

EMPLOYER
NEWSLETTER

TFFR
Mission
Statement:

To administer a comprehensive retirement program that provides North Dakota public educators with a foundation for retirement security.



Briefly

JANUARY 2020

Salary Verification - Pending Retiree Form

To assist TFFR in the salary verification process prior to a teacher retiring, complete the [Salary Verification-Pending Retiree form](#). We would appreciate receiving this form before **February 15** for each person retiring. If you have the form completed earlier, please submit as you complete them. Do your best to estimate the salary to be earned in the remaining months. If you become aware of a large difference in the person's pay (\$1,000 or more) after submitting the form, simply send TFFR an e-mail with the amount and reason for the salary change.

This form provides TFFR with salary detail for the current fiscal year and is used to estimate the teacher's final salary. Ninety percent of the salary estimate is used to calculate the initial retirement benefit. Once the employer has reported all salary for the retiree, the retirement benefit is recalculated and corrected retroactively, if needed.

GASB Statement 68 Update

The audited fiscal year 2019 Schedules of Employer Allocations and Pension Amounts by Employer, GASB 68 Disclosure Template, and Sample Journal Entries are now available. Employers and auditors can use this information to complete your 2020 financials.

All of the [GASB 68 information](#) can be found on our website.



Retiree Reemployment Guidance

A common question asked by employers and reemployed retirees is how annual service hours should be calculated. At the close of each fiscal year participating employers are required to report to TFFR the total number of hours a reemployed retiree was compensated for during the school year. One measure of reasonability used by TFFR to determine if a reemployed retiree may exceed the annual hour limits is to look at the contract/work agreement. If a contract shows 4/7 or less (teaching 4 periods or teaching 3 periods and a prep) that generally will create total service hours under 700 once professional development days are excluded.

Participating employers should establish procedures to monitor and calculate the correct number of compensated service hours. Employers must also be able to provide documentation in support of service hours reported to TFFR when requested to do so. Timecards or another tracking mechanism can accomplish both of these goals.

IRS Compensation Limit

Annually, the IRS issues a compensation limit that impacts the salary that can be reported to TFFR for benefit calculation purposes. The 2020 compensation limit is \$285,000. If you have any TFFR employees that will be earning in excess of this amount, please contact Shelly Schumacher, TFFR Retirement Program Manager, to discuss how to handle salary reporting for these employees.

2019 Annual Financial Report Available

For a complete review of the financial, investment, and actuarial conditions of the State Investment Board (SIB) and the Teachers' Fund for Retirement (TFFR), please view the Retirement and Investment Office (RIO) [2019 Comprehensive Annual Financial Report](#) (CAFR).

TFFR Staffing Update

After 28 years of service to the TFFR program, Shelly Schumacher, TFFR Retirement Program Manager, will be retiring February 29, 2020. We are happy to announce, Denise Weeks, who has worked with TFFR for over 15 years, has been promoted to TFFR Retirement Program Manager!

Fay Kopp, TFFR Chief Retirement Officer, is also retiring on March 31, 2020, after 32 years of dedicated service. The Retirement and Investment Office is in the process of filling this position.

Please join all of us in wishing Shelly and Fay a long and happy retirement!

Tax Treatment of TFFR Contributions

Employers may report TFFR contributions on the W-2 form. TFFR is a 401(a) defined benefit plan and its contributions are mandatory, not elective. Under all models, the amount of TFFR contributions withheld or paid by the district is not required on the W-2 form. However, if the district wishes to place this information on the W-2, it belongs in Box 14.



Employer Newsletter

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TFFR Vision Statement:

To be a trusted leader in the administration of a financially sound retirement program for North Dakota educators by providing exceptional customer service, professional plan management, and organizational effectiveness by adhering to the principles of good governance, transparency, and accountability.