

New Business Manager Workshop

February 8, 2023

WHAT IS TFFR?

- TFFR is a defined benefit pension plan designed to provide retirement, disability, and death benefits for ND public school educators.

BUSINESS MANAGER RESPONSIBILITIES

Identify Employees Eligible for TFFR

- Licensed by ESPB
<https://www.nd.gov/espb/>
- Under Contract or Written Agreement

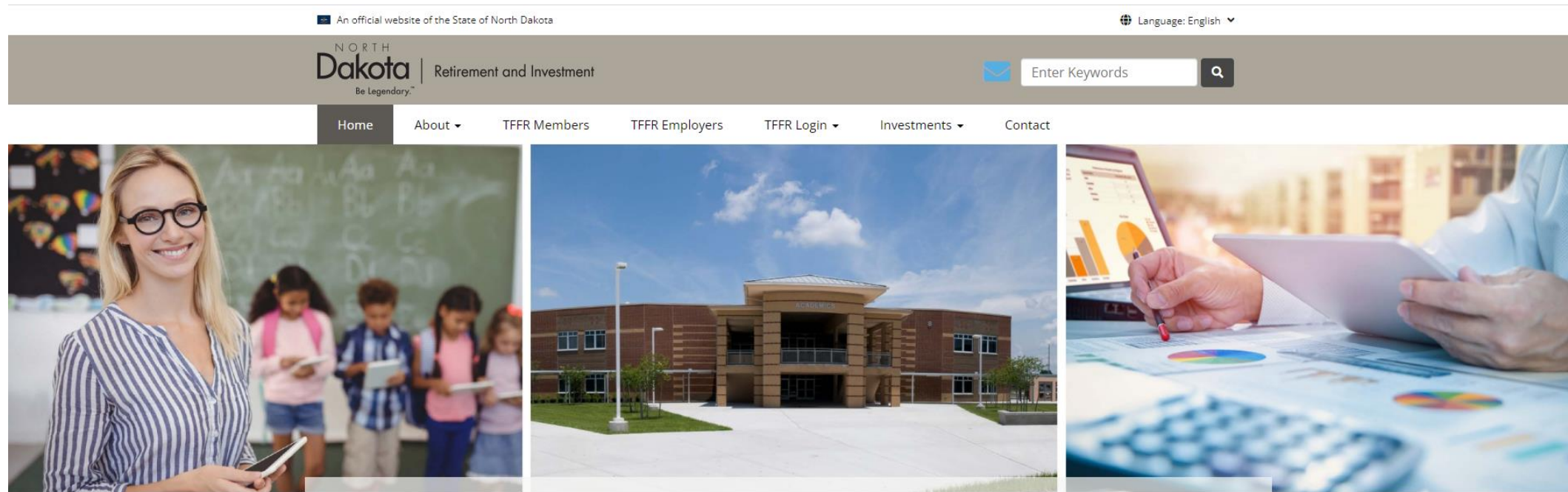
Report Eligible Salary

- Earnings for Performance of Duties
- Do Not Report Ineligible Salary

Collect & Pay Contributions

- Member (Active & Retired) – 11.75%
- Employer – 12.75%

TFFR WEBSITE



Welcome to the North Dakota Retirement and Investment Office (RIO). RIO administers two state programs - the Teachers' Fund for Retirement (TFFR) program and the State Investment Board (SIB) program. Use this website for information about these two important programs. See below for agency news and events.



TFFR MEMBERS



TFFR EMPLOYERS



TFFR LOGIN

TFFR WEBSITE

Welcome TFFR Employers! As a TFFR employer you play a vital role in the successful operation of the retirement program for ND educators. This site contains materials to assist you in timely and accurate employer reporting of member salaries, contributions and service hours. Please use the *Employer Guide* as reference tool and the *Basic Reporting Webcast* may also be helpful for new business managers.



GUIDE



BASIC REPORTING



FAQ

or

Employer Reporting	+
Employing a TFFR Retiree	-
<p>Retired TFFR members may return to TFFR covered employment under certain employment limitations. The limits apply to TFFR covered employment which includes teaching, supervisory and administrative duties in a ND public school or state institution covered by TFFR. Please see the Working After Retirement brochure for details about hiring a retired TFFR member.</p> <p>Once a school district employs a retiree, both the retiree and the employer must notify TFFR by completing a TFFR Retired Member Employment Notification form within 30 days of employment. This form, along with a copy of the retiree's contract or employment agreement, must be submitted to the administrative office each year the retiree is employed.</p>	
GASB 68 Information	+
Forms	-
<p>Certification of Member Employment</p> <p>Member Action Form</p> <p>Designation of Beneficiary</p> <p>Employer Demographics and Payment Plan Model</p> <p>Notice of Termination</p> <p>Employer Service Purchase</p> <p>Salary Verification - Pending Retiree</p>	
Presentations	+



TERMS & DEFINITIONS

- Bonus
- Contract
- Employee Contributions
- Employer Contributions
- Dual Member
- Last Day Worked & Total Hours
- In-Staff Substitute Teacher
- Salary
- Briefly Employer Newsletter

- Advisor/Director/Monitor/Supervisor
- Coach/Assistant Coach
- Curriculum development/writing
- Driver's education
- Dual credit classes
- In-service/workshops/professional development
- In-staff subbing
- Paid leave
- Summer school/summer programs
- **Refer to page 9 in the TFFR Employer Guide for a complete list**

REPORTABLE SALARY

NON-REPORTABLE SALARY

- Amounts received in lieu of previously employer-provided benefits or payments
- Bonuses
- Bus driving
- Early retirement incentive pay or severance pay
- Fringe benefits (insurance programs, allowances, meals, lodging)
- Insurance programs
- Janitorial pay
- Referee pay/Ticket taking
- Teacher's Aid pay

EMPLOYER PAYMENT PLAN

MODEL 1

Employer Remittance of All the Member Contributions as Salary Reduction

Contract/Additional TFFR Salary Earned by the Member	\$60,000.00
<u>Retirement Salary</u>	<u>\$60,000.00</u>
Tax-Deferred Member Contributions Withheld from Member's Pay and Remitted by the Employer as a Salary Reduction	\$ 7,050.00 (Retirement Salary of \$60,000 x 11.75%)
Employer Contributions	\$ 7,650.00 (Retirement Salary of \$60,000 x 12.75%)

MODEL 2 – FULL (ALL)

Employer Payment of All the Member Contributions as Salary Supplement

Contract/Additional TFFR Salary
Earned by the Member

\$60,000.00

Retirement Salary

\$67,988.67 (Contract Salary of \$60,000/.8825)

Tax-Deferred Member Contributions
Paid by the Employer as a Salary
Supplement

\$ 7,988.67 (Retirement Salary of \$67,988.67 x 11.75%)

Employer Contributions

\$ 8,668.56 (Retirement Salary of \$67,988.67 x 12.75%)

MODEL 2 (PARTIAL)

Employer Payment of a Percentage of the Member Contributions as Salary Supplement

Contract/Additional TFFR Salary
Earned by the Member

\$60,000.00

Retirement Salary

\$65,040.65 ($\$60,000 / .9225^*$)

Tax-Deferred Member Contributions
Paid by the Employer as a Salary
Supplement

\$ 5,040.65 (Retirement Salary of \$65,040.65 x 7.75%)

Tax-Deferred Member Contributions
Withheld from Member's Pay and Remitted
by the Employer as Salary Reduction

\$ 2,601.63 (Retirement Salary of \$65,040.65 x 4%)

Employer Contributions

\$ 8,292.68 (Retirement Salary of \$65,040.65 x 12.75%)

***Employer agrees to pay member contributions of 7.75%**

MODEL 4 (STATE AGENCIES & INSTITUTIONS)

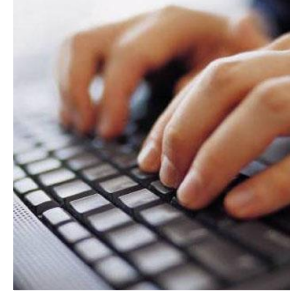
The State agrees to pay 4% of the member contribution as a salary supplement; remaining 7.75% of the member contribution is deducted as a salary reduction.

Contract/Additional TFFR Salary Earned by the Member	\$60,000.00
<u>Retirement Salary</u>	<u>\$60,000.00</u>
Tax-Deferred Member Contributions Paid by the Employer as a Salary Supplement	\$ 2,400.00 (Retirement Salary of \$60,000 x 4%)
Tax-Deferred Member Contributions Withheld From Member's Pay and Remitted by the Employer as Salary Reduction	\$ 4,650.00 (Retirement Salary of \$60,000 x 7.75%)
Employer Contributions	\$ 7,650.00 (Retirement Salary of \$60,000 x 12.75%)

EMPLOYER REPORTING

MONTHLY REPORTING

- All participating TFFR Employers are required by law to make monthly payments and submit monthly reports
- Payment of member and employer contributions are due by the 15th of the month
- The employer is responsible for ensuring the information in the report is correct
- ACH payments



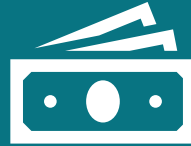
Online
Reporting

Manual
Reporting



ACH Payment

PENALTY FOR LATE PAYMENT/REPORT



TFFR is required by law to take action if an employer is late with reports, forms, or payments



Penalty is \$250 and interest of 1% per month on the amount due

ADJUSTMENTS TO REPORTED SALARY

- Contact TFFR in writing
- TFFR will bill/refund employer
- Pay special attention at year end for salary reported in the wrong fiscal year



YEAR END REPORTING



Final report
for June due
no later than
July 15th



Report salary
when Earned
and not when
paid



Do NOT
report unused
vacation
and/or sick
leave



All member
records must
be closed with
compensated
hours & last
date worked

EMPLOYER SUMMARY REPORT

- TFFR sends an Employer Summary Report in August
- Lists all reported members and total fiscal year information for the prior fiscal year ended June 30
- Contact TFFR if you find any discrepancies

Please Review the Following to Verify Accuracy:

- Contract/Additional TFFR Salary
- Retirement Salary
- Taxed Member Contributions
- Tax-Deferred Member Contributions
- Employer Contributions
- Last Date Worked
- Total Hours

FORMS

- Employer Demographics and Payment Plan Model
- Member Action Form
- Designation of Beneficiary
- Salary Verification – Pending Retiree

Employer Demographics and Payment Plan Model Form



EMPLOYER DEMOGRAPHICS AND PAYMENT PLAN MODEL (800)

NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE

TEACHERS' FUND FOR RETIREMENT

SFN 7894 (2-2022)

Employer Name		Employer Number (5-digit)
Street Address		
PO Box	Telephone Number	Fax Number
City	State	ZIP Code
Business Manager's Name	Business Manager's Email Address	
Superintendent/Administrator's Name	Superintendent/Administrator's Email Address	
TFFR Report prepared by (if different from Business Manager)	Preparer's Email Address	

Please review the [TFFR Employer Guide](#) for information and examples of the payment plan models available to the employer. Contact TFFR if you are making a model change.

TFFR Employer Payment Plan Effective Date	July 1 <input type="text"/> (year)
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Model Selected (check one)

- ☐ Model 0 Employer withholds and remits taxed member contributions.
Percent Paid by Member - Taxed 11.75%
- ☐ Model 1 Employer withholds and remits ALL of the member contributions under a salary reduction.
Percent Paid by Member - Tax Deferred 11.75%
- ☐ Model 2 Employer pays all or a portion of the member contributions as a salary supplement.
Percent Paid by Employer - Tax Deferred % (Up to 11.75%)
Percent Paid by Member - Tax Deferred % (Balance)
- ☐ Model 4 State Agencies and State Institutions Only
The State pays a portion of the member contribution as a salary supplement.
Percent Paid by State - Tax Deferred 4.00 % (Up to 11.75%)
Percent Paid by Member - Tax Deferred 7.75 % (Balance)

I understand the terms and conditions of the TFFR Employer Payment Plan model described in the TFFR Employer Guide. The employer has selected the above model to report and pay member and employer contributions. I understand this Employer Payment Plan will remain in effect until a new plan is filed in writing. I also understand that any penalties levied by the Internal Revenue Service or Social Security Administration for improper reporting are the liability of the employer, not TFFR.

RETURN TO:

ND Retirement and Investment Office
PO Box 7100
Bismarck ND 58507-7100

Telephone: 701-328-9885
Toll free: 800-952-2970
Fax: 701-328-9897
Email: rio@nd.gov

This form is available in an alternate format upon request.

Authorized Signature of Employer	
Title	
Date	Date Change Goes Into Effect

Member Action Form

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MEMBER ACTION (001)

NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE
TEACHERS' FUND FOR RETIREMENT DIVISION
SFN 50981 (2-2022)

Please see reverse side for important information on death benefits, naming a beneficiary, and purchasing refunded service credit.

In compliance with the Federal Privacy Act of 1974, the disclosure of the individual's social security number on this form is mandatory pursuant to 26 U.S.C. § 3402. The individual's social security number is used for tax reporting and as an identification number. Penalty for not including the social security number may cause the form to not be processed.

Name (First, Middle, Last) Jane Marie Doe		Social Security Number XXX-XX-XXXX	Gender f	Date of Birth XX-XX-XXXX
Primary Mailing Address 110 Rolling Hills Dr		City Somewhere	State ND	ZIP Code (9-digit) 12345-6789
Married <input checked="" type="checkbox"/> Single <input type="checkbox"/>	Maiden Name Fawn	Name of Spouse (First, Middle, Last) John Buck Doe		Gender M
School District /Employer 12-345	Work Telephone Number 701-123-4567	Primary Telephone Number 701-891-2345	E-mail Address janemdoe@k12.nd.edu	
1. I have a current ND teaching license. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Substitute teacher license not acceptable) License # XXXXXX Exp. Date xx/xxxx				
2. I have a contract or other written employment agreement with the employer named above. <input type="checkbox"/> Yes <input type="checkbox"/> No				
3. I am (Check only one): <input checked="" type="checkbox"/> New, first time TFFR member. Complete #4 and a TFFR Designation of Beneficiary Form <input type="checkbox"/> Active TFFR member changing or adding an employer. <input type="checkbox"/> Inactive TFFR member returning to covered employment. <input type="checkbox"/> Refunded TFFR member returning to covered employment. Complete #4 <input type="checkbox"/> On a leave of absence for school year(s) _____ <input type="checkbox"/> Returning from a leave of absence effective _____ <input type="checkbox"/> Retired TFFR member returning to covered employment under Exception B-Benefit Suspension and Recalculation. Under all options, please complete a separate TFFR Designation of Beneficiary form, SFN 10341, to name or update your designated beneficiary.				
4. I have previous ND employment covered by the Public Employees Retirement System (PERS). <input type="checkbox"/> Yes <input type="checkbox"/> No Where _____ When _____ I have previous ND employment covered by the Highway Patrol Retirement System (HPRS). <input type="checkbox"/> Yes <input type="checkbox"/> No Where _____ When _____				

Member's Signature

RETURN TO:

ND Retirement and Investment Office
PO Box 7100
Bismarck ND 58507-7100

Telephone: 701-328-9885
Toll free: 800-952-2970
Fax: 701-328-9897
Email: rio@nd.gov

I certify the above information is an accurate description of my employment status and TFFR plan participation. I have also read and understand the information on the reverse side.

Signature of Member

SIGN HERE

Date

11/2/2022

Designation of Beneficiary Form



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DESIGNATION OF BENEFICIARY (020)

NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE

TEACHERS' FUND FOR RETIREMENT DIVISION

SFN 10341 (2-2022)

Please see reverse side for instructions and important information on naming a beneficiary(ies) and death benefits available.

In compliance with the Federal Privacy Act of 1974, the disclosure of the individual's social security number on this form is mandatory pursuant to 26 U.S.C. § 3402. The individual's social security number is used for tax reporting and as an identification number. Penalty for not including the Social Security number may cause the form to not be processed.

Member Name (First, Middle, Last) Jane Marie Doe		Person ID 123456		Gender F	Birth Date XX-XX-XXXX	
Primary Mailing Address 110 Rolling Hills Dr			City Somewhere	State ND	ZIP Code (9-digit) 12345-6789	
<input checked="" type="checkbox"/> Married <input type="checkbox"/> Widowed	Maiden Name Fawn	Spouse Name (First, Middle, Last) John Buck Doe			Gender M	
Work Telephone Number 701-123-4567	Primary Telephone Number 701-891-2345		E-mail Address janemdoe@k12.nd.edu			

Primary Beneficiary(ies)	Relationship	Social Security Number	Date of Birth	Gender	% Share	Address or Telephone Number
John Buck Doe	spouse	xxx-xx-xxxx	xx/xx/xxxx	M	100	xxx-xxx-xxxx
Total must equal					100%	

Contingent Beneficiary (ies) (Optional)	Relationship	Social Security Number	Date of Birth	Gender	% Share	Address or Telephone Number
Little Fawn	daughter	xxx-xx-xxxx	xx/xx/xxxx	F	50	xxx-xxx-xxxx
John Doe Jr	son	xxx-xx-xxxx	xx/xx/xxxx	M	50	xxx-xxx-xxxx
Total must equal					100%	

Spousal Consent
If you are married and designate a beneficiary other than your spouse, your spouse must consent in writing to the alternate beneficiary (NDCC 15-39.1-17).
I have read and understand the death benefit information on the reverse side. I consent to the above named beneficiary(ies) designated by the above named TFFR member.
Signature of Member
Date

Member's Signature
I have read and understand the death benefit information on the reverse side. I designate the above named beneficiary(ies) to my TFFR account.
Signature of Member
Date 11/2/2022

RETURN TO:

ND Retirement and Investment Office
PO Box 7100
Bismarck ND 58507-7100

Telephone: 701-328-9885
Fax: 701-328-9897
Toll free: 800-952-2970
Email: rio@nd.gov

This form is available in an alternate format upon request.

Salary Verification Form

- Estimated last day worked is after all employment
- Do the best you can to estimate what salary is left to report
- Use the middle section for additional salary
- Send documentation on any extra salary over \$1,000
- Make sure to complete the employer payment plan model section
- Sign the form
- Call if you have any questions on how to complete this form
- Send to TFFR as soon as possible



SALARY VERIFICATION – PENDING RETIREE (126)

NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE
TEACHERS' FUND FOR RETIREMENT DIVISION
SFN 58158 (2-2022)

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

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

Member Name Jane Doe		Person ID (For office use only)	Fiscal Year 07-01- 21 through 06-30- 22
Annual Base Contract Salary 60,000		Number of Payments 9, 10, 12, 26	
Estimated Last Day Worked 5/28/2022		Estimated Number of Compensated Hours 700	
Month	Base Contract	Additions/Reductions to Base Contract (Do not list ineligible TFFR pay—Ex: unused leave, bus driving, etc.)	Total Eligible Contract Salary (Do not include TFFR pickup)
<i>Example</i>	<i>\$3,000</i>	<i>\$1,000 BB Coaching; \$500 Curriculum Writing; -\$230.50 Leave W/out Pay</i>	<i>\$4,269.50</i>
July			
August			
September	\$5,000		\$5,000
October	\$5,000	\$3,000 Cross Country Coaching	\$8,000
November	\$5,000		\$5,000
December	\$5,000	\$125.00 In-staff subbing	\$5,125
January	\$5,000	\$62.50 In-staff subbing	\$5,062.50
February	\$5,000		\$5,000
March	\$5,000		\$5,000
April	\$5,000		\$5,000
May	\$5,000		\$5,000
June	\$15,000	June, July, August payments	\$15,000
Total Estimated Eligible Contract Salary for Fiscal Year			\$

Name of Employer Best Public School		Employer Number (5-digit) 12-345
Employer Payment Plan Model <input type="checkbox"/> Model 0 <input type="checkbox"/> Model 1 <input checked="" type="checkbox"/> Model 2 Partial 9.75 % of Employee Pickup <input type="checkbox"/> Model 2 Full <input type="checkbox"/> Model 4		
Signature of Business Manager	Date 02/10/2022	Telephone Number 701-123-4567

RETURN TO:

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PO Box 7100
Bismarck ND 58507-7100

Telephone: 701-328-9885
Toll free: 800-952-2970
Fax: 701-328-9897
Email: rio@nd.gov

EMPLOYING A RETIRED TEACHER

RETIREE EMPLOYMENT OPTIONS

General Rule –
Annual Hour
Limit

Exception A –
Critical Shortage
Area

Exception B –
Benefit
Suspension &
Recalculation

EMPLOYMENT AFTER RETIREMENT

- Under both federal and state law, a teacher must terminate employment in order to be eligible to retire and receive retirement benefits. Therefore, at the time of retirement, there can be NO written pre-existing agreement indicating re-employment after retirement.

General Rule – Annual Hour Limit

- After 30 days has passed from the teacher's first retirement benefit, they may return to TFFR covered employment for a maximum number of hours in a fiscal year (July 1 – June 30), depending on the length of the contract.
 - 9-month contract = 700 hours
 - 10-month contract = 800 hours
 - 11-month contract = 900 hours
 - 12-month contract = 1000 hours
- Teacher continues to receive TFFR benefits.
- Non-contracted substitute teaching, extra-curricular duties, and professional development do not count toward the hourly limit.
- Employee and Employer contributions are required to be paid.



EMPLOYMENT AFTER RETIREMENT CON'T

Exception A: Critical Shortage Area

- A one-year waiting period is required.
- ESPB determines the critical shortage areas each year in the spring. For 2022-23, all subject areas are critical; Administration is not.
- Each year, teachers must re-apply for this exception.
- Teacher continues to receive TFFR benefits.
- Employee and Employer contributions are required to be paid.

Exception B: Benefit Suspension and Re-calculation

- After 30 days from the teacher's retirement date, they may return to TFFR covered employment and exceed the annual hour limitation.
- TFFR benefits will be suspended the first of the month following the month they reach the annual hour limit.
- TFFR benefits may or may not be re-calculated.
- Employee and Employer contributions are required to be paid.

Retired Member Employment Notification

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TFFR RETIRED MEMBER EMPLOYMENT NOTIFICATION (330)

NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE
TEACHERS' FUND FOR RETIREMENT DIVISION
SFN 52161 (11-21)

General Information: State statutes (NDCC 15-39.1-19.1) allow a retired TFFR member to return to TFFR-covered employment under certain employment limitations. A summary of retiree employment options is outlined on the reverse side of this form. This form, along with a copy of the retiree's contract or employment agreement, must be submitted to the administrative office within 30 days of the retiree's return to covered employment **each year** the retiree is employed.

Section 1: Completed by Retiree

Name of Retiree (First, Middle, Last) John Doe		Person ID	Telephone Number 701-258-3697	Retirement Date 6/15/2022
Employer Best School	Position/Subject Elem Teacher	Post Retirement – first day of work 08/21/2022	Post Retirement – last day of work 05/26/2023	
Number of Compensated Hours (Exclude Extra Curricular) 649	Salary (Include Extra Curricular) \$26,000	Were you employed during the previous fiscal year? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, Employer: Position:	

Select only one option for July 1 **2022** - June 30 **2023** fiscal year:

☒ **General Rule - Annual Hour Limit**

9 month contract = 700 hours
10 month contract = 800 hours
11 month contract = 900 hours
12 month contract = 1,000 hours

☐ **Exception A – Critical Shortage Area (CSA)**

Approved CSA ☐ Yes ☐ No ☐ Subject Area ☐ Geographic

ESPB Signature	Date
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☐ **Exception B – Benefit Suspension and Recalculation**

Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 ☐

Approximate date annual hour limit is reached (first year only)

I certify that I have reviewed the retiree return to work options on the reverse of this form and understand the employment limitations and the payment of employee contribution requirements. The above information is a complete and accurate description of my employment arrangement. I will notify TFFR of any change in the employment relationship.

Signature of Retiree <i>John Doe</i>	Date 8/15/2022
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Section 2: Completed by Employer

Employer Name Best School	Employer Number 10-001	Telephone Number 701-123-4567	Written Employment Agreement <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, please attach.
Business Manager Name Jane Smith	Superintendent Name Jim Allen		

I certify that I have reviewed the retiree return to work options on the reverse of this form and understand the employer reporting requirements including payment of employee and employer contributions on all retirement salary paid to a retiree based on our employer payment model. The above information is a complete and accurate description of the employment arrangement with the retired TFFR member. I will notify TFFR of any change in the employment arrangement.

Signature of Employer <i>Jane Smith</i>	Date 8/15/2022
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RETURN TO:

ND Retirement and Investment Office
PO Box 7100
Bismarck ND 58507-7100

Telephone: 701-328-9885
Toll free: 800-952-2970
Fax: 701-328-9897
Email: rio@nd.gov

This form is available in an alternate format upon request.

RIO Use Only

Letter Sent
Benefits Continue <input type="checkbox"/> Y <input type="checkbox"/> N
Benefits Suspended
Form Filed Within 30 Days <input type="checkbox"/> Y <input type="checkbox"/> N

	Retiree Return to Work Limitation	Waiting Period Required (Break in Service)	TFFR Benefit Continued	TFFR Employee & Employer Contributions Paid	TFFR Benefit Amount Recalculated
General Rule	Annual hour limit	30 days from TFFR retirement date	Yes	Yes	No
Exception A	Critical shortage areas determined by ESPB	One Year – if your retirement date is after 1/1/2001	Yes	Yes	No
	Over annual hour limit	None – if your retirement is on or before 1/1/2001			
Exception B	30 days from TFFR retirement date	Unlimited	No	Yes	Yes Recalculation based on the number of additional years of service

Any
Questions

TFFR INFORMATION

TFFR website: www.rio.nd.gov

TFFR Employer Information

- Employer reporting, employing retirees, GASB 68 info, FAQs:
<https://www.rio.nd.gov/teachers-fund-retirement-employers>

Newsletters & Reports

- Newsletters, actuarial reports, & financial reports:
<https://www.rio.nd.gov/newsletters-reports>

TFFR CONTACT INFORMATION

- Phone: 701-328-9885 or 1-800-952-2970
- Email: dcweeks@nd.gov Denise Weeks, Retirement Program Manager
tdvolkert@nd.gov Tami Volkert, Compliance Specialist
dleingang-sargeant@nd.gov Denise Leingang-Sargeant, Membership Specialist

- Please fill out the short, anonymous survey that we will link to in the meeting chat, so that we can provide the best possible services that meet your needs and expectations!

Survey