



FROM DONNA M. MUELLER, CEO

Happy New Year!

It's a new year filled with new opportunities and possibilities! I hope you make the most of it! Here at IPERS we have been busy with lots of things to ring out the old year. We've created a [new infographic poster](#) to explain IPERS that you can share with your employees. Each employer was mailed a copy, but if yours got lost in the holiday rush, or you have several areas that you'd like to post it, just let us know and we'll send you as many as you'd like.

In early December, IPERS' actuary presented the [FY2014 annual actuarial valuation](#) to the Investment Board. This year's report revealed IPERS is a strong, healthy pension system that is doing exactly what it was designed to do: provide secure retirement income to Iowa's public employees. The Trust Fund grew to over \$28 billion this year, and that's after paying out nearly \$2 billion in benefits! With this year's investment return of 15.88 percent, IPERS is now 82.7 percent funded. IPERS' shortfall was reduced to \$5.5 billion and contribution rates will remain steady for another year. Last week, IPERS posted a new video on our website, [Understanding IPERS' Shortfall](#). Check it out to learn more about IPERS' bright financial future.

If you want to dig even deeper into IPERS, the [FY2014 Comprehensive Annual Financial Report \(CAFR\)](#) is also posted on the website. A recap of the CAFR will be mailed to all members in early February.

If there is anything we can do for you, please contact us. The Employer Relations Team is at your service.

All the best in 2015!

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NEWS FOR REPORTING OFFICIALS

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Membership Class	Member Share	Employer Share	Total
Regular 7/1/14-6/30/15 and 7/1/15-6/30/16	5.95%	8.93%	14.88%
Sheriffs and deputies 7/1/14-6/30/15 and 7/1/15-6/30/16	9.88%	9.88%	19.76%
Protection occupations 7/1/14-6/30/15	6.76%	10.14%	16.90%
Protection occupations 7/1/15-6/30/16	6.56%	9.84%	16.40%

Keep Your Contact Information Current With IPERS

Each employer must designate one reporting official to serve as your main contact person with IPERS. Please confirm IPERS has your reporting official's name, email address, and phone number, and inform us immediately if there is a change in reporting official.

Tell IPERS if You Have a New Reporting Official

Notify us when your organization's reporting official changes by submitting an [Employer Account Demographics form](#). Complete the top two portions of the form and return the form to us. Once we receive this from you, we will update the information in I-Que.

How to Change Reporting Official Contact Information

If the reporting official's email address, phone number, or address changes, here's how to update it:

1. Log in to I-Que.
2. Under *Employer Management*, click on *View/Update Employer Demographics and Contacts*. This is where you can change the contact information.
3. To add more contact names for your organization, click on the *Contact* tab. Use the *Add Contact* line to begin the process of adding another contact person.

Many of the communications that IPERS sends out to employers are mailed or emailed only to the reporting official, so it's important that this information is always up to date. Thank you!

Please Complete a Quick Survey for the IRS

An IRS Advisory Subcommittee would like your feedback on their educational efforts related to federal, state, and local government issues.

Please complete the following [confidential survey](#) to help the IRS

improve in this area. Information gathered from survey responses will be critical to an upcoming report. The individual survey responses will not be shared with the IRS. This survey will be open through 4 p.m. CT, February 27, 2015, and takes only a few minutes. Thank you!

The survey uses the following abbreviations:

- Federal, State, and Local Governments (FSLG)
- Advisory Committee on Tax Exempt and Government Entities (ACT)
- Tax Exempt/Government Entities (TEGE)

About the IRS Subcommittee

The Federal, State, and Local Governments Subcommittee of the IRS Advisory Committee on Tax Exempt and Government Entities is a public forum. The Subcommittee provides regular input on administrative policy and procedures of tax-exempt/government entities. The Subcommittee has three members who represent interested parties' observations about current or proposed government policies, programs, and procedures as well as suggest improvements through an annual report.

I-QUE HELP

Two Easy Ways to Check Your Account Balance

When it's time to pay your IPERS bill, you can find out how much is due by one of the following methods:

1. Use the *Summary* screen in I-Que.

The *Summary* screen reflects all the transactions that occur on your account such as payments, wage reports, wage adjustments, and interest and fees charged. Your account balance shows in the bottom right-hand corner of this screen.

- If the balance is **black**, you have a debit balance (you owe the amount listed).
- If it is **red** and bracketed, you have a credit balance (IPERS owes you the amount listed).

2. Review your *Employer Monthly Statement*.

On the 1st of every month, you will receive an email from IPERS stating that your documents are available to view. This means that your *Employer Monthly Statement* has been generated and is available for you to view in I-Que. This document reflects the transactions that occurred on your account for the prior month and will correspond to the *Summary* screen.

You can find your *Employer Monthly Statement* under *Account Summary, Wage Reports, and Payment History* under the *Documents* tab. If you do not have an email account listed, you will receive your statement via the U.S. Postal Service.

Important! If you have any questions or concerns regarding your balance listed on the *Summary* screen or *Employer Monthly Statement*,

contact our office immediately at 1-877-473-7799.

The 15th of the month is an important due date for reporting officials. It is the last day to submit the following items on time:

- Your wage report
- Your contribution payment
- Any wage adjustment amounts
- Any interest related to wage adjustments

If the 15th falls on a weekend or holiday, the due date becomes the following business day. For example, the due date for your February 2015 wage report is March 16, 2015 (because March 15 is a Sunday).

Late Fees for Unpaid Balances

If your payments are not received by or on the due date, you will be assessed a late payment fee on the 1st of the following month (April 1 for the wage report due March 16). If your account reflects a balance due of more than \$1.00 and it is not paid by the 15th, you will be billed an additional late fee on the 1st of the following month and every month following when a balance over \$1.00 remains on your account. Please refer to [The Latest Word spring 2013](#) for the Wage Report and Contribution Payment Schedule and Corresponding Fees.

Take Another Look When Your Wage Report File Is "Processed With Errors"

When you release your monthly wage report in I-Que, all the member information transfers into the members' individual accounts and your organization's account. This allows IPERS to accurately pay out retirement benefits, death benefits, and refunds.

When your file is processed with errors, the members' information will not transfer into I-Que and the members will not show any wages earned for that month, which can affect their retirement benefits, death benefits, and refunds. The only way to correct this is to complete wage adjustments to add the wages to each member's account.

To avoid the need for wage adjustments, correct all errors before you process the file. If you process the file with errors, you can still correct the file before you release it. The individual members' wages that did not transfer into I-Que, due to the errors, can be added to the wage report file. Once you have added all the members to the wage report and confirm the total contributions due, you can release the wage report.

You can also call the Employer Relations Team for help on correcting the errors at 1-877-473-7799.

COMPLIANCE TIPS

Social Security, IPERS, and

Part-Time Elected Officials

IPERS and the Social Security Administration have an agreement, known as a Section 218 agreement, indicating most employees covered under IPERS are also covered by Social Security.

However, rules for part-time elected officials are an exception to this agreement. Part-time elected officials must choose between IPERS coverage and Social Security coverage; they cannot be covered under both. (See notes below about members of county boards of supervisors. These supervisors are the only *part-time elected officials* who may have coverage under *both* Social Security and IPERS.)

Part-time elected officials include:

- Mayors
- City council members
- Township clerks
- Township trustees who are paid a salary (not per diem)

If the part-time elected official chooses to be IPERS-covered, you must withhold IPERS and Medicare only. If the part-time elected official opts out of IPERS coverage, you must withhold Social Security (FICA) and Medicare only. If you are erroneously withholding Social Security, contact the Social Security office (not IPERS) to find out how to correct the error.

60-Day Opt-Out Period

New part-time elected officials have 60 days from the date of taking office to choose between IPERS and Social Security. IPERS contributions must be withheld from the official's paycheck from the beginning. If the official opts out of IPERS coverage, you can complete wage adjustments to receive the contributions back from IPERS.

- If the official would like to be IPERS-covered, no action is necessary from the official.
- If the official would like to be covered under Social Security, he or she must complete and return IPERS' [Election for Termination of IPERS Coverage form](#) within 60 days.

It is your responsibility, as a reporting official, to let them know about this choice.

W-2s for Part-Time Elected Officials

Your organization is responsible for issuing Form W-2s to your employees, so follow these tips if you employ part-time elected officials.

If your part-time elected official has chosen IPERS coverage, then:

- Box 1 will be less than Box 5 by the IPERS amount withheld for that person.
- Box 3 should remain blank.
- The "Retirement Plan" box within Box 13 should be checked.
- Box 14 may report the employee's annual IPERS contributions, but this is not required.

These forms can be tricky, so call us if we can help make it easier for you!

What About Members of a County Board of Supervisors?

Most counties consider their supervisors as full-time, but a few counties consider them part-time elected officials. By law, all must be covered under Social Security.

- *If your county considers its supervisors **full-time**:* These supervisors must be covered under both Social Security and IPERS.
- *If your county considers its supervisors **part-time**:* These supervisors must be covered under Social Security. They are also covered under IPERS, unless they elect out of IPERS coverage.

Get the official word from the Iowa Administrative Code, [495 IAC 5.2\(11\)](#).

5.2(11) *Members of county boards of supervisors who receive an annual salary shall be covered. Effective for terms of office beginning January 1, 1999, part-time members of county boards of supervisors who receive an annual salary or are paid on a per diem basis shall be covered unless they elect out of coverage.*

WINTER 2015

CONTACT US

www.ipers.org | employerrelations@ipers.org | ipersaccounting@ipers.org

Employer HelpDesk

1-877-IPERS-99 (1-877-473-7799, extension 4) | Monday-Friday, 8 a.m.-4:30 p.m.

Fax 515-281-0055

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