsletter](#) was recently published and can be viewed on our website. The newsletter contains the following highlights:

- **TFFR Celebrates 100 Years of Service to ND Educators**
- **2013 Member Handbook Updated**
- **Benefits Counseling Sessions**
Please help us market this program by encouraging your teachers to attend a benefits counseling session to discuss TFFR benefits and other retirement concerns.
- **New TFFR Board Members**
Mel Olson and Rob Lech were recently appointed to the TFFR Board.

VESTED INTEREST NEWSLETTER

The May 2013 edition of the [Your Vested Interest Newsletter](#) can be viewed on our website. Please take a few minutes to read this informative newsletter.

A [Member Action form](#) must be completed when a participating employer hires a new teacher or administrator. The form is also required if you rehire a teacher after a break in employment with your school district of one year or more. This form provides TFFR with important information including the member's legal name, social security number, birth date, current mailing address, and beneficiary information. Designating a beneficiary(ies) allows the member to direct payment of survivor benefits in the event of the member's death.

This form should also be used to notify TFFR of the following:

- A change in name or address
- An update to the beneficiary designation
- Taking or returning from a leave of absence

If we don't receive the Member Action form within thirty days from the date the member is first reported to TFFR, the employer may be assessed a \$250 penalty for late reporting.

E-MAIL ADDRESSES

We have learned from EduTech that the *sendit.nodak.edu* e-mail extension will be replaced in the spring of 2014. Once you have your new e-mail address, please notify Darlene at daroppel@nd.gov or fill out the [Notification of School District Changes](#) so TFFR can continue to send you the Briefly and other important correspondence.

NEW EMPLOYER GUIDE

The updated TFFR Employer Guide is available on our website at www.nd.gov/rio/TFFR/Employers

This is a great resource for any questions you may have regarding TFFR reporting.

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) without losing retirement benefits. If retired prior to January 1, 2001, no waiting period is required. However, if your TFFR 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 CSA exception must be requested each year by completing a [Retired Member Employment Notification form](#).

The critical shortage areas are determined each year by the Education Standards and Practices Board (ESPB). For the 2013-14 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.

TFFR FORMS

- ☺ Please submit a [Notification of School District Change form](#) if there are any changes in contact (i.e. superintendent/business manager) or demographic information.
- ☺ If you are employing a new teacher or have teachers with a change in their name or address, TFFR will need a new [Member Action form](#).
- ☺ If you have employed a TFFR retiree, please make sure to complete the [TFFR Retired Member Employment Notification form](#). This form must be completed each year a retiree is employed and submitted to TFFR no later than 30 days after employment begins.
- ☺ Please visit our website for other forms you may need at www.nd.gov/rio/TFFR/forms.

MAILING ADDRESS FORMAT

TFFR is asking for your help. Please take the time to review how you have the address formatted in your payroll system for each TFFR employee. The correct standardized mailing address should look **LIKE THIS**:

JANE TEACHER
123 WESTWOOD DR # 22
BISMARCK ND 58501-4567

NOT LIKE THIS:

Jane Teacher
123 Westwood Drive #22
Bismarck, ND 58501-4567



General Guidelines:

- ✓ ALL CAPS
- ✓ NO PUNCTUATION
- ✓ SINGLE SPACE BETWEEN EVERYTHING
- ✓ ABBREVIATE DIRECTIONS AND STREET SUFFIX NAMES UNLESS IT IS THE PRIMARY STREET NAME
- ✓ USE PO BEFORE BOX NUMBERS
- ✓ DUAL ADDRESSES - USE THE ADDRESS WHERE THE MAIL IS DELIVERED
- ✓ SPACE BETWEEN THE POUND (#) SIGN AND THE NUMBER FOLLOWING IT

An excellent website to check an address is the following:

<http://www.usps.com>

On the left side under “Quick Tools”, click on: **ZIP - Find a ZIP Code**

Type in an address and the correct format will be given.

HAVE A GREAT

2013-14

SCHOOL YEAR!