

THE LATEST WORD

September 2002

Official IPERS Information ▲ Retain For Your Records

Iowa Public Employees' Retirement System ▲ PO Box 9117 ▲ Des Moines IA 50306-9117
1-800-622-3849 or 515-281-0020 ▲ Benefits Fax Number 515-281-0053 ▲ Accounting Fax Number 515-281-0055
E-mail: info@ipers.state.ia.us Web site: www.ipers.org

Service Purchases

IPERS law now permits community college adjunct instructors to purchase previously noncovered service as an adjunct instructor. Members may also purchase previously nonqualified or private employment service. To be eligible to purchase time into IPERS, a member must be a vested (age 55 or 4 years of coverage) or retired member of IPERS. The member must have at least five calendar years of covered wages on file.

For more information about service purchases and an application, please contact IPERS at 1-800-622-3849.

Volunteering

One question that IPERS receives quite often from retirees involves volunteering with covered employers during their bona fide retirement period. The law states that retirees must remain out of covered employment for four consecutive months following termination when they begin their retirement. This does not include coming in to either visit, clean out your office, or volunteer in traditionally nonpaid positions. If

the positions are normally compensated, IPERS does not recognize employer-employee agreements to treat the position as a volunteer position in order to allow retirees to remain in or return to this position during and following their bona fide period.

Employer Internet Project

We are still on target for introducing the new Internet web site for Employers this fall. Current plans are to utilize the web based reporting system for third quarter wages in a controlled pilot group of employers. We have been overwhelmed by volunteers who would like to participate so we will have plenty of sites to select from. We are excited to hear that so many of you are looking forward to this new system and are eager to use it. Although final plans have not been made yet, we expect about 25 employers to participate in our pilot group and if all results are positive, we will move into a phased implementation in subsequent quarters. We will be preparing written documentation and training on how to use the new system in order to make your transition easy.

We have been receiving many questions about the new system and we believe you will like it. It is being designed in such a manner that it will make wage reporting easier, which will result in increased efficiency for you and our members. This system will not replace or change reporting for the larger employers who currently report wages via tape, these employers will not be required to make any changes. This system will have an impact on those who currently report wages via diskette or on paper. It is our goal to convert the majority of this group of employers to the new system over the next several wage reporting periods beginning in 2003. We have also built into this system a method by which the service bureaus will be able to report wages for you.

REMINDERS:

- ❖ The IPERS EMPLOYER HANDBOOK revised June 2001 is available on the IPERS web site: <http://www.ipers.org>.

Student Status Clarification

The December 2001 issue of The Latest Word included an article regarding IPERS eligibility of students. The Compliance Team has received many inquiries about student coverage and would like to provide some clarification. The purpose of the changes is to bring IPERS laws into closer alignment with Social Security laws. Changes are effective January 1, 2002.

High school and lower grade students continue to be exempt from IPERS coverage; however, many of our questions involve college students who are also employees of covered employers. Rules for college students generally operate as follows:

If the employer is the educational institution where the student is enrolled, coverage depends on whether the employment is full-time or part-time and whether the enrollment is full-time or part-time. The educational institution determines full-time or part-time enrollment.

	Not covered	Covered
Full-time student Part-time employee	X	
Full-time student Full-time employee		X
Part-time student Part-time employee	X	
Part-time student Full-time employee		X

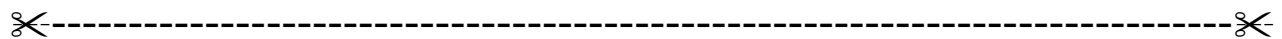
If the employer is *not* the institution where the student is enrolled, a college student is no longer exempt from IPERS coverage. For example, a college student who is also employed at the city's swimming pool must be treated the same as someone who is not a student. They may or may not end up being covered depending on whether they are a permanent or temporary employee.

To determine IPERS coverage, you must apply the usual permanent or temporary rules. Temporary employees must receive compensation of at least \$300 per quarter for two consecutive quarters before coverage starts. When a college student is a temporary employee, you may begin counting the quarters eligible for coverage beginning as early as January 1, 2002. For example, Jane Doe is a full-time student at Iowa's Best Community College and a summer office worker for the City of Anytown. She received wages of more than \$300 in the second and third quarters 2002. Her wages will be covered beginning with the first payroll in October and coverage would continue until the employment relationship is officially severed. Employers may provide a formal written notice at the time of hire or termination that states that the employment relationship will not continue beyond this period of employment. See your Employer Handbook for additional information on temporary employment.

If you need assistance determining IPERS coverage for students, please contact the Compliance Team.

NEW REPORTING OFFICIAL TRAINING

- This training session is offered semi-annually and is designed to assist new reporting officials, who are accountable for IPERS reporting, in understanding their responsibilities. There is no charge for this training. Sessions will be held at IPERS, 7401 Register Drive, Des Moines.
- This training session includes basic information on topics such as temporary employment, optional coverage, coverage of wages and benefits, and reporting forms and procedures.
- Please complete and return the attached registration to IPERS at the location on the bottom of the registration. Remember to indicate the day you wish to attend.
- Registrations are due by October 11, 2002. Return your registration early for best availability.
- After IPERS has processed your registration, you will receive a confirmation by mail or email with detailed location information.
- Training materials will be distributed the day of the session.
- Due to logistics and because there is no fee for this training, we are unable to provide refreshments. There are vending machines available at IPERS, but feel free to bring your own refreshments.
- Questions? Call IPERS at 800/622-3849 and ask for Melinda, Jim, Pat, or Linda.



Attendee _____ Daytime Phone _____

Employer _____ IPERS Employer ID _____

Address _____

City _____ State _____ Zip _____

Email Address _____

Please indicate 1st and 2nd choice, if applicable.

- | | |
|-------------------------------|--------------------|
| _____ Tuesday, Oct 29, 2002 | 1:00 pm – 4:00 pm |
| _____ Wednesday, Oct 30, 2002 | 9:00 am – 12:00 pm |
| _____ Wednesday, Oct 30, 2002 | 1:00 pm – 4:00 pm |
| _____ Thursday, Oct 31, 2002 | 9:00 am – 12:00 pm |

RETURN TO:

IPERS Compliance Team • PO Box 9117 • Des Moines, Iowa 50306-9117
 Fax number: 515/281-0053