NEBRASKA STATE RETIREMENT SYSTEM
MANUAL FOR STATE AGENCIES

MISSION STATEMENT

The Nebraska Public Employees Retirement Systems (NPERS) recognizes the importance of providing accurate and timely information to employers supporting the State Retirement Plans. NPERS is committed to assisting Reporting Agents in fulfilling their responsibilities under state retirement laws.

PURPOSE OF THIS MANUAL

This manual is designed to assist State Employer Reporting Agents in the following areas:

- Understanding the structure and requirements of the State Employees Retirement Plan
- Ensuring accurate reporting and submission of required information
- Complying with contribution and eligibility rules
- Navigating benefit components including Defined Contribution and Cash Balance options
- Communicating effectively with NPERS and plan members

PLAN OVERVIEW

The State Employees Retirement Plan is administered by NPERS under the guidance of the Public Employees Retirement Board (PERB). The Plan provides retirement benefits to eligible employees in recognition of their service to the State of Nebraska. Participation is mandatory for all permanent full-time employees upon hire. The Plan is a qualified retirement plan under Internal Revenue Code Section 401(a), and includes both a Defined Contribution benefit and a Cash Balance benefit. Member and employer contribution rates are established in state statute. The plan year runs from January 1 through December 31.

NOTIFICATIONS AND DISCLAIMERS

This guidance document is advisory in nature but is binding on the Nebraska Public Employees Retirement Systems (NPERS) until amended by NPERS. A guidance document does not include internal procedural documents that only affect the internal operations of the agency and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedure Act. If you believe that this guidance document imposes additional requirements or penalties on regulated parties, you may request a review of the document.

When submitting information to NPERS, all documents must be typewritten or completed in blue or black ink for record retention purposes. If you have questions not addressed in this manual, please contact NPERS for assistance. Employees with questions about their retirement benefits should refer to the appropriate member handbook or contact NPERS directly.

If this document conflicts with governing law or administrative rules, those laws and rules take precedence over the content provided here.

Revised 06/2025

NPERS
NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS

1526 K Street, Suite 400
P.O. Box 94816
Lincoln, NE 68509-4816

Phone: 402-471-2053
Toll Free: 800-245-5712
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npers.ne.gov

CHAPTER 1

REPORTING AGENT INFORMATION

REPORTING AGENT

Each state agency must designate a Reporting Agent—this may be one individual or multiple staff members. The Reporting Agent serves as the primary point of contact for the Nebraska Public Employees Retirement System (NPERS). They may be responsible for responding to NPERS inquiries, submitting monthly reports, and/or submitting data for non-contributing members.

A Reporting Agent should be familiar with the state agency's payroll system, employment policies, and applicable retirement plan. They should also have access to personnel records. State agencies may designate additional staff as backup agents.

NPERS will provide usernames and passwords to designated Reporting Agents to allow secure online access for submitting reports and managing non-contributing member information. These credentials must not be shared with or used by any other staff.

EMPLOYER CONTACT / REPORTING AGENT FORM

NPERS must have current contact information on file for each employer contact. This ensures designated staff receive NPERS communications and system notifications.

Employers must submit the Employer Contact/Reporting Agent – Addition & Removal form to:

- Add or remove Reporting Agents
- Update email addresses
- Establish or modify portal access for non-contributing member data

The form allows entry of two contacts per submission. If more updates are needed, please submit multiple forms.

The form is available on the NPERS website under:

- Employer Reports > Forms for State Agencies > State & County Plan Forms

FORM REQUIREMENTS:

- The form must include original signatures; NPERS cannot accept typed or stamped signatures.
- A separate form must be submitted for each employer if a Reporting Agent serves multiple employers.
- All general NPERS correspondence will be directed to the designated Primary Contact listed on the form.

EMPLOYER CONTACT / REPORTING AGENT FORM

NPERS 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

Employer Name		Date	Plan Type (Check One)
Agency / County Number / District Number			☐ School ☐ Omaha ☐ State ☐ County ☐ Judges ☐ Patrol
Address			
City	State	Zip	

Employer Contact / Reporting Agent – Addition & Removal

Please use this form to add, update, or remove staff who will submit monthly reports, non-contributing member data, and/or function as a point of contact with the Nebraska Public Employees Retirement Systems (NPERS). **Anytime reporting agents or contacts within your organization change, please submit a new form.**

"Other" is used for contacts who do not necessarily need payroll or non-con related access.

Contact Information

Indicate if a new reporting agent/contact or update/removal of an existing reporting agent/contact. If new, indicate any reporting duties (Monthly, Noncons, or both). If there are no reporting duties, only enter contact information.

☐ Add/Update contact/agent (indicate duties/status below) ☐ Remove existing contact/agent (enter name below)

Access: ☐ Payroll / Monthly Reports ☐ Non-Con Data ☐ Other:____________________

CONTACT NAME	EFFECTIVE DATE OF ADDITION / UPDATE / REMOVAL
SOCIAL SECURITY NUMBER	DATE OF BIRTH
WORK PHONE	FAX NUMBER
WORK EMAIL	

SAMPLE

Contact Information

Indicate if a new reporting agent/contact or update/removal of an existing reporting agent/contact. If new, indicate any reporting duties (Monthly, Noncons, or both). If there are no reporting duties, only enter contact information.

☐ Add/Update contact/agent (indicate duties/status below) ☐ Remove existing contact/agent (enter name below)

Access: ☐ Payroll / Monthly Reports ☐ Non-Con Data ☐ Other:____________________

CONTACT NAME	EFFECTIVE DATE OF ADDITION / UPDATE / REMOVAL
SOCIAL SECURITY NUMBER	DATE OF BIRTH
WORK PHONE	FAX NUMBER
WORK EMAIL	

This form must be signed by a Superintendent, Administrator, Personnel Director, or Employer Contact.

Signature ____________________________ Date ________________

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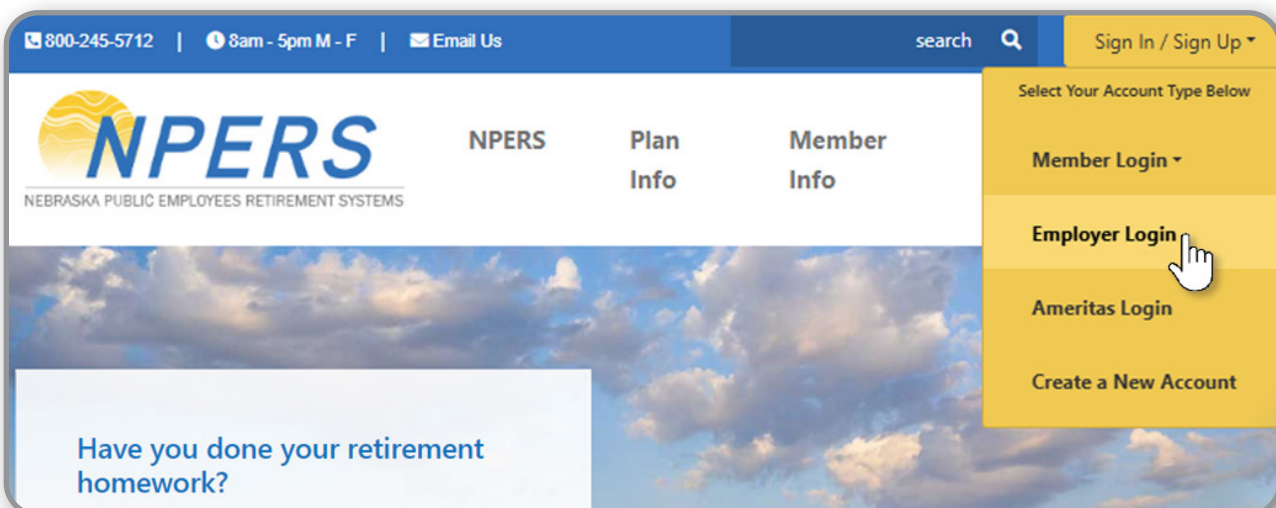
PAYROLL ADMINISTRATOR WEB ACCOUNT

After submitting your Employer Contact/Reporting Agent – Addition & Removal NPERS6305 Form, found on our website, NPERS will provide you with a Username and Temporary Password. You will use this information to activate your Payroll Administrator web account with NPERS. You will be reporting payroll and contribution information using the Nebraska Public Retirement Information System (NPRIS).

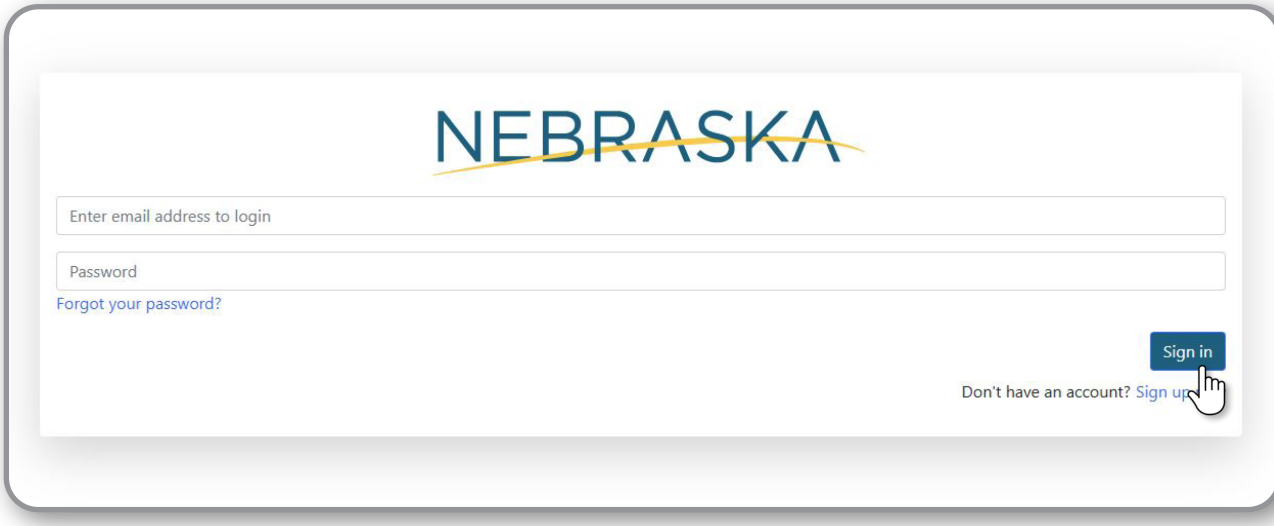
STEP 1 Fill out and submit your NPERS6305 Form to NPERS to receive your Username and Temporary Password.

STEP 2 Go to the NPERS website NPERS.NE.GOV. The home page will be displayed.

STEP 3 Under "**Sign in / Sign up**" on the top right corner of the page, click on **"Employer Login."**



STEP 4 Enter credentials and then click **“Sign in.”**



STEP 5 An Electronic Signature Agreement will appear on your screen. Once you have read the agreement, click “**I Agree.**”

I Agree Clicking on “**I Agree**” signifies that you are signing your report each time you log in to work on your report.

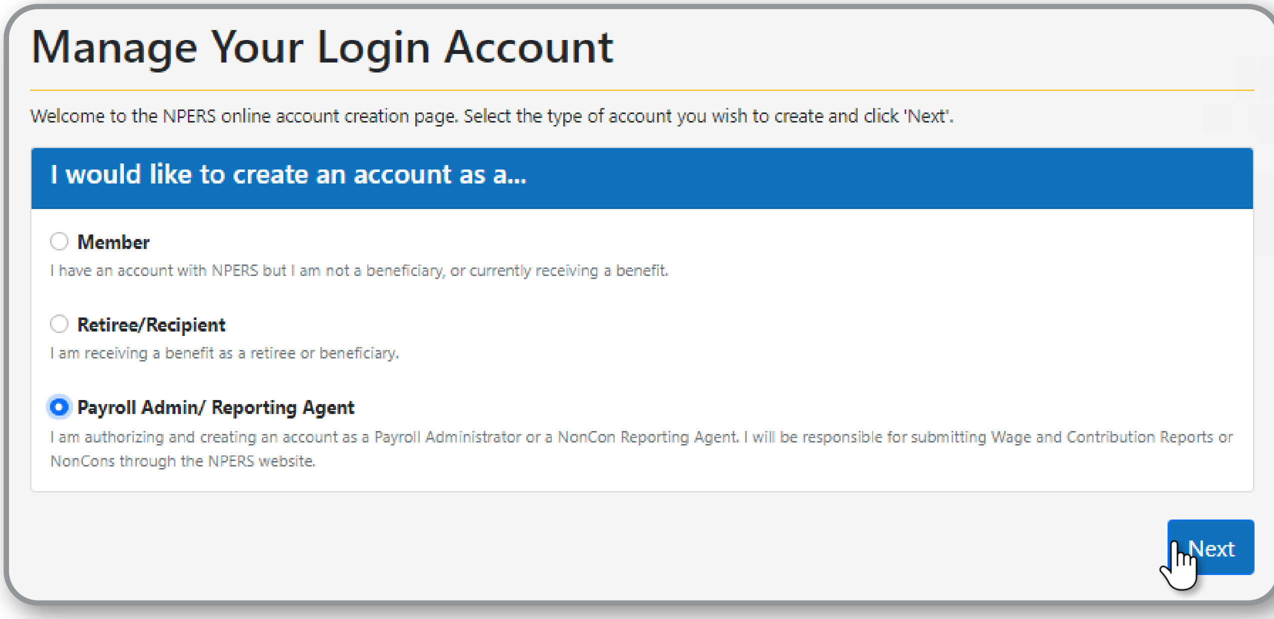
I Disgree If you click on “**I Disagree**,” you will need to remit a signed recap report.

STEP 6

You will now see the web page "**Manage Your Login Account**."
Select **"Payroll Administrator."** Click the "**Next**" button.

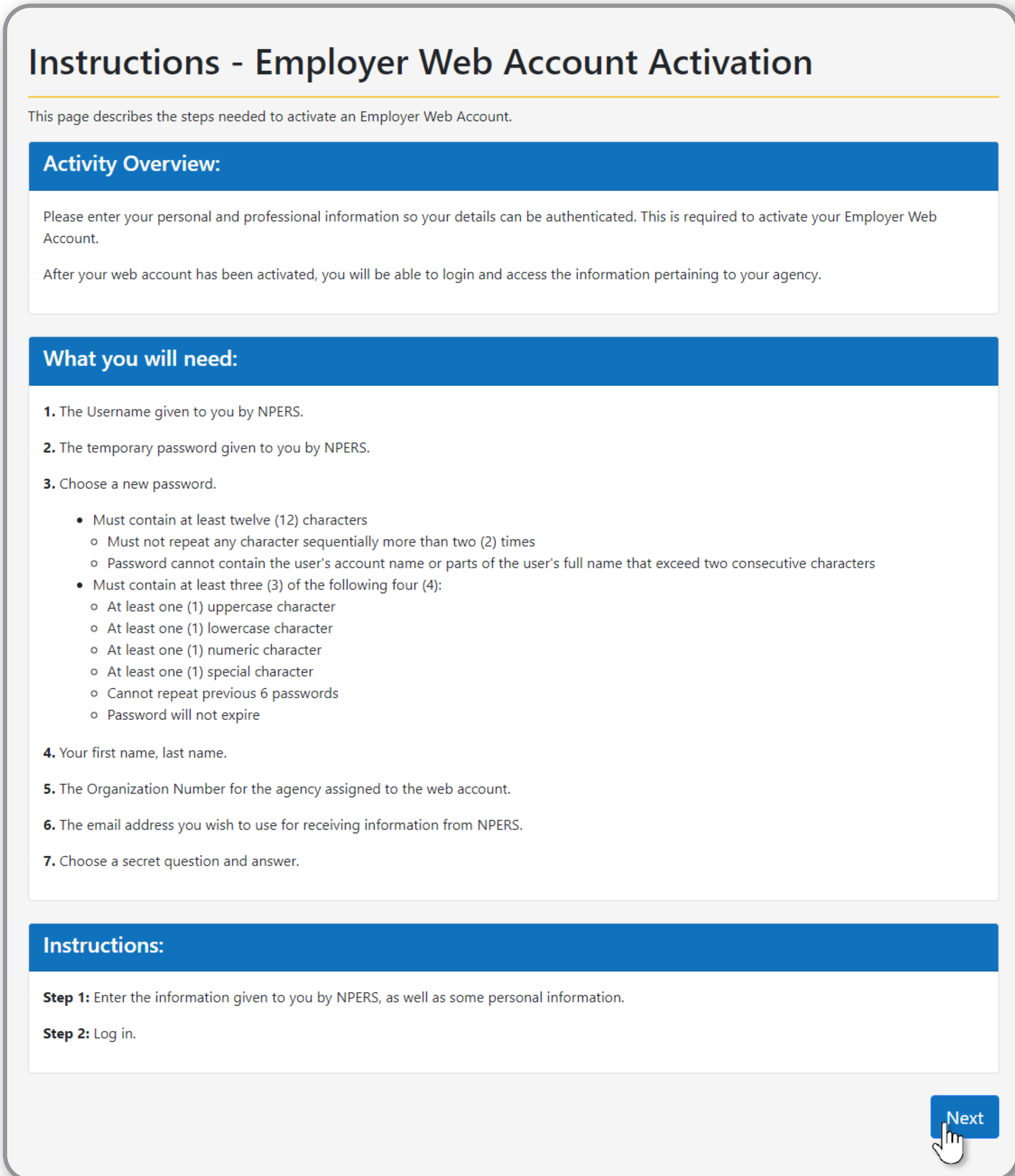
NOTE

Employer Administrator Account Activation instructions will appear on your screen. Please review these instructions.



STEP 7

Review the "**Instructions**" page, then click "**Next**".
This will take you to the "**Employer Web Account Activation**" page.



Instructions - Employer Web Account Activation

This page describes the steps needed to activate an Employer Web Account.

Activity Overview:

Please enter your personal and professional information so your details can be authenticated. This is required to activate your Employer Web Account.

After your web account has been activated, you will be able to login and access the information pertaining to your agency.

What you will need:

1. The Username given to you by NPERS.

2. The temporary password given to you by NPERS.

3. Choose a new password.

- Must contain at least twelve (12) characters
  - Must not repeat any character sequentially more than two (2) times
  - Password cannot contain the user's account name or parts of the user's full name that exceed two consecutive characters
- Must contain at least three (3) of the following four (4):
  - At least one (1) uppercase character
  - At least one (1) lowercase character
  - At least one (1) numeric character
  - At least one (1) special character
  - Cannot repeat previous 6 passwords
  - Password will not expire

4. Your first name, last name.

5. The Organization Number for the agency assigned to the web account.

6. The email address you wish to use for receiving information from NPERS.

7. Choose a secret question and answer.

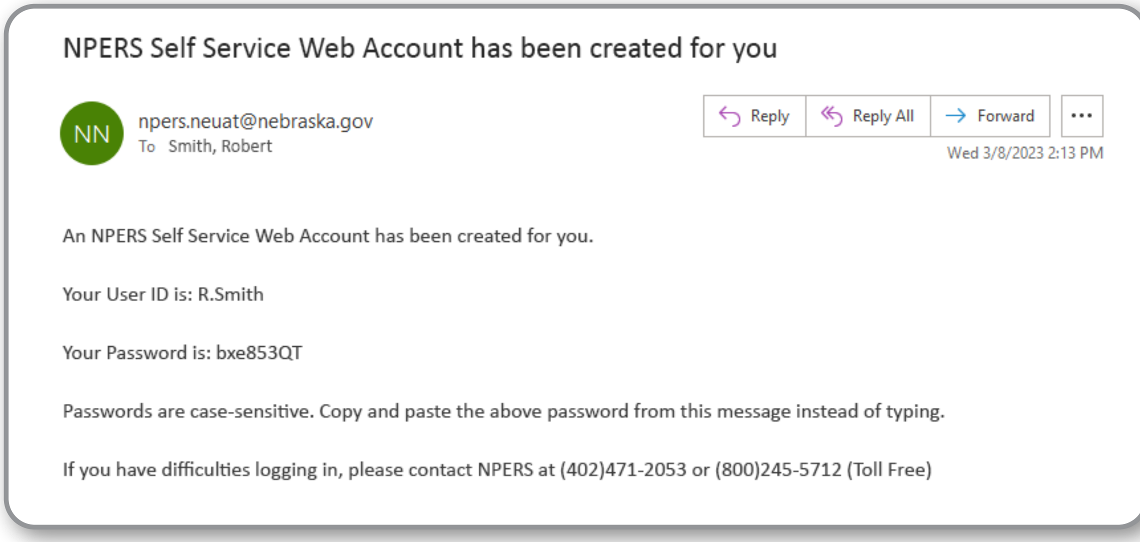
Instructions:

Step 1: Enter the information given to you by NPERS, as well as some personal information.

Step 2: Log in.

Next

STEP 8 You will receive an email from NPERS with your User ID and a temporary password.



NPERS Self Service Web Account has been created for you

NN npers.neuat@nebraska.gov
To Smith, Robert

Reply | Reply All | Forward | ...

Wed 3/8/2023 2:13 PM

An NPERS Self Service Web Account has been created for you.

Your User ID is: R.Smith

Your Password is: bxe853QT

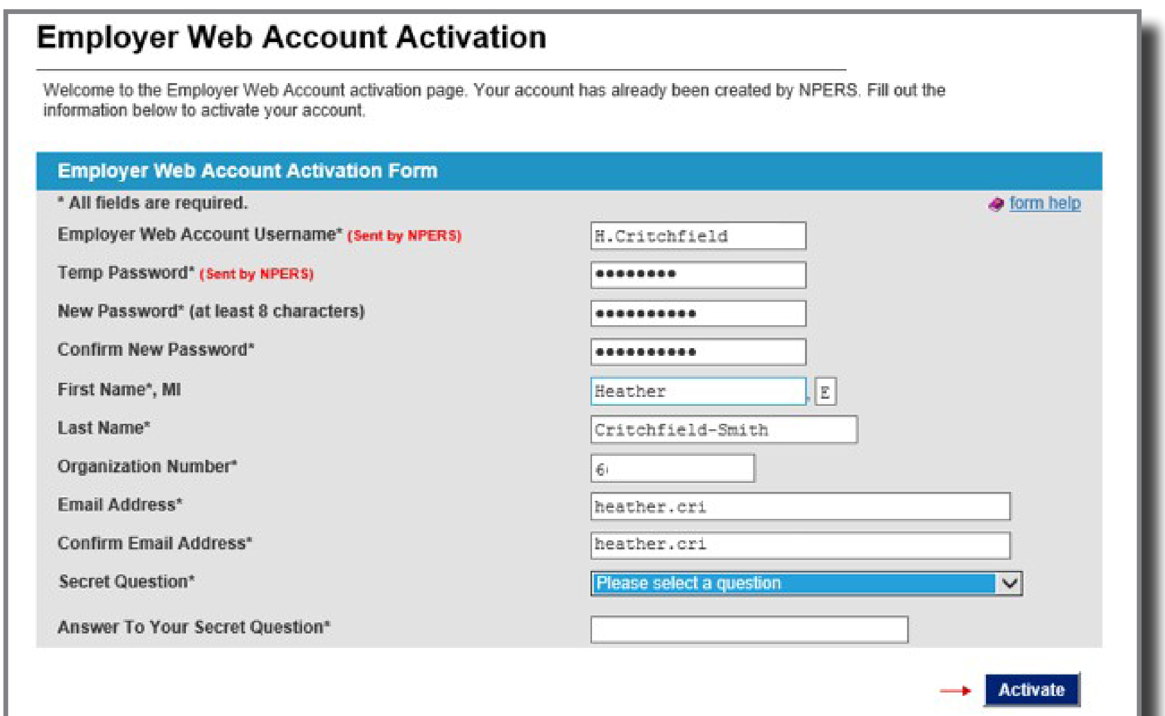
Passwords are case-sensitive. Copy and paste the above password from this message instead of typing.

If you have difficulties logging in, please contact NPERS at (402)471-2053 or (800)245-5712 (Toll Free)

STEP 9 On the “**Employer Web Account Activation**” page, enter the User ID and temporary password sent to you by NPERS. Then enter your new password and fill out the remaining information on the page.

Click on the “**Activate**” button.

The information you enter on this page will be validated against existing information in NPRIS.



Employer Web Account Activation

Welcome to the Employer Web Account activation page. Your account has already been created by NPERS. Fill out the information below to activate your account.

Employer Web Account Activation Form

* All fields are required. form help

Employer Web Account Username* (Sent by NPERS)	H.Critchfield
Temp Password* (Sent by NPERS)	••••••••
New Password* (at least 8 characters)	••••••••••
Confirm New Password*	••••••••••
First Name*, MI	Heather E
Last Name*	Critchfield-Smith
Organization Number*	6
Email Address*	heather.cri
Confirm Email Address*	heather.cri
Secret Question*	Please select a question
Answer To Your Secret Question*	

Activate

STEP 10 If the data you entered is valid, the "**Account Activation Confirmation**" page will be displayed.

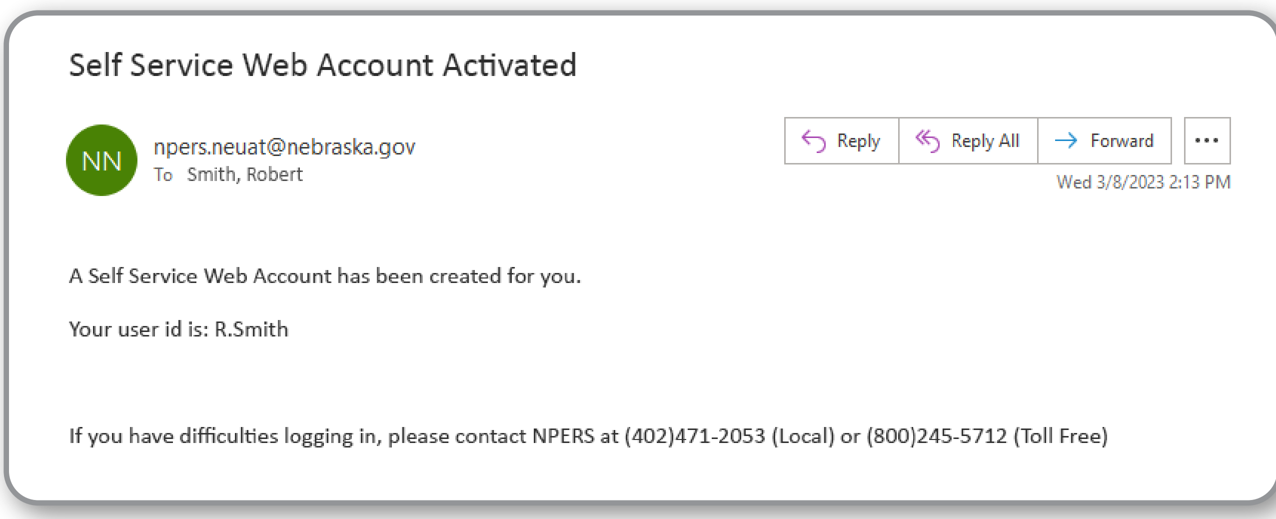
Account Activation Confirmation

Congratulations your web account has been successfully activated. Please print this page and save it for future reference.

Account Activation Confirmation

Username :	H.Critchfield(
Organization Number :	6
Email Address :	heather.cri

You will also receive an e-mail confirmation that your web account has been activated. ***You should print this page and save it for future reference.***



Self Service Web Account Activated

NN npers.neuat@nebraska.gov
To Smith, Robert

Reply | Reply All | Forward | ...

Wed 3/8/2023 2:13 PM

A Self Service Web Account has been created for you.

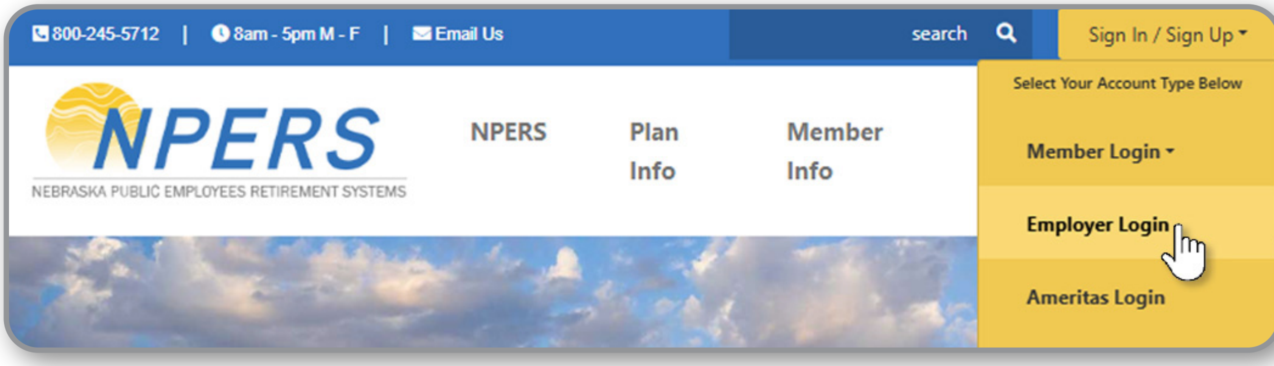
Your user id is: R.Smith

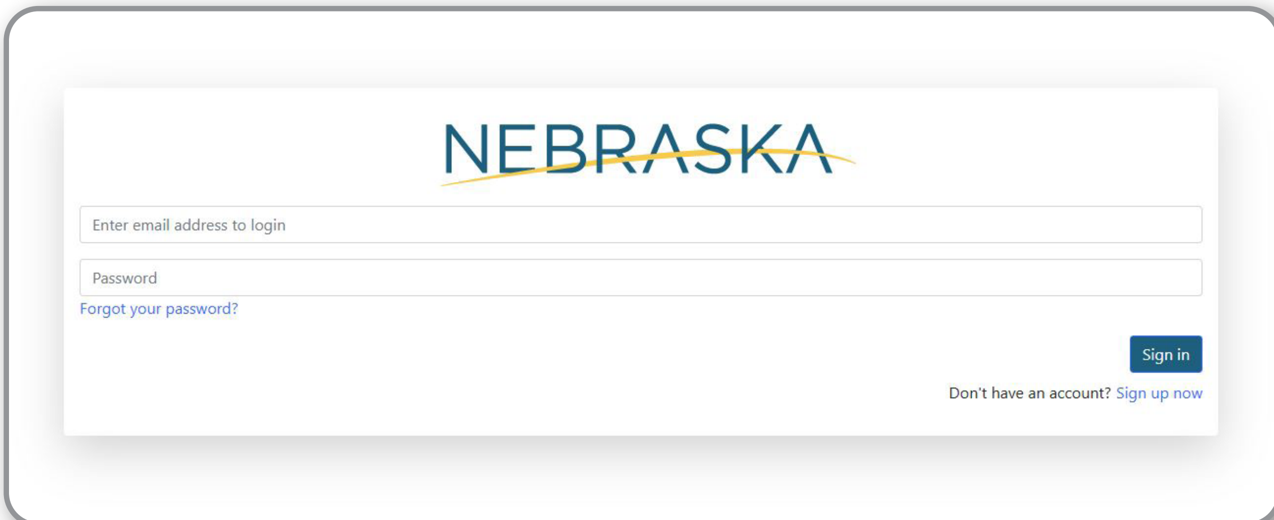
If you have difficulties logging in, please contact NPERS at (402)471-2053 (Local) or (800)245-5712 (Toll Free)

NOTE If your account is not activated, an error page will be displayed with an error number. You may contact NPERS via the "Contact Us" link at the bottom of this page, making sure to mention the error number.

CHANGE YOUR WEB PROFILE

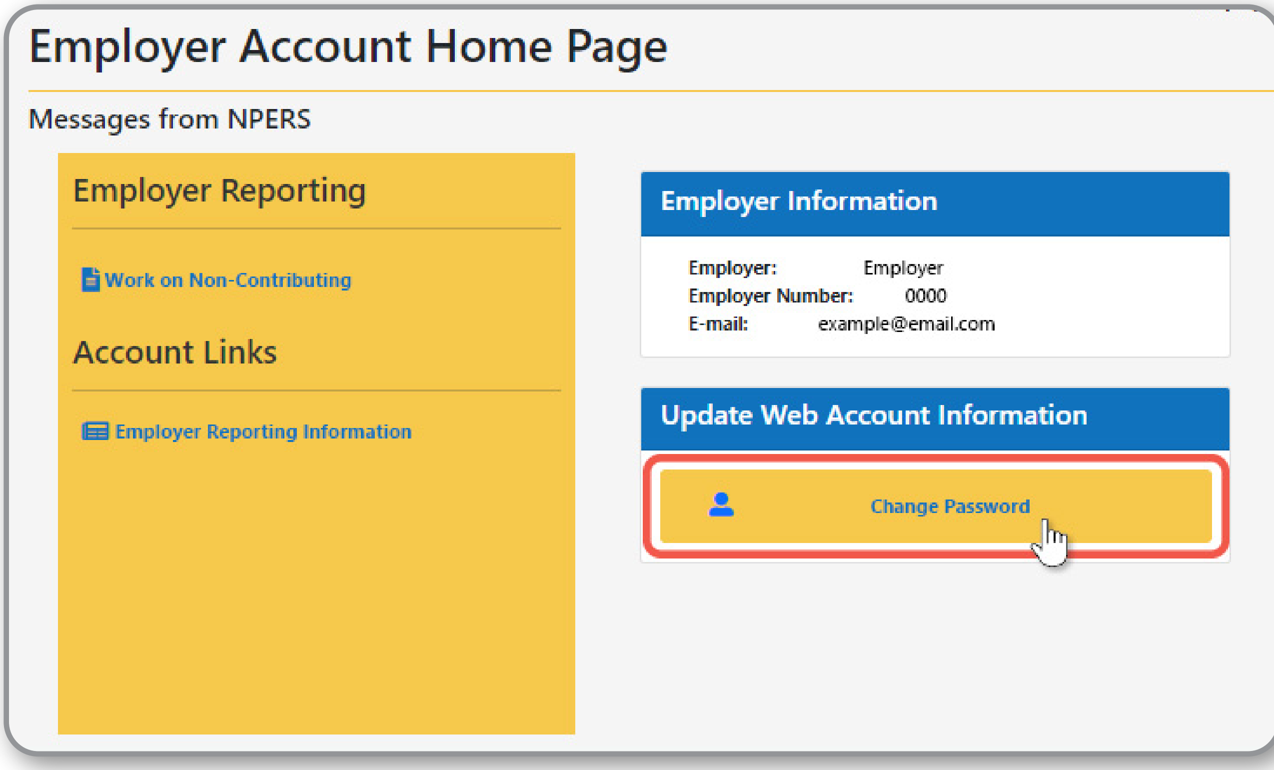
STEP 1 Login to your NPERS Employer Web Account.





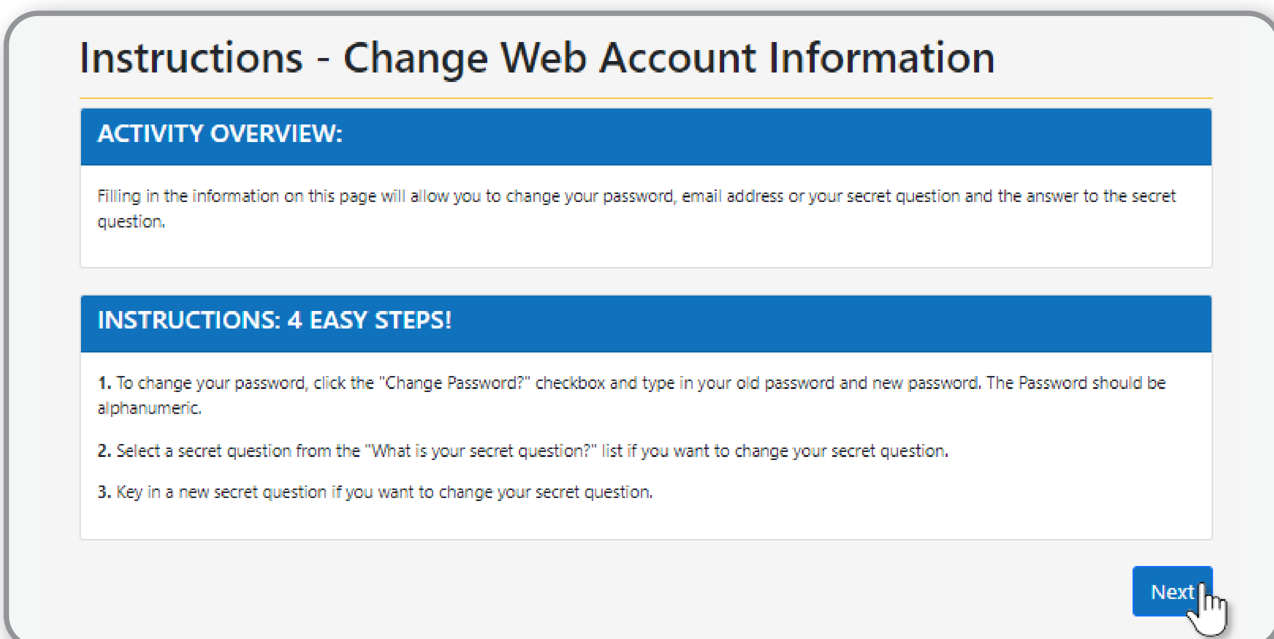
STEP 2

Click the yellow "**Change Password**" button if you need to change your password, email address or security question.

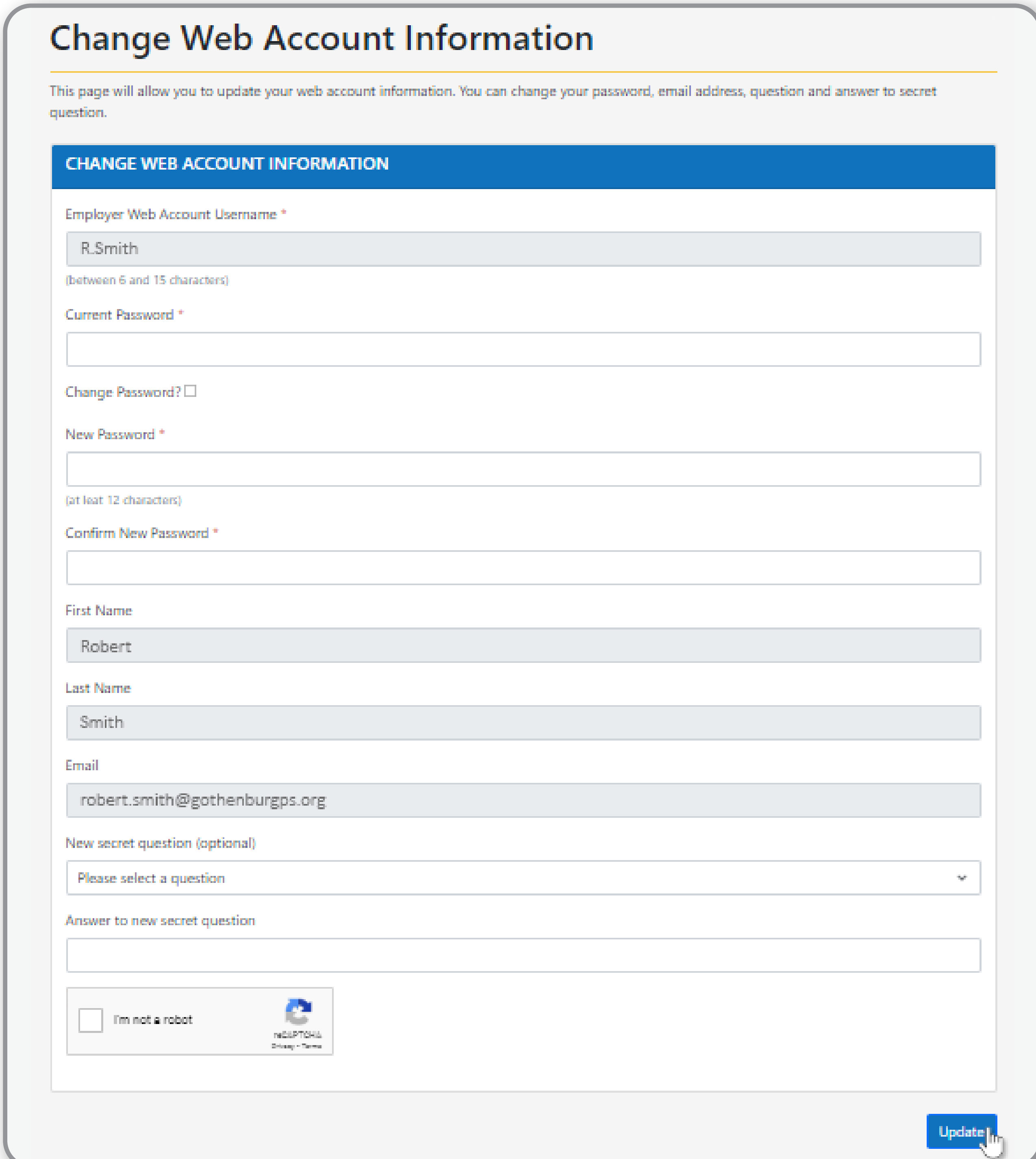


STEP 3

Review the "**Instructions**" page, then click "**Next**."



STEP 4 Use this page to change your web account information.



NOTE If you have changes to your contact information, you will also need to complete and remit an original, updated Employer Contact form.

CHAPTER 2

ELIGIBILITY AND ENROLLMENT

ELIGIBILITY REQUIREMENTS

IMPORTANT

Employers should select the appropriate category in the payroll/HR system related to the employee's status.

Retirement eligible categories:

- Citizen
- Lawful Permanent Resident
- Retirement Eligible Alien

If you wish to find more information regarding Immigration Status and Eligibility, please refer to your Immigrations Eligibility Guidelines (pdf).

ELIGIBILITY DETERMINED BY CITIZENSHIP AND LAWFUL PRESENCE

LB198 changed the document requirement to support eligibility based on lawful presence. The employer must obtain and maintain at least one unexpired (if applicable) document which has an expiration date that has been extended by the United States Department of Homeland Security or the United States Citizenship and Immigration Services so that such document is still valid, from the employee confirming citizenship or lawful presence. Employers must review current employees to confirm eligibility. There will be employees who were previously ineligible but are now eligible and must participate as of March 19, 2024.

If the employee has a C33 status receiving deferred action (DACA), they are not eligible. Keep a copy of the document to confirm ineligibility.

ACCEPTED DOCUMENTS PROVING CITIZENSHIP OR LAWFUL PRESENCE INCLUDE:

- ► State-issued driver's license.
- ► State-issued identification card.
- ► Certified copy of a birth or delayed birth certificate issued by any U.S. state, territory, or possession.
- ► Consular Report of Birth Abroad issued by the United States Department of State.
- ► United States passport.
- ► Foreign passport with a United States visa.
- ► United States Certificate of Naturalization.
- ► United States Certificate of Citizenship.
- ► Tribal certificate of Native American blood or similar document.
- ► United States Citizenship and Immigration Services Employment Authorization Document, Form I-766.
- ► United States Citizenship and Immigration Services Permanent Resident Card, Form I-551.
- ► Any document from the U.S. Department of Homeland Security or USCIS granting employment authorization in the U.S. and approved by the Public Employees Retirement Board.

If requested by NPERS, an LPR may prove their status by providing a copy of their valid, unexpired:

- ► Form I-1551, Permanent Resident Alien Card
- ► Form I-766, Employment Authorization Document (EAD)

MANDATORY MEMBERSHIP

Participation is **mandatory** *upon hire* for all permanent **full-time** employees who are 18 or older. Full-time employment is considered working one-half or more of the regularly scheduled hours during each pay period.

EXAMPLE

If full-time employment for your employer is considered 35 hours per week, anyone that works 17.5 or more hours during that week would be considered full-time for retirement purposes.

IMPORTANT

Once a member is contributing in the plan, contributions must continue regardless if the employee has a temporary or permanent decrease in hours. Once an employee meets eligibility, they must continue contributions unless and until they terminate and have a bona fide termination of 120 days with no prearrangement to return to service.

PERMANENT PART-TIME EMPLOYMENT

Permanent **part-time** employees are **NOT required** to participate in the Plan, but may join *voluntarily* if age 18 or older. The option to join must be exercised within the first 30 days of permanent part-time employment (See Voluntary Employment). Part-time employment is considered working less than one-half of the regularly scheduled hours in a pay period.

Participation becomes mandatory when an employee works one-half or more of the regularly scheduled hours in a pay period for at least six bi-weekly pay periods, six semi-monthly pay periods, or three monthly pay periods in a calendar year. The pay periods may or may not be consecutive. The “mandatory effective date of participation” in the plan will be the next pay period following the six bi-weekly/six semi-monthly/three monthly pay periods that the employee worked one-half or more of the regularly scheduled hours. If the employee does not begin participation on the “mandatory effective participation date,” make-up contributions would be required going back to the “mandatory effective participation date”.

If a part-time employee has a change of scheduled hours that becomes half or more of the regularly scheduled hours for the position, then the employee would be considered a full-time employee for retirement purposes and contributions must start immediately upon the status change to full-time. If the employer does not start contributions with the change in status to full-time, make-up contributions would be required going back to the date of the status change. Once an employee is enrolled in the Plan, they should remain in the Plan.

“SEASONAL” EMPLOYMENT

Participation for **permanent full-time “seasonal”** employees is ***required***. Full-time employment is considered working one-half or more of the regularly scheduled hours during each pay period.

Participation for **permanent part-time “seasonal”** employees is ***voluntary***. Part-time employment is considered working less than one-half of the regularly scheduled hours during each pay period.

EXAMPLES of Permanent “Seasonal” Employment vs. Temporary “Seasonal” Employment

- If a full-time employee is hired with the intent that they will *return in subsequent seasons* to complete seasonal work, they should be considered a **permanent** employee and should be enrolled in the Plan.
- If a full-time or part-time employee is hired on a *one-season basis* with no agreement or understanding of returning to employment the next season, they should be considered a **temporary** employee and should **not** be enrolled in the Plan.

VOLUNTARY MEMBERSHIP

Participation is **voluntary** for lawfully present permanent part-time employees, age 18 or older. To determine if someone is classified as part-time for retirement purposes, first consider how many hours they must work to be full-time with your agency. Any lawfully present employee who works *less* than one-half of the full-time regularly scheduled hours and meets the age requirement of 18 years of age or older would be eligible to participate voluntarily in the Plan.

These employees must exercise the option to join the plan on a voluntary basis by submitting the Voluntary Enrollment Form within the first 30 days of employment or upon eligibility. A lawfully present permanent part-time employee hired prior to age 18 will have 30 days to submit the Voluntary Enrollment Form once they attain age 18. *After participation in the Plan begins, whether voluntary or mandatory, a member may not stop participation until termination.* Employees are not eligible to make up contributions for time they elected not to participate.

FORM TO SUBMIT

Upon determining eligibility for voluntary enrollment, you should give a State/County Cash Balance Voluntary Enrollment Form to the employee to complete and sign.

IMPORTANT

You must sign the completed voluntary enrollment form and submit to NPERS before enrolling the employee in the plan. The form must be **received** by NPERS within 30 days of hire or becoming eligible for voluntary enrollment.

REEMPLOYED MEMBERS

Plan participation will vary depending on the length of the break in service. Please refer to the Reemployment chapter.

EXCEPTIONS

The following state employees participate in separate retirement plans and **ARE NOT** eligible to join the State Plan:

- State judges
- State patrol officers
- Department of Education employees participating in the School Employees Retirement Plan
- Employees of the University of Nebraska, state colleges, and community colleges
- National Guard technicians
- Department of Labor (Division of Employment) employees hired prior to July 1, 1984
- Employees of the State Board of Agriculture (Fair Board) employed after July 1, 1982

Appointed by the Governor: An employee **appointed** by the Governor may *elect not* to become a member of the State Plan. If such a situation occurs, please contact NPERS for more information and instructions on how to proceed.

Temporary Employees: Service as a **temporary** state employee is **not considered service for purposes of plan eligibility.**

For eligibility questions, please see the NPERS State Plan Eligibility Checklist. This is a great tool that can walk you through the different scenarios for employees to help you determine eligibility. You can save this form to be able to keep with your records to verify eligibility.

VESTING/VESTING CREDIT

VESTING

Vesting allows a member to retain the employer matching contributions when they terminate employment. The date you report for plan participation (See "Date of Hire"), the number of contributions made by the member, and the member's eligibility for vesting credit, will all be used by NPERS to determine vested status.

Determining vested status can, in some situations, be very complicated. Members with questions regarding their status should be directed to NPERS for assistance.

VESTING CREDIT

If a newly hired, full-time employee previously participated in another Nebraska governmental retirement plan, that participation may count toward their vesting status. To apply for vesting credit, they must submit an Application for Vesting Credit form to NPERS within 180 days of their date of employment.

Examples of Nebraska governmental employment include: municipal government, public power district, public school, law enforcement, county government, state university or state college. (Examples of employment that would not qualify would be federal employment, out-of-state university or college, and any non-governmental employment.)

IMPORTANT

You must give an Application for Vesting Credit form (see Sample on next page) to every employee when first employed or rehired as an employee with your agency. It is the employer's responsibility to give each new employee the form upon hire and explain its purpose.

FORM(S) TO SUBMIT

After receiving the Application for Vesting Credit form, the new employee must decide if they should complete the form and submit to NPERS. The Application for Vesting Credit must be received by NPERS within 180 days of date of employment, per state Statutes. There are no exceptions allowed! If an employee has any questions about vesting or applying for vesting credit, please have them contact NPERS.

SAMPLE VESTING CREDIT APPLICATION FORM

NPERS 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

Name (Last, First, Middle)		Date of Birth - -	Plan Type (Check One)
Social Security Number - -	Retirement Number		☐ School ☐ State ☐ County ☐ Patrol
Address	City	State Zip	
Home Phone	Work Phone	Employer	

Application For Vesting Credit/Prior Service Credit

SEE REVERSE SIDE FOR COMPLETE INSTRUCTIONS

School/State/County/Patrol Currently Employed By:	/ / DATE OF HIRE	☐ FT ☐ PT

LIST ALL NEBRASKA PUBLIC EMPLOYMENT

The following should be completed by you **within 180 days** of your date of hire.

BELOW SHOULD REFLECT DATES YOU PARTICIPATED IN ANOTHER NEBRASKA GOVERNMENTAL PENSION PLAN.

PLACE OF EMPLOYMENT	(CHECK ONE)	DATES OF PARTICIPATION FROM	TO
	☐ Full Time ☐ Part Time	/ /	/ /
	☐ Full Time ☐ Part Time	/ /	/ /
	☐ Full Time ☐ Part Time	/ /	/ /

IDENTIFY CONTACT PERSON FOR PREVIOUS GOVERNMENT PLAN:

Name:	Phone:
Employer:	Fax:
Name:	Phone:
Employer:	Fax:
Name:	Phone:
Employer:	Fax:

I hereby certify and warrant that, to the best of my knowledge and belief, the foregoing is true and correct.

Signature of Member: ______________________ Date: / /

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Sample

ENROLLMENT PROCEDURES

State agencies must enroll all employees authorized to participate in the Plan and make required contributions to the Plan per statute and under rules and regulations adopted and promulgated by the Public Employees Retirement Board (PERB). Please contact NPERS with any questions regarding enrollment eligibility.

NEW PLAN MEMBERS – MANDATORY MEMBERSHIP

New Plan Member Packet: When an employee begins participation in the plan, you should provide them with NPERS' handout Welcome New State Plan Member. This handout is available in pdf format and may be downloaded from the State/Employer Reports or the State/Plan Info pages of the NPERS website.

When possible, NPERS recommends emailing this pdf or a link to the pdf to each eligible employee. The pdf contains links to:

- NPERS website
- The plan handbook
- The Application for Vesting Credit form
- The Beneficiary Designation form

When it is not possible to provide this to the member via email, please provide hard copies of the documents and forms listed above.

FORM(S) TO SUBMIT

The new plan member should complete the Beneficiary Designation Form **in full** and have it **notarized** by a Notary Public before submitting to NPERS. Members who fail to submit (and update as needed) a beneficiary form may experience unwanted tax liabilities. If there is no surviving designated beneficiary on file, death benefits will be paid to the spouse married to the member on the member's date of death. If there is no eligible designated beneficiary or spouse, death benefits will be issued to the member's estate. (Refer to "Beneficiary Designation" in the State Plan booklet.) **NPERS must receive the original Beneficiary Designation Form.**

Re-Hired Employee: You should also give a packet to each re-hired employee who is a member of the Plan from previous employment with the state so they have the current plan information. It is important that a re-hired employee completes and submits a new Beneficiary Designation Form to NPERS to be sure we have current information on file.

IMPORTANT

If you are an employer reporting agent from an employing entity that is a State Agency School Plan Employer (SASPE), the State Department of Education (NDE), the Health and Human Services (DHHS), the Department of Correctional Services (DCS), or other State agencies with State Code Agency Teacher Association (SCATA) contract-covered employees, you may need to refer to the LB 700 flowchart to determine plan eligibility for a member. If you have any further questions after reviewing the flowchart, call NPERS for assistance.

VOLUNTARY MEMBERSHIP

New Plan Member Packet: You should give an employee who qualifies for *voluntary* membership a "new plan member packet," as described above.

FORM(S) TO SUBMIT
If the employee decides to voluntarily join the Plan, they should complete and sign the Voluntary Enrollment form, which you should also sign and submit to NPERS. This form must be received by NPERS within the first 30 days of employment. The employee should also complete the Beneficiary Designation Form **in full** and have it *notarized* by a Notary Public before submitting to NPERS. The Application for Vesting Credit, if applicable, should also be completed, signed, and submitted to NPERS.

WHEN DEDUCTIONS SHOULD BEGIN

You are required to start retirement deductions for all new lawfully present permanent full-time employees with their first paycheck.

Deductions for permanent **part-time** employees should begin the first pay period following:

- The date they elect voluntary participation
- A status change to a full-time position, or begin working enough hours to require participation.
- The next pay period after working half or more of the regularly scheduled hours for 6 bi-monthly/6 semi-monthly/3 monthly pay periods.

DATE OF HIRE

IMPORTANT
Each employee's date of hire that you report to NPERS through our record keeper is **VERY IMPORTANT** data as it helps determine the time frame for calculating vesting. For instance, if a temporary employee's hire date is not updated when they become a full-time employee, decisions they make regarding their employment and their retirement account based on the reporting of an incorrect hire date could have unexpected financial consequences.

The date of hire is the **date the employee begins plan participation.** It is not the date the State and the individual reach agreement of employment, but the first day of work for which the employee will be paid compensation subject to retirement deductions.

The date of hire for a previous State employee who is **rehired** will be the ***new*** date the rehired employee returns to plan participation. This is not to be confused with an employee's continuous service date (adjusted service date).

HOW TO REPORT DEDUCTIONS

You must report payroll deductions through Workday, found on the Nebraska LINK website at link.ne.gov. If you have questions or need technical assistance, click on the "Workday Guides" under the My Resources section at das.nebraska.gov under State Personnel - Workday User Guides.

DEFERRED COMPENSATION PLAN (DCP)

The **Deferred Compensation Plan** (DCP) is a §457 *voluntary investment plan* designed to provide an employee with a *supplementary* retirement income.

IMPORTANT

FICA taxes should be withheld from DCP contributions.

ELIGIBLE UPON HIRE

Eligible State of Nebraska employees employed on a permanent or temporary basis, full-time or part-time, may participate in the Deferred Compensation Plan upon hire or anytime thereafter. Excluded from participation in DCP are individuals who are not lawfully present, employees of the University of Nebraska or any State College or technical Community College, and Independent Contractors.

CONTRIBUTION LIMITS

The *minimum* amount that can be deferred and contributed to DCP is $25 per month. The *maximum* amount is the lesser of 100% of the employee's annual compensation less mandatory retirement contributions, or an annual dollar limit established by the IRS. The annual limits are updated each year and can be found on the DCP Enrollment/Change Form.

ENROLLMENT/EFFECTIVE DATE

State employees and Nebraska Judges should use Workday to enroll in DCP and adjust contribution amounts. The election to participate is included as an option during State Open Enrollment, but State employees and Judges may enroll or change contribution amounts year round via their Workday access.

Enrollments and contribution changes made in Workday will begin as directed. Elections made during Open Enrollment will be reflected on the first paycheck in July.

The Workday online access **should NOT** be used by employees:

- If the employee contributed to another 457 plan this year. Refer these employees to NPERS.
- If the employee is deferring unused leave to DCP. See **Deferral of Unused Leave.**
- If they are not lawfully present. (See Eligibility Determined By Citizenship and Lawful Presence)

AFTER ENROLLMENT STEPS

After initial DCP enrollment, employees need to:

- Designate beneficiaries using the NPERS Beneficiary Designation form. Beneficiaries designated for the mandatory retirement plan and beneficiaries named during Open Enrollment (or Workday) do NOT apply to DCP.
- Choose their investments. NPERS recommends members use the Ameritas Online Access. If they already have created an Ameritas access for their mandatory plan, their DCP account will be added once Ameritas receives their first contribution. If they do not have an online account, Ameritas will send them correspondence containing the data they need to create an account.

DEFERRAL OF UNUSED LEAVE

Employees may defer unused leave payouts to DCP at termination/retirement. These requests must be submitted using a Deferred Compensation Enrollment/Change Form (see FORMS). Employees should complete the appropriate form and submit it to their HR/Payroll department. The reporting agent should review the form for accuracy, sign the "Agency Signature" section at the bottom of the form, and forward to NPERS for approval.

IMPORTANT

For vacation and sick leave payments for terminating employees, the Deferred Compensation Enrollment/Change Form must be received by NPERS by their termination date. the amount listed for the deferral does not need to be 100% accurate. The Amount line can be an estimated amount or can say "Maximum" or "MAX" to ensure the maximum contribution would be applied.

NO WORKDAY ACCESS

If an employee is unable to access Workday and wishes to join DCP, please note that NPERS does not assist with Workday access issues. However, employees may contact NPERS for assistance with DCP enrollment. **Employers will need to contact Workday Helpdesk for Workday issues.**

THE DCP ENROLLMENT/CHANGE FORM (SEE FORM)

Employees already participating in DCP may use this form to make changes to their investments or defer unused leave at termination/retirement. If they are deferring leave, please refer to Deferral of Unused Leave for submission instructions/deadlines. If they are ***only*** *changing their allocation percentages or transferring amounts among investment funds*, they should submit the form directly to NPERS. NPERS recommends participants utilize the Ameritas Online Access for investment elections.

FORM NOT PROPERLY COMPLETED/SIGNED

WARNING

If NPERS receives an improperly completed Enrollment or Change form, we will **return it to the member**. This may result in delays for changes to deductions or the inability to defer unused leave.

FORM TO DESIGNATE BENEFICIARIES

FORM(S) TO SUBMIT

A participant may submit a separate Beneficiary Designation Form for their DCP account, or may submit only one form to designate the same beneficiaries for both the State Plan account and the DCP account. This is accomplished by checking only one or both of the appropriate boxes under "Plan Type" on the upper right corner of the form.

IMPORTANT

Final payouts are compensation for retirement purposes and MUST have retirement withheld. Some employers have indicated there is a change in Workday that is canceling the retirement option, so make sure to double check and confirm contributions are withheld.

CHAPTER 3

CONTRIBUTION INFORMATION

CONTRIBUTION RATES

State Plan members contribute **4.8%** of gross compensation each payroll period. The state matches the member's contributions each payroll period at the rate of **156%**.

If a member is on leave and is receiving sick or vacation pay, they **must continue** to make contributions to the Plan.

When a member terminates employment, you must take retirement deductions out of any pay for unused sick and vacation leave and contribute the employer matching amount.

The law does not allow a member to contribute more than the amount specified in the Plan.

DEFINITION OF GROSS COMPENSATION

"Compensation means gross wages or salaries payable to the member for personal services performed during the plan year." —Neb. Rev. Stat. §84-1301(5)(a)

COMPENSATION INCLUDES:

- Overtime pay
- Retirement contributions
- Any amounts contributed by the member to plans under sections 125, 403(b), and 457 of the Internal Revenue Code or any other section of the code which defers or excludes such amounts from income.

COMPENSATION DOES NOT INCLUDE:

- Insurance premiums converted into cash payments.
- Reimbursement for expenses incurred 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, and severance pay, except for retroactive salary payments paid pursuant to court order, arbitration, or litigation and grievance settlements.

MAKE-UP CONTRIBUTIONS

If retirement contributions under mandatory membership are started late, the **employer** must "make-up" both employer and employee contributions. As the employing agency, you must complete a Make-Up Contribution Agreement, cordinate the make-up terms with NPERS, and remit all employee and employer contributions within 60 days of notification from NPERS.

FORM(S) TO SUBMIT

You must complete a Make-Up Contribution Agreement form (see example) stating the deduction amount and terms in which the contributions will be repaid. The form must be submitted to NPERS, along with supporting documentation. You must inform the employee of the make-up contributions.

Supporting Documentation: You are responsible for calculating the number of missed payroll periods and the contribution amount based upon the Gross Salary for the time period missed. When calculating the contributions, you must use the correct contribution rate (**4.8%** of gross compensation each payroll period) applicable for the salary during the period of missed contributions. Submit your supporting documentation on the prorated percentages to NPERS, together with the Make-up Contribution Agreement.

MAKE-UP RULES/TERMS

The following rules/terms apply for all make-up contributions as defined in NPERS' Rule and Regulation Chapter 18:

004 Insufficient Contributions

004.01 Active Members

004.01(a) Except as provided in subsection 004.03, if NPERS determines that a retirement system has received insufficient contributions from an employer of an active member, NPERS shall require the employer remit the additional required employee and employer contributions, and this amount may include interest.

004.01(b) Additional employee contributions required under subsection 004.01(a) shall be picked up by the employer and the contributions so picked up shall be treated as employer contributions in determining federal tax treatment under the Internal Revenue Code. The employer shall pay these employee contributions from the same source of funds which is used in paying earnings to the employee.

004.01(c) Except as provided in subsection 004.03, any additional employer contribution shall be made in conjunction with the employee contribution. If a member in a defined benefit plan terminates employment prior to payment of the required employee contribution, then the employer shall complete payment of the employee and employer share of the required contribution.

004.02 Inactive Members. Except as provided in subsection 004.03, if NPERS determines that a retirement system has received insufficient contributions from an employer of an inactive member, then NPERS shall require the employer remit the additional required contributions, including interest, as necessary to make up the insufficient employee and employer contributions.

004.03 All insufficient contribution amounts required under this section shall be paid by the employer unless the Director determines it is either unreasonable or unfeasible for the employer to pay the insufficient employee or employer contributions.

► **004.04 All employee and employer contributions amounts required to be paid under this section shall be paid by the employer within sixty (60) days of NPERS providing notice to the employer that there is an insufficient employee or employer contribution remittance due.**

Please contact NPERS if you have questions regarding make-ups or have a situation where you are unsure if an employee needs to complete make-ups. If it is determined that an employee has insufficient contributions, make-up contributions are mandatory. It does not matter if the employee has terminated employment. **Both employee and employer contributions must be made by the employer.** Should the employer chose to collect the missed employee contributions from the employee, that is between the employer and the employee and does not involve NPERS.

Make-up contributions should be entered using the one-time override process using DBA Codes: 1111 for Employee Contributions and 4911 for Employer Contributions.

The LINK website provides instructions for entering retirement make-up contributions at link.ne.gov**.**

SAMPLE MAKE-UP CONTRIBUTION AGREEMENT FORM

NPERS 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

Make-Up Contribution Agreement

Name (Last, First, Middle)		Date of Hire	Plan Type (Check One)
Social Security Number	Email Address		☐ State ☐ County
Address	City	State / Zip	
Home Phone	Work Phone	Employer	

Missed contributions must be remitted **within 60 days** of notification from NPERS.

The employee and employer contributions, plus any applicable interest, **must be paid by the employer/agency.**

Supporting documentation for the make-up contributions must be submitted with this form.

Reason for Make-up Contributions:

- ☐ Did not start contributions upon meeting eligibility
- ☐ Military leave
- ☐ Did not contribute the correct amount
- ☐ Other ______________________________

Time Period for Missed Contributions: ______________________________

Number of Payroll Periods during Time Period: ______________________________

Total Salary during Time Period: ______________________________

Total of Missed Employee Contributions: ______________________________

Total of Missed Employer Contributions: ______________________________

Total for Applicable Interest to be Added: ______________________________

Total to be Remitted by the Employer: ______________________________

Date Payment will be Remitted: ______________________________

The undersigned agree, acknowledge, and understand that the above contributions are mandatory contributions to be made by the state agency/county within 60 days. Make-up military leave must be completed within three times the number of pay periods the employee was under military orders.

The undersigned have executed this agreement this ______________ day of ______________, 20_______.

____

(Signature of Employer)

Accepted and agreed to:

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEM: BY: ______________________________

TITLE: ______________________________

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BAR CODE

Sample

CHAPTER 4

TERMINATIONS/BREAKS IN SERVICE

NON-CONTRIBUTING MEMBER FORM

You **must** notify NPERS whenever an employee stops working and contributing to the plan, **permanently or temporarily**. This includes (but not limited to):

- Resignations
- Dismissals
- Death
- Disability
- Retirement
- Seasonal employment
- Leaves of absence
- Transfers to another state plan employer

This information helps NPERS determine member eligibility for benefits and vested status.

FORM(S) TO SUBMIT
A Non-Contributing Member Form **must** be submitted **within 20 days** of the termination or break in service. You will submit this form on the **NPERS Retirement Portal**. Click Here for a step-by-step guide on how to submit an electronic non-con form.

REGISTER TO SUBMIT ELECTRONIC NON-CON FORM

Click here for a visual step by step guide of this process.

ACCOUNT SETUP & ACTIVATION

Step 1: Receive Login Info

You will receive an email from npers.neprd@nebraska.gov with your User ID and temporary password.

Step 2: Activate Your Web Account

- Go to NPERS.NE.GOV
- Click "Sign In / Sign Up". Yellow button on upper right portion of the webpage
- Click "Employer Login"
- Enter your username and password from the email, then click Submit.
- Read the Electronic Signature Agreement, scroll to the bottom, and click Agree.

Step 3: Complete Account Activation.

Fill in all required fields. Then click Activate.

- Your name must match what NPERS has on file.
- The organization number will typically be the numbers at the end of your User ID (unless there's not enough space).
- If submitting forms for multiple organizations, NPERS will link all to a single User ID.

CONFIRMATION (SUBMIT NON-CON FORM GUIDE)

Once your account is activated and you receive a confirmation, you can log in and access the "Work on Non-Contributing" portal, which is available on the employer account homepage.

WHEN FILLING OUT THE NON-CON FORM

Check the appropriate Plan Type box. Check both State and DCP if the member participated in the mandatory State plan and the voluntary Deferred Compensation plan. Indicate on the form if this is a permanent or temporary situation, or a transfer. A transfer is when a member is moving from one State agency to another State agency. An employee participating in the State plan who is permanently ceasing State employment to work for a Nebraska County or public School would be reported as a resignation. It is not necessary to notify NPERS if a member is transferring from one State agency to another, unless you are aware the transfer will result in an interruption in contributions (break in service) or if the member is becoming a sworn officer in the NE State Patrol or a NE Judge.

AFTER YOU SUBMIT NON-CON FORM

If the separation is permanent, NPERS will send the member a letter outlining their retirement account options, regardless of age. Be sure to remind employees to keep their address up to date with NPERS to avoid tax penalties, suspension of benefits, or having their assets transferred to Unclaimed Property.

WARNING

If a member returns to work with the state *in any capacity* ***before 120 days*** have elapsed from their separation from service, they are not considered terminated and are ineligible to take distributions from the account. You should **notify NPERS immediately** if this situation occurs. NPERS will contact the member as soon as possible to discuss repayment options if a withdrawal has occurred or stop a withdrawal from being taken from their account if one is in progress. (See Reemployment)

DEFINITION OF TERMINATION OF EMPLOYMENT, AS DEFINED BY LAW:

Termination of employment occurs on the date on which the agency which employs the member determines that the member's employer-employee relationship with the State of Nebraska is dissolved. The agency which employs the member shall notify the board of the date on which such a termination has occurred. Termination of employment does not occur if an employee whose employer-employee relationship with the State of Nebraska is dissolved enters into an employer-employee relationship with the same or another agency of the State of Nebraska and there are less than one hundred twenty days between the date when the employee's employer-employee relationship ceased with the state and the date when the employer-employee relationship commenced with the same or another agency. It is the responsibility of the employer that is involved in the termination of employment to notify the board of such change in employment and provide the board with such information as the board deems necessary. If the board determines that termination of employment has not occurred and a retirement benefit has been paid to a member of the retirement system pursuant to section 84-1321, the board shall require the member who has received such benefit to repay the benefit to the retirement system.

IMPORTANT

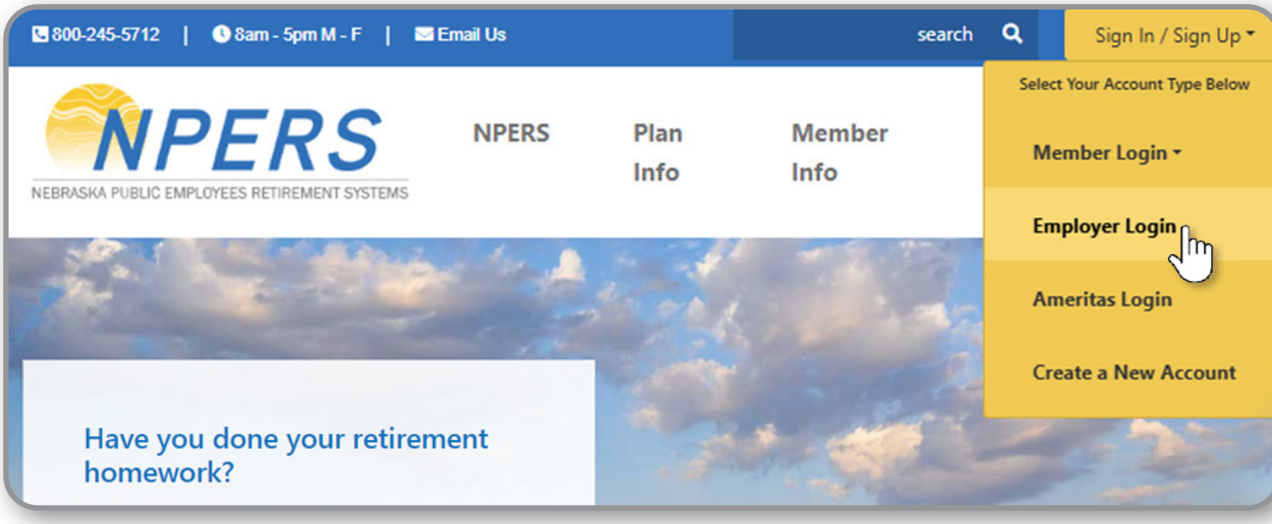
If a member terminates their permanent employment and comes back to temporary employment for the State within 120 days, contributions would continue even in the temporary capacity.

SUBMITTING AN ELECTRONIC NON-CONTRIBUTING MEMBER FORM

Follow the below steps to add a Non-Contributing Member Form using the NPERS Retirement Portal. To edit a previously entered form, continue to the Editing an Electronic Non-Con section. After initial set-up of your login to the Non-Con portal, you can begin with step 3.

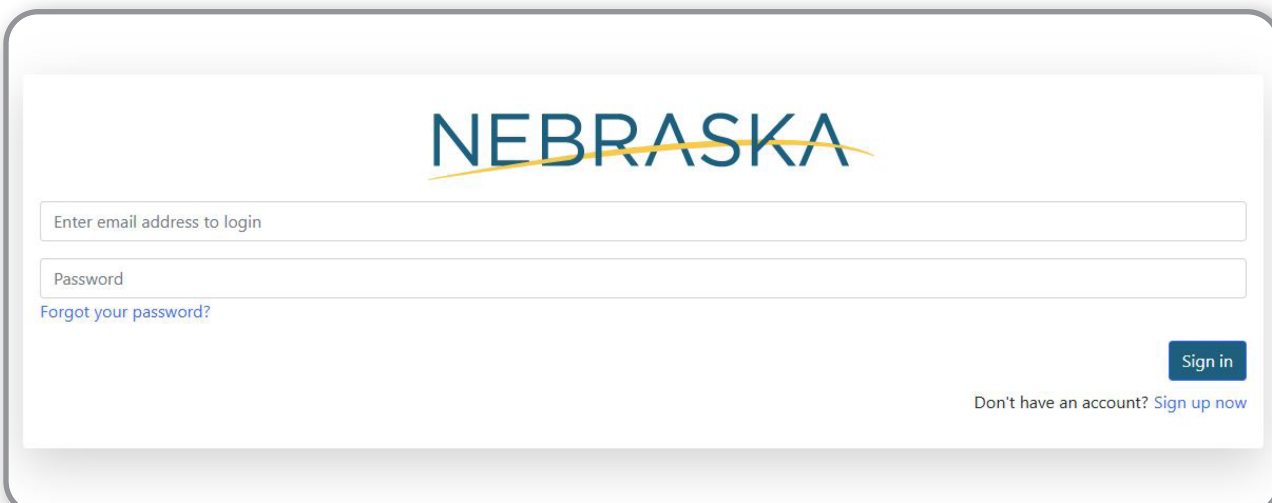
STEP 1

Open up a web browser and access, NPERS.NE.GOV. Hover your cursor over the "**Sign In / Sign Up**" dropdown button. Click on "**Employer Login**".

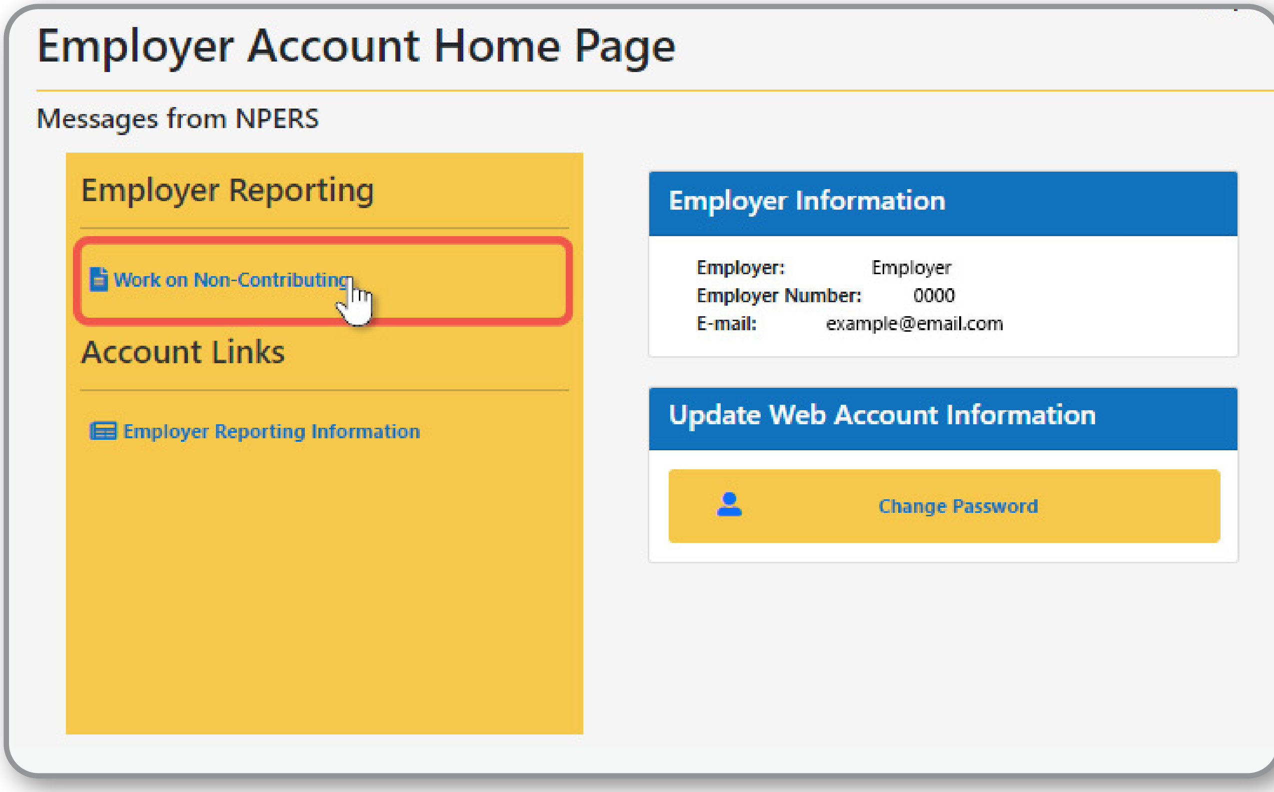


STEP 2

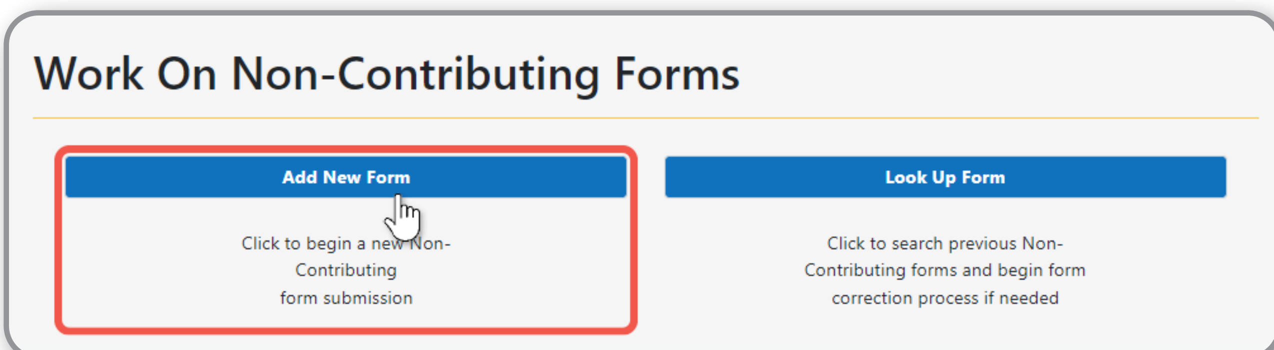
Enter "**Email Address and Password**" then click "**Sign in**".



STEP 3 To enter a Non-Contributing Member Form, click on "**Work on Non-Contributing**"

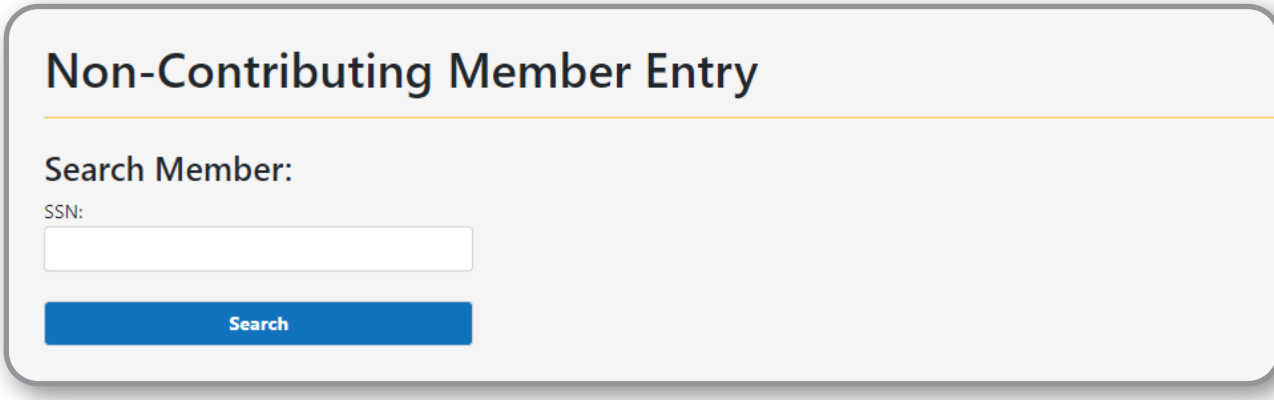


STEP 4 On the "**Work On Non-Contributing Forms**" page, select "**Add New Form**"



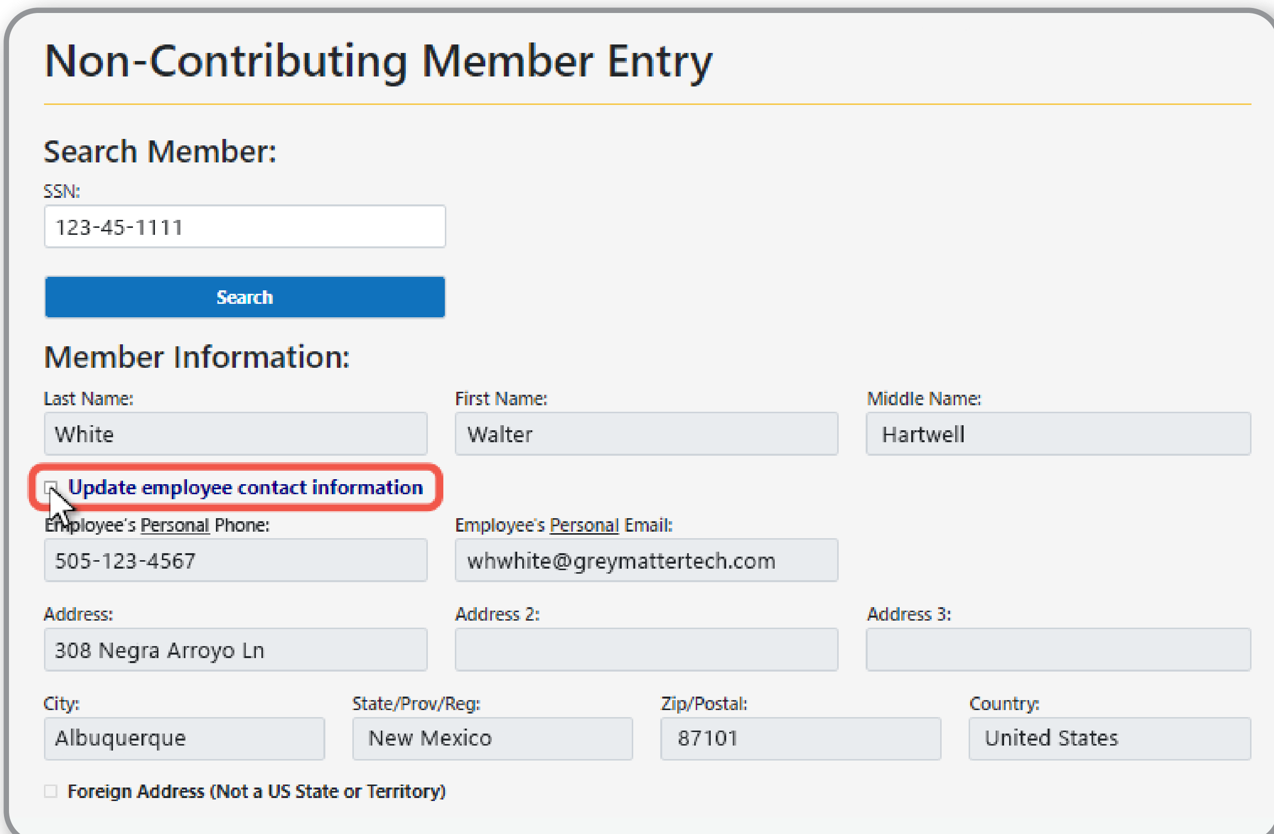
STEP 5

Enter the employee's **SSN** that the Non-Con is being submitted for on the "**Non-Contributing Member Entry**" page. Then click "**Search**". Please note, this screen will only allow the entry of SSN's for your agency employees.



STEP 6

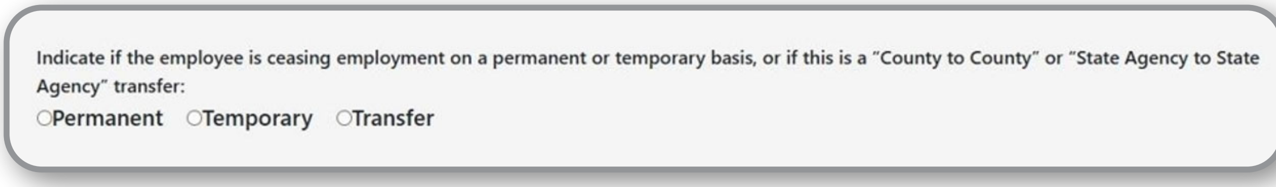
Once a SSN is entered and the search button is clicked, the employee contact information will be displayed for review. If any information needs to be updated, click on "**Update Employee Contact Information**" **check-box** and make the necessary adjustments.



STEP 7 Enter employee’s **Date of Birth**

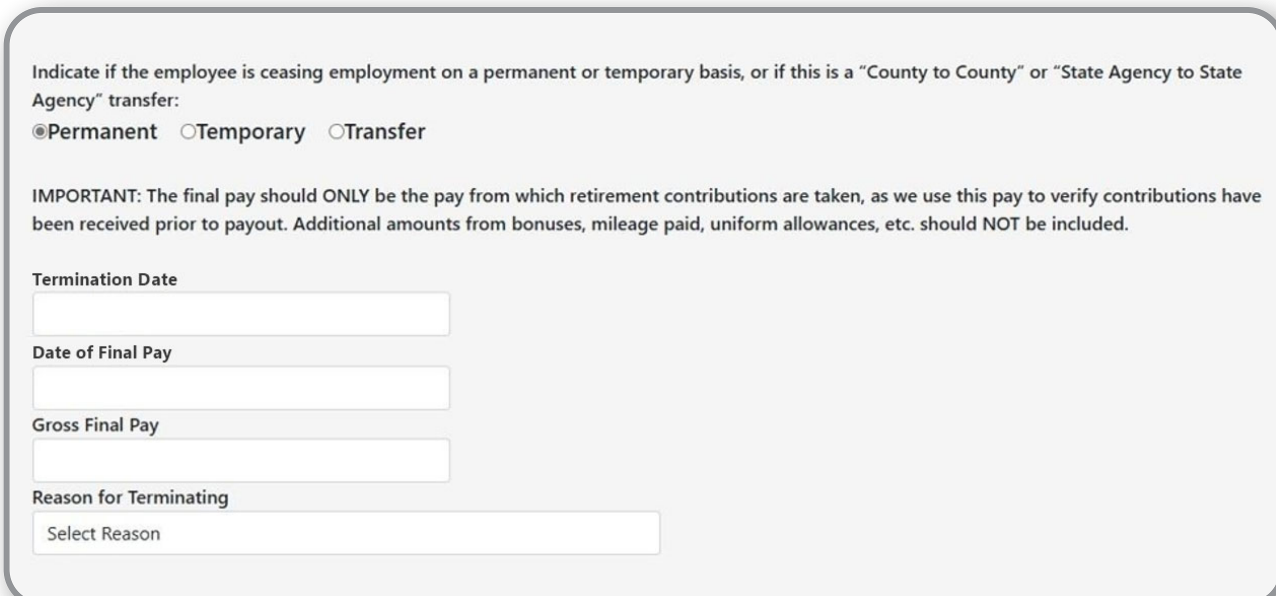

Date of Birth:

STEP 8 Enter employee’s **appropriate option**


Indicate if the employee is ceasing employment on a permanent or temporary basis, or if this is a “County to County” or “State Agency to State Agency” transfer:

○Permanent ○Temporary ○Transfer

STEP 9 Enter employee’s **Termination Date, Date of Final Pay, Gross Final Pay, and Reason for Terminating.**


Indicate if the employee is ceasing employment on a permanent or temporary basis, or if this is a “County to County” or “State Agency to State Agency” transfer:

◉Permanent ○Temporary ○Transfer

IMPORTANT: The final pay should ONLY be the pay from which retirement contributions are taken, as we use this pay to verify contributions have been received prior to payout. Additional amounts from bonuses, mileage paid, uniform allowances, etc. should NOT be included.

Termination Date

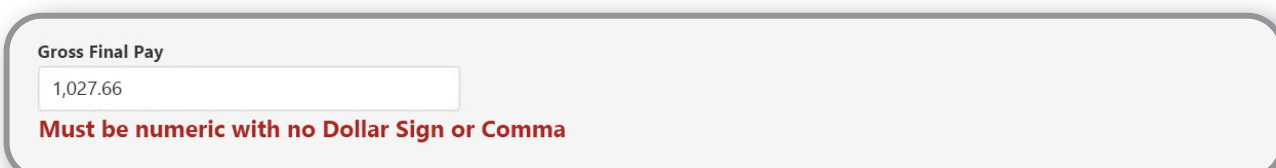
Date of Final Pay

Gross Final Pay

Reason for Terminating

Select Reason

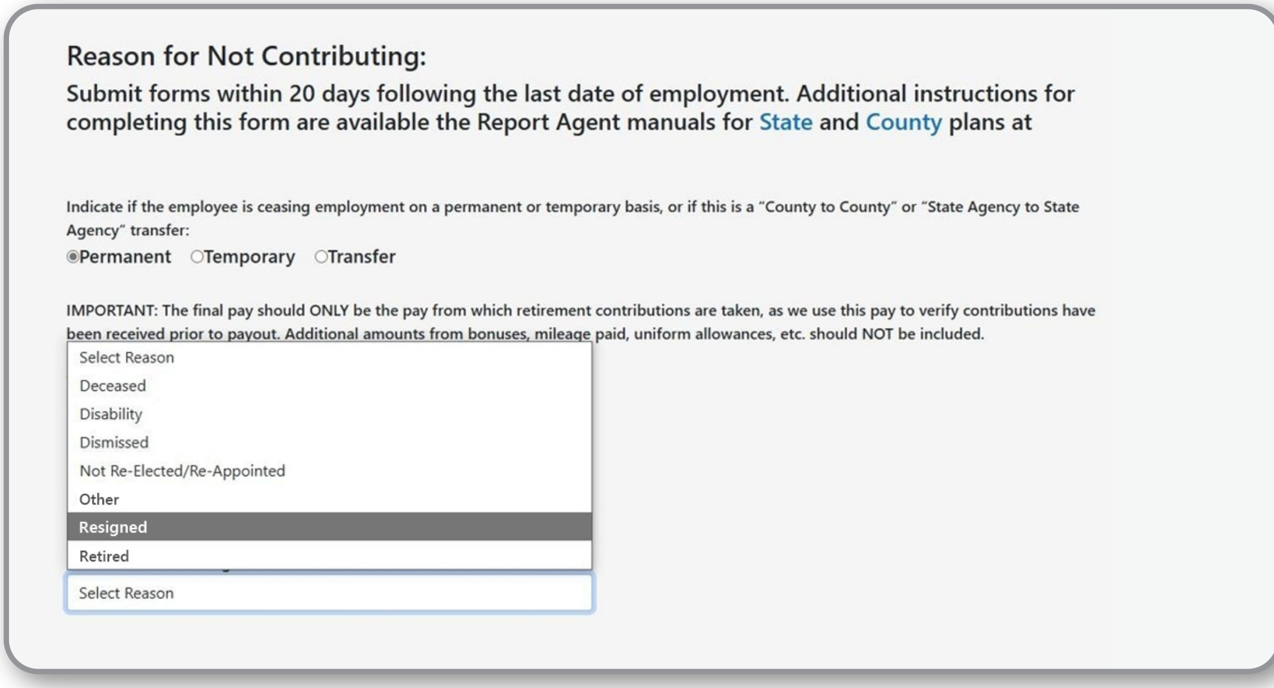
Gross Final Pay must be numeric with no Dollar Sign or Comma.


Gross Final Pay

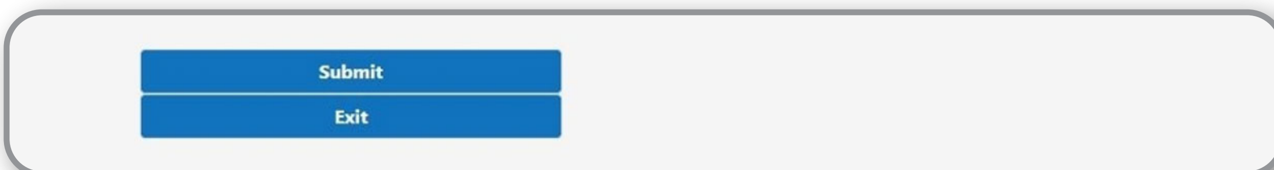
1,027.66

Must be numeric with no Dollar Sign or Comma

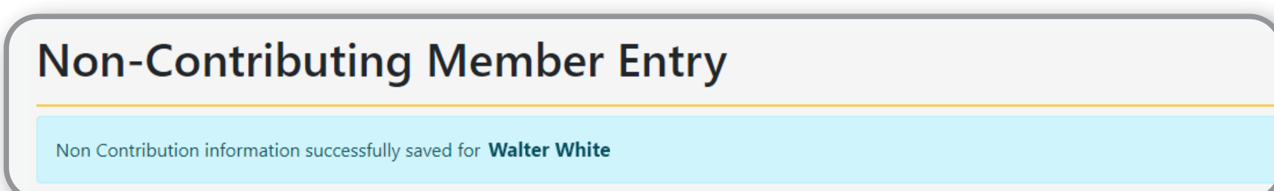
Select appropriate **Reason for Terminating**



STEP 10 Click **Submit**



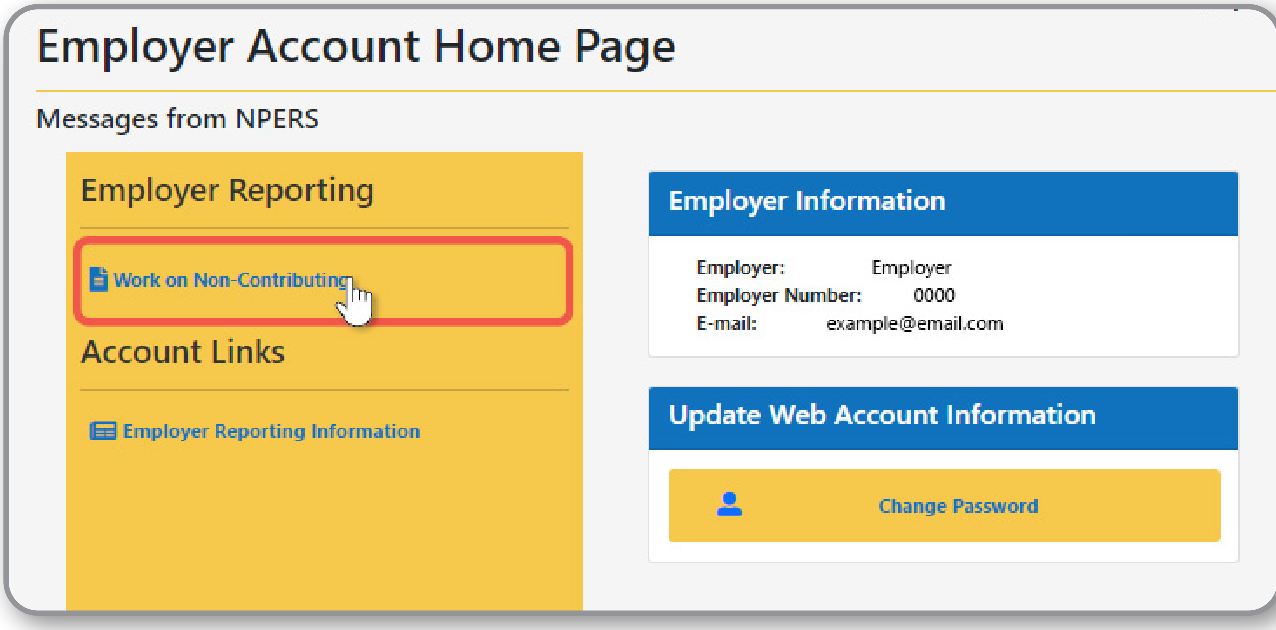
STEP 11 You will receive a confirmation of submission on the next screen.



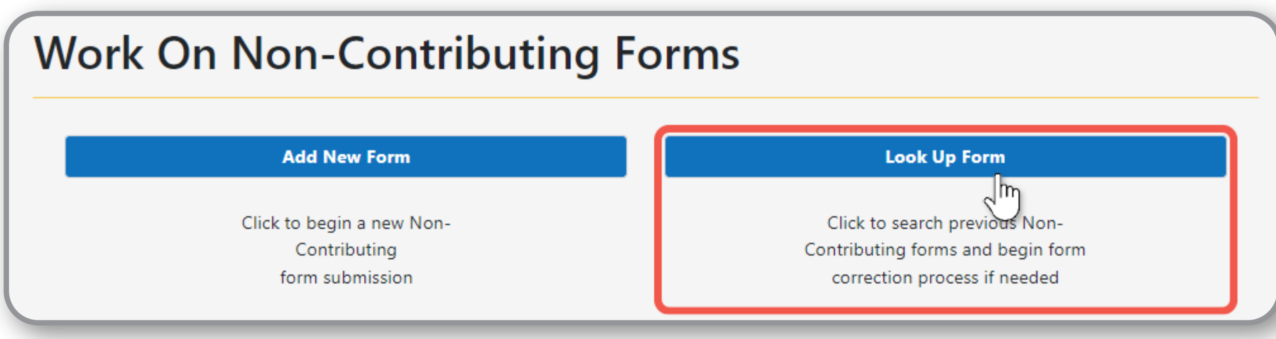
EDITING AN ELECTRONIC NON-CON

If information was incorrectly entered or circumstances have changed and a previously entered Non-Con needs to be edited, please follow the below instructions.

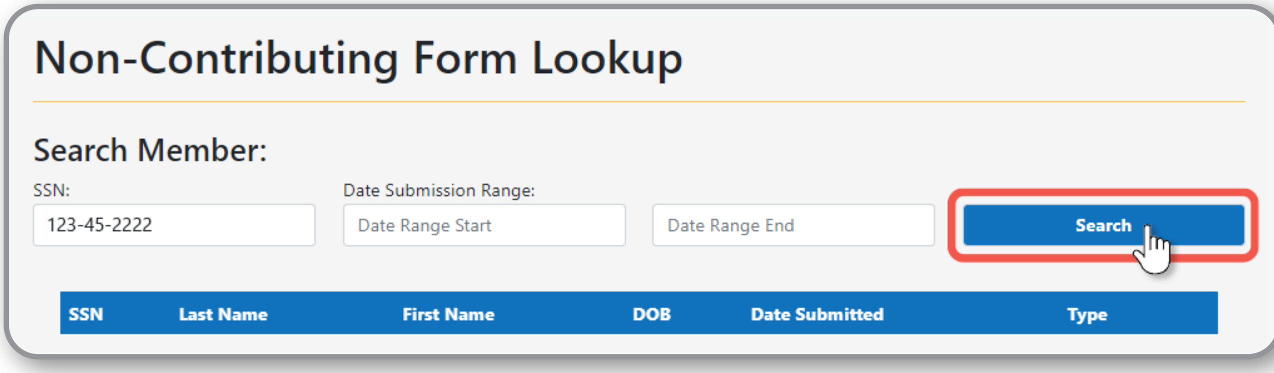
STEP 1 To edit a Non-Contributing Member Form, click on "**Work on Non-Contributing**"



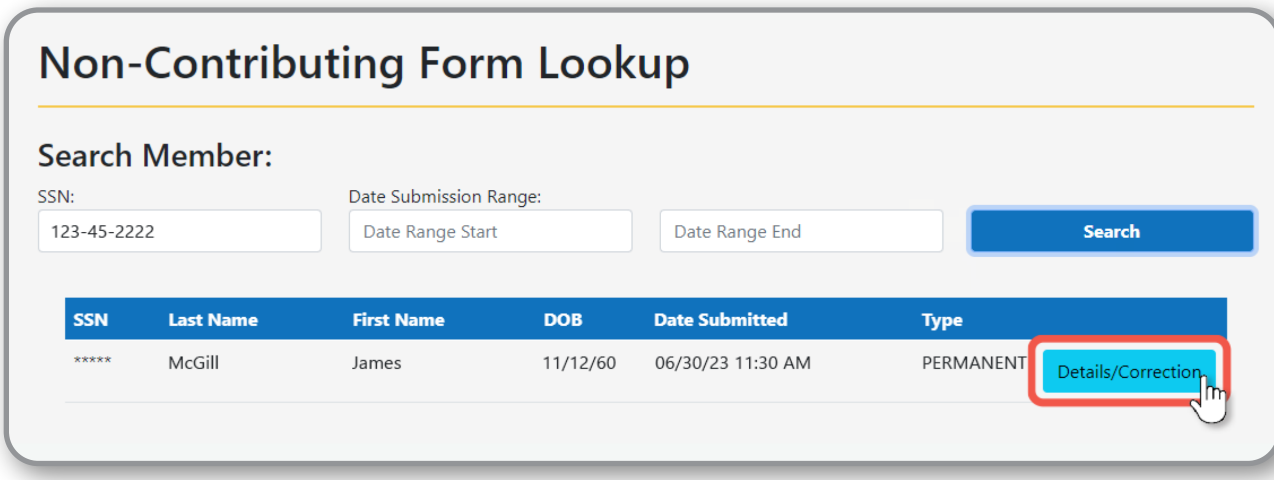
STEP 2 On the "**Work On Non-Contributing Forms**" page, click "**Look Up Form**".



STEP 3 On the new screen, you can search for previously submitted forms using either the SSN or date range features. After entering the search criteria, click the "Search" button.

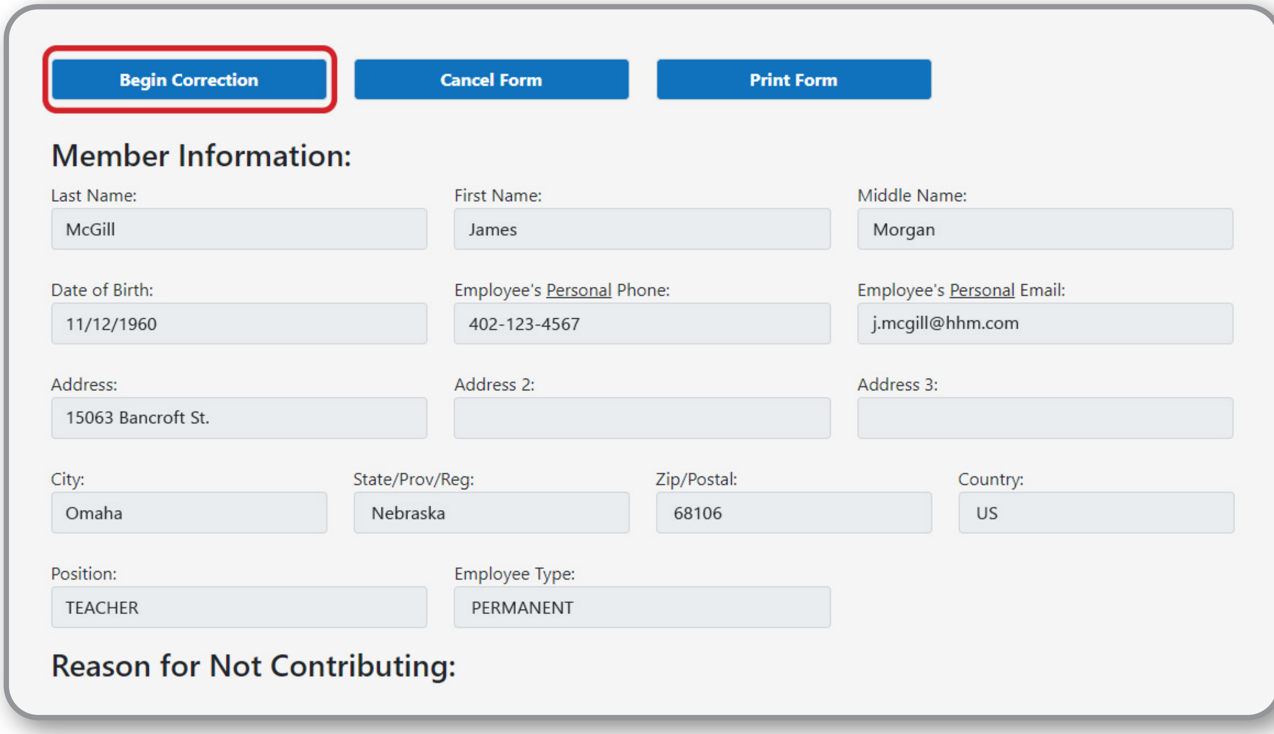


STEP 4 If a Non-Con for the member was previously entered, it will be displayed in a list after clicking "Search." In order to made edits to the Non-Con, click on the "**Details/Correction**" button on the right side of the listing.



STEP 5

On the next screen, you may review the Non-Con information previously submitted. If it is determined that changes are indeed required, click the “**Begin Corrections**” button.

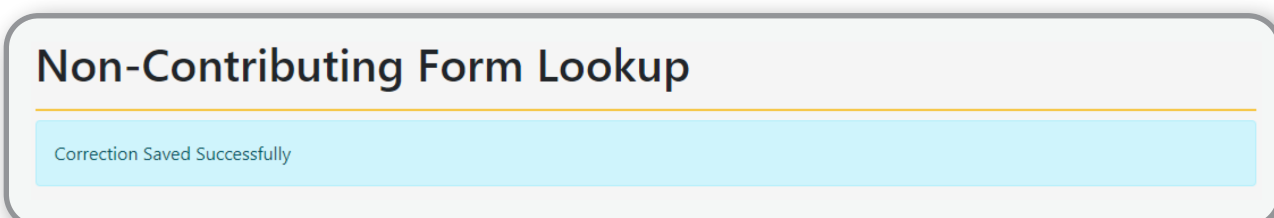


STEP 6

Make all necessary changes and then click “**Submit**” at the bottom of the form.

STEP 7

Once you click “Submit”, you will be taken to a screen that confirms your change to this Non-Con.



TIMELY SUBMISSION OF NON-CONS: REQUIRED MINIMUM DISTRIBUTION (RMD) AGE

Required Minimum Distributions (RMDs) must be taken after a member has separated from service and reached RMD age. When a member has reached their RMD age an RMD packet should be given to them when they terminate employment.

RMD ages are determined by the federal tax code. Legislation changes over the past few years have created different RMD ages depending on when you were born.

THE MEMBER'S RMD AGE:

DATE OF BIRTH	RMD AGE
Born **prior to** 7/1/1949	**70½**
Born **on or after** 7/1/1949 **but before** 1/1/1951	**72**
Born **on or after** 1/1/1951 **but before** 1/1/1960	**73**
Born **on or after** 1/1/1960	**75**

The timely submission of a Non-Contributing Member Form is essential for the member to able to take their RMD. Failure to take an RMD can result in the loss of a member's lifetime benefit and lead to significant tax penalties for the member.

IMPORTANT: *For **School Plan** members ONLY*: As of March 19th, 2024, with the passing of LB 198, a contributing School member can now immediately stop contributions by terminating all REGULAR service (full or part-time) and provide unlimited substitute and/or true temporary service that is not an extension of the regular position under the School Plan. With this new exception, it is important to make sure a Non-Con is submitted timely to support the termination of the regular service. With the changes in LB 198 any School Plan member that terminates from all regular service to change classifications to only a substitute or temporary position, HAS terminated for RMD purposes and MUST comply with the RMD rules.

WARNING:

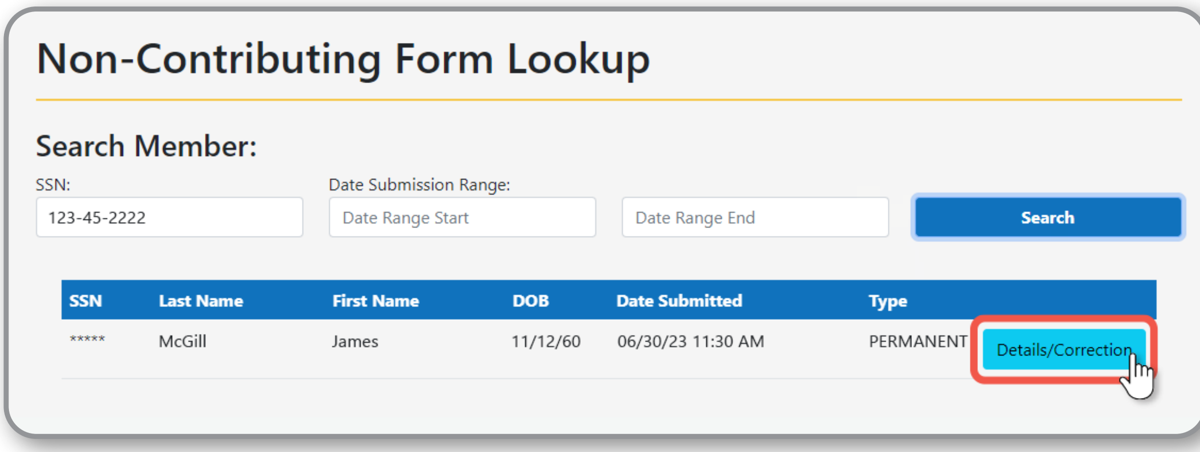
Vital information regarding LB 198 and RMD age School Plan members. If you have an employee enrolled in the School Plan, please be aware that provisions in LB198 (effective March 19, 2024) can have severe consequences for employees of RMD age if a termination of regular employment occurs and the participant changes classification to a substitute or temporary position. LB198 states that any member may terminate **regular employment** and immediately provide unlimited substitute service and/or true temporary service, but for someone of RMD age the substitute and/or temporary service, even though it is "employment", is NOT REGULAR EMPLOYMENT, which means substitute and/or temporary employment does NOT preclude the School member from being required to pay their initial RMD. They MUST comply with the RMD rules. An RMD age member must have **REGULAR** employment under the School Plan with contributions to avoid RMD payments. Ultimately, what this means is that if you have an RMD age employee in the School Plan who is NOT providing REGULAR service they MUST begin their lifetime annuity before the initial RMD deadline, or they will lose their lifetime benefit forever. If you or your RMD age employee have questions regarding RMD rules, please contact NPERS as soon as possible to ensure a lifetime benefit is not lost.

CANCELLING AN ELECTRONIC NON-CON

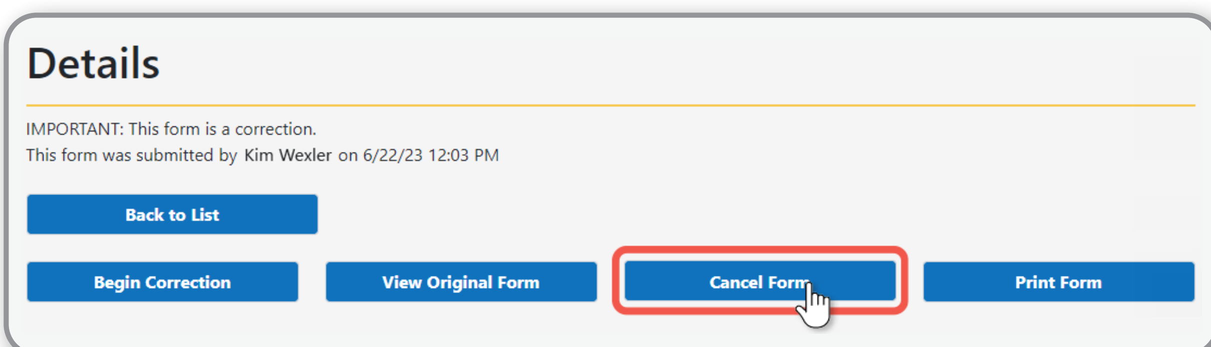
We also now offer a CANCEL option, which was not originally available when the process was re-leased. In order to CANCEL a Non-Con, if, for example a member initially states they are quitting and then reconsiders and decided to work another year, you need to take the following steps.

STEP 1 After you have logged in to your Employer Reporting Portal, and clicked on the Work on Non-Contributing heading under the Employer Home. Look up the person whose Non-Con you want to cancel using their SSN.

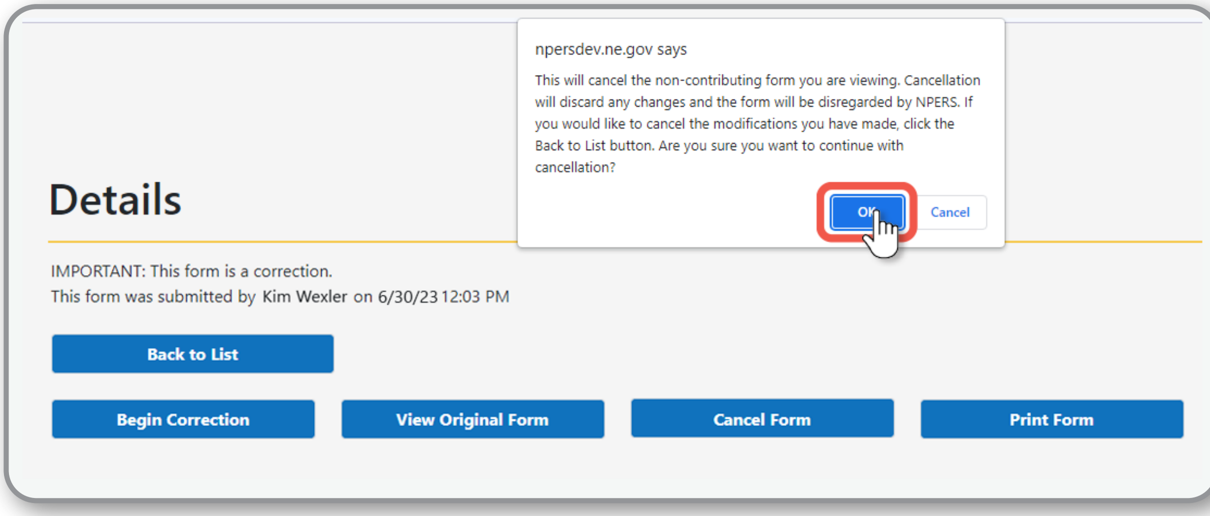
STEP 2 Click on the Details/Correction field. It will say who submitted the Non-Con the date they submitted it under the Details heading.



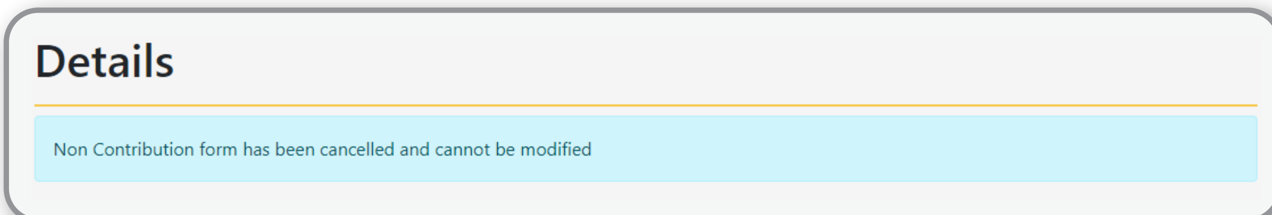
STEP 3 Click on the Cancel Form button.



STEP 4 You will receive the pop-up warning displayed below.

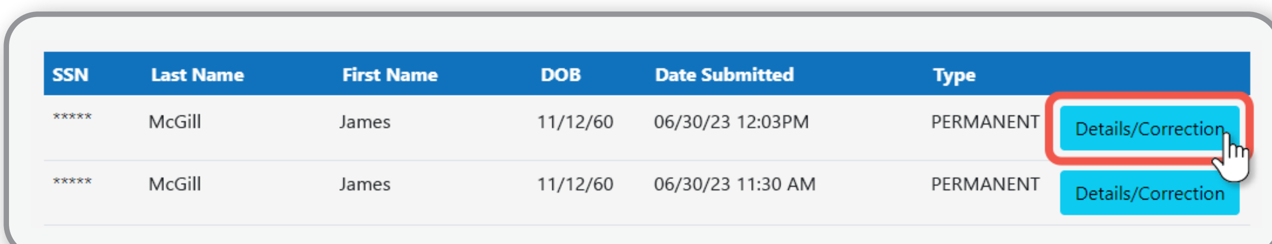


STEP 5 If you have corrections to make to the Non-Con, such as information that needs correcting or dates that need an adjustment, you could do that by editing the form (see pages 8-11 through 8-13). However, in this scenario the member isn't going to quit working. So you want to wipe out the Non-Con form completely, as there will be no interruption in contributions being made. Click "OK". You will receive this confirmation:

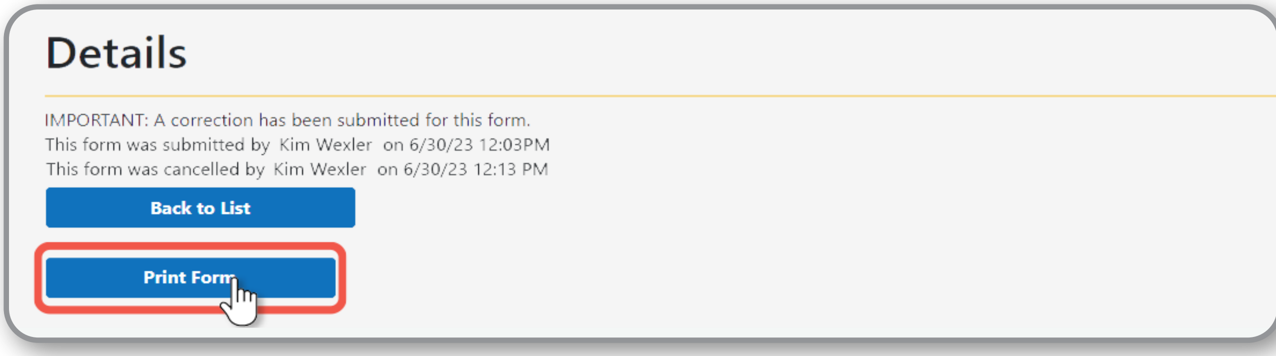


If you make a mistake and need the data to be reentered, or if you simply want a copy of the cancelled Non-Con for your records (just in case an auditor asks), it is still possible to print the just cancelled form at this point. Otherwise, you may click the "Back to List" button.

The list now shows the original Non-Con that was added at the bottom and the one that was cancelled on top. If you click on "Details/Corrections" on either of these Non-Cons, you'll see it will let the form be printed, but it cannot be modified because it was cancelled.



SSN	Last Name	First Name	DOB	Date Submitted	Type	
*****	McGill	James	11/12/60	06/30/23 12:03PM	PERMANENT	Details/Correction
*****	McGill	James	11/12/60	06/30/23 11:30 AM	PERMANENT	Details/Correction



If this process was done in error, you will need to begin at the start and reenter a new Non-Con electronically. Refer to pages 8-6 through 8-10 for the Adding an Electronic Non-Contributing Member Form process.

ADDITIONAL REFUND INFORMATION

Service does not need to be verified for a member receiving a refund. A refund cancels service credit.

If a member is re-hired in a NPERS eligible regular position for a state plan employer after filing an Application for Refund form with NPERS but prior to actually receiving the refund, they must notify NPERS immediately to cancel the refund.

A member who terminates employment and defers payment of their account should keep NPERS updated on their address. NPERS sends a Benefit Statement to inactive members, so it is important we have a current address.

MILITARY LEAVE (MILITARY SERVICE GUIDEBOOK)

PRIOR TO JANUARY 1, 2018

To Receive Vesting Credit: If an employee is on Military Leave and returns to active employment with the state **within 90 days** after honorable discharge or honorable separation from active duty, he/she is eligible to receive vesting credit for the period of military service, *even if he/she does not make employee contributions for that period*. The employee must provide to NPERS a copy of the DD214 discharge documents to show he/she had an "honorable" discharge and to show the start and stop dates of active duty in the military. If the type of military service does not generate a DD214, the other documents, such as the employee's orders, may be submitted in place of the DD214.

To Receive Employer Match: To receive employer matching contributions for the period of military service, the employee must make employee contributions through payroll deductions during a timeframe that is no greater than three times the military leave, but not to exceed five years. The employer will match the member's contribution month by month for the time period the member chooses. There will be no interest earned or fees charged for the military service credit. Individuals who wish to pay employee contributions should notify NPERS in writing of their intent as soon as possible after returning to employment.

It is the responsibility of the agency to calculate the total contributions due, advise the employee of the amount and the maximum number of payments allowed, and to remit the information to NPERS. The employee's contribution amount should be based on the compensation they would have earned during the period of military service. If you are unable to reasonable determine what they would have earned, then the amount may be determined using their average compensation rate during the 12-month period immediately before the military service. The employer must complete, have the member sign, and submit to NPERS a Make-up Contribution Agreement. A spreadsheet on how the amount of retirement was calculated should also be submitted.

AFTER JANUARY 1, 2018

Members who are reemployed after qualified military service will be granted vesting and benefit credit for the period of military service. The employer shall be responsible for funding military service benefits for both the member and employer contributions.

Payment Time Frame: Per statute, payments for eligible military service shall be paid to NPERS "*…as soon as reasonably practicable following the date of reemployment but must be paid within eighteen months of the date the board notifies the employer of the amount due. If the employer fails to pay the required amount within such eighteen-month period, then the employer is also responsible for any actuarial costs and interest on actuarial costs that accrue from eighteen months after the date the employer is notified by the board until the date the amount is paid.*"

These provisions only apply to military service that begins on or after January 1, 2018 and falls with-in the definition of uniformed service per the Uniformed Services and Reemployment Rights Act of 1994 (USERRA).

FORM(S) TO SUBMIT

To notify NPERS when a member has a military leave assignment, please submit a Non-Contributing Member Form for the anticipated period the member will be gone.

Deferred Compensation Participants: DCP participants should be notified and offered the opportunity to make-up contributions missed due to qualified military service, as required by the Uniformed Services Employment and Re-employment Rights Act (USERRA).

HEART ACT

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(s) 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. The employer shall be liable for the full actuarial cost to provide this benefit. NPERS will calculate the actuarial cost and submit an invoice. Payment shall be made within 30 days of receipt of the invoice.

CHAPTER 5

DEATH AND DISABILITY

DEATH BENEFITS

FORM(S) TO SUBMIT

Upon the death of an actively working plan member, the agency should immediately contact NPERS using a Non-Contributing Member form or Notification of Death form (see FORMS).

IMPORTANT

For the spouse to receive the 100% Joint and Survivor Annuity, they must file an application (that we provide to the spouse) with NPERS within 180 days of the death of the member. Therefore, if you have contact with the surviving spouse, please encourage them to contact NPERS as soon as possible.

DISABILITY RETIREMENT

Plan members may qualify for certain rights if they are approved for disability retirement by the Public Employees Retirement Board (PERB), regardless of their age. Disability is defined as an *"inability to engage in any substantially gainful activity by reason of any medically determinable physical or mental impairment which was initially diagnosed or became disabling while the member was an active participant in the plan and can be expected to result in death or be of a long and indefinite duration."*

FORM(S) TO SUBMIT

If you are aware an employee is permanently ceasing their employment for reasons of health or disability, please report this information on the State/County/DCP Non-Contributing Member Form. When this information is indicated on the form, NPERS will provide the member information regarding disability retirement.

To qualify for disability benefits, an employee must:

- Be under age 55 at termination.
- Have incurred the disability while a member of the plan.
- Apply for disability retirement status within *one year* of the date they ceased employment.
- Submit to a medical examination by a physician selected by NPERS and at the expense of the Plan.

To apply, the member must contact NPERS. They will be sent a Disability Retirement Packet and asked to provide a description of the disability and the names of the physicians they have consulted regarding the disability. The application will be reviewed by the PERB.

If they qualify:

- ► They will automatically be vested in the employer contributions, regardless of length of service.
- ► Payment options will be the same as regular termination/retirement payments under the Plan.
- ► Federal and State early withdrawal penalties will be waived on disability retirement distributions.

WARNING

A disability retirement benefit is **NOT** long-term disability *insurance*. If an employee is receiving disability insurance benefits in addition to retirement benefits, the insurance company may reduce their payment to the member by the amount the member receives from the State Plan.

IMPORTANT

Qualifying for disability retirement benefits through NPERS will also qualify the employee for *continuation of health insurance coverage* through the State of Nebraska provided they elect the COBRA program when terminating employment. Upon approval by NPERS for disability retirement benefits, the state Administrative Services will convert the employee’s coverage to the Early Retiree Health Plan. (Please have the employee check with Administrative Services or their agency payroll/personnel department regarding premium rates.)

CHAPTER 6

REEMPLOYMENT

REEMPLOYMENT

Reemployment is defined as severing service as a state employee, then returning to work for the State of Nebraska. This does not include employment in the private sector or any other employer not participating in the State retirement plan.

Plan members MUST cease employment at ALL state agencies participating in the plan in order to remove funds from their account.

- Individuals who cease employment prior to age 55 are considered "TERMINATED" for plan purposes.
- Individuals who cease employment on or after age 55 are considered "RETIRED" for plan purposes.

ELIGIBILITY/RESUMING PLAN PARTICIPATION

Reemployment Under 120 Days

- For retirement purposes, there was no cessation of employment. The employee must immediately resume plan participation regardless of the number of hours worked or if returning in a temporary capacity..

Reemployment After 120 Days

- Plan participation is mandatory if they return to permanent employment, regardless of how many hours they work.

IMPORTANT

Any member who has applied for a distribution or has taken a distribution of their account must incur a 120 calendar day break in service prior to reemployment. During the 120-day break, absolutely no service, paid or unpaid, temporary or permanent, may be provided. If a member returns to work before 120 days have elapsed from their termination/retirement, they will be required to repay any funds distributed to them and the employer will be required to make-up missed contributions.

You should notify NPERS immediately if you believe an employee has been reemployed in any capacity within the 120-day time frame. NPERS will contact the member as soon as possible to discuss repayment options, if necessary, or stop a withdrawal from being taken from their account if one is in progress.

IMPORTANT

If a member has taken (or plans to take) a distribution from their account, they cannot pre-arrange a return to work at any participating employer. If at any time it is determined there was a written or verbal agreement for the return to work, 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 CHECKLIST

- ► Have employee/member complete an Application for Vesting Credit form (see FORMS) and submit to NPERS within 180 days of employment. NPERS will determine if the employee/member should receive vesting credit from another outside governmental entity since they last left employment with the state.
- ► Inquire if the employee has recently terminated employment (120 days) with the state. If they terminated within 120 days, determine if they applied for, or took, a distribution from their retirement account.
- ► Give employee/member a Beneficiary Designation Form (see FORMS) to use in updating their account information. In addition, give the employee/member a State Plan booklet so they are aware of any changes to the Plan since they last participated.
- ► If you are unsure of an employee's/member's eligibility to rejoin the Plan, use the Eligibility Checklist or call NPERS to receive verification on when they should resume contributions to the Plan.
- ► Provide the employee/member with information on enrolling in or reentering the Deferred Compensation Plan (DCP).

IMPORTANT

Reemployed members should be referred to the plan handbook or our office for information on benefits, vesting and repayment of refunds after reemployment.

REPAYMENT OF REFUNDS/DISTRIBUTIONS

MANDATORY REPAYMENT OF REFUND

(Return of Ineligible Distributions)

If a mandatory repayment is required, NPERS will provide a Mandatory Repayment of Ineligible Distribution form to the member to complete and return to NPERS. If a payroll deduction is elected both the member and the employer must sign the repayment form. If payroll deduction is not elected NPERS will complete the process directly with the employee.

VOLUNTARY REPAYMENT OF REFUND

During the first 3 years after reemployment, a reemployed member may submit a request to NPERS to voluntarily repay a refund/distribution in order to restore any lost vesting credit and employer matching contributions. Repayment must be completed within five years of the date of reemployment or prior to termination.

CHAPTER 7

MISCELLANEOUS

ADDRESS CHANGES

The employer reports the member's address to NPERS through the LINK website. Therefore, it is **important address information be updated through LINK any time there is a change**.

PRERETIREMENT PLANNING PROGRAMS

Every fall NPERS conducts seminars statewide for members and their spouses/guests. Registration brochures are mailed to all eligible members, and the schedules and maps to locations are posted on the website at **npers.ne.gov**.

By law, each eligible member is entitled to receive **leave with pay** to attend **up to three** Preretirement Planning programs. Leave with pay means a day off paid by the employer and does not mean vacation, sick, personal, or compensatory time. The member may attend a seminar more than three times, but such leave will be at their expense and will be at the discretion of the employer. The law limiting attendance to three is not retroactive and therefore will not include attendances prior to September 9, 1995. Members may not attend more than once per fiscal year (July 1 - June 30).

State Law in 1987 authorized NPERS to conduct Retirement Planning programs. Vested members of the plan and their spouses or guests may attend these planning programs or webinars. Information is provided on the State's retirement plan, payment options, Social Security benefits, Medicare, health insurance, social and psychological adjustments to retirement, financial planning and estate planning.

RETIREMENT PLAN ADMINISTRATION

The **Public Employees Retirement Board (PERB)** consists of nine members appointed by the Governor for five-year terms. Seven members are participants in the retirement systems administered by the PERB. Two are at-large members and are not employees of the State of Nebraska or any of its political subdivisions. The State Investment Officer is also a member of the PERB in a non-voting, ex-officio capacity.

The PERB is responsible for the administration of the Judges, State Patrol, School Employees, OSERS, State Employees and County Employees Retirement Systems and the Deferred Compensation Plan. The PERB meets regularly and meeting dates are posted on NPERS' website at **npers.ne.gov**.

The **Nebraska Public Employees Retirement Systems (NPERS)** is the agency responsible for the administration of the State Plan.

A **Director** is hired by the PERB and directs NPERS in its administration of the various systems. The Director is subject to the approval of the Governor and a majority vote of the Legislature.

The **State Treasurer** is the custodian of the funds and securities of the retirement systems.

The **Nebraska Investment Council** is responsible for the investment and management of the system's assets. The Council contracts with outside managers to invest the various funds.

The **Record keeper** is a company under contract with the PERB to maintain individual member accounts, provide quarterly statements and allow for changes in investment allocations where applicable.

APPENDIX A

NPERS FORMS

NPERS FORMS FOR STATE EMPLOYER CONTACTS

Forms are subject to updates throughout the year. Please refer to the NPERS website at npers.ne.gov for current versions.

FORM NAME	FORM NUMBER
Application for Vesting Credit	NPERS2100
Beneficiary Designation Form (and supplemental)	NPERS1300
DCP Enrollment/Change Form	NPERS8000
Investment Election Form	NPERS2500
Make-Up Contribution Agreement	NPERS5351
Notification of Death	NPERS4030
Order Form	NPERS0205
State/County Cash Balance Voluntary Enrollment Form	NPERS1040
Voluntary Repayment of Refund—Method of Payment	NPERS5430
Employer Contact /Reporting Agent – Addition & Removal	NPERS 6305