Employer Annual Statements
Email notification that your employer annual statement has posted in I-Que was sent in August. These statements reflect your account activity throughout the last fiscal year. Statements were mailed to employers who do not receive IPERS information electronically.

Coverage for Part-time Newly Elected Officials
Newly elected officials may choose to opt out of IPERS coverage, but this choice must be made within the first 60 days of taking office. If an official would like to opt out of IPERS coverage, submit a completed Election for Termination of IPERS Coverage form.

TRAINING AND EDUCATION

What to do When an Employee Leaves
When an employee terminates employment (because of retirement or for any other reason), log this on your I-Que monthly wage report for the month the employee receives his or her last paycheck. Make sure to provide the final date of employment as well as the date of the employee’s last paycheck. These dates affect refunds, rollovers and how benefits are calculated and awarded.

If you forget to include the dates in your monthly wage report, submit them separately. You can do that either by the View/Update Member Information link on your I-Que home page, or by completing the Member Employment Information Update form.

Avoid Late Fees: Release the Correct Month’s Wage Report
Before you are ready to release your wage report to IPERS, double check you’ve selected the correct month’s wage report. The I-Que Help Guide provides step-by-step instructions.

Wage reports are due to IPERS by the 15th of each month (or the following business day, if the 15th is a weekend or holiday). A late fee will be charged if IPERS does not receive the correct wage report on time.

If you have questions about the wage reporting process, or the wage report you’ve released to IPERS, email employerrelations@ipers.org or call 877-473-7799.

Remember IPERS Coverage Rules on Section 125 Plans
You must annually certify with IPERS whether your plan is qualified as a Section 125 plan. If you do not submit this certification, you cannot cover these employer contributions as IPERS-covered wages. Contract negotiations for cafeteria plan benefits could impact IPERS-covered wages. Please check with IPERS as needed during negotiations.

In some cases, employer and employee contributions to Internal Revenue Code Section 125 benefit plans (also known as cafeteria plans) are IPERS-covered, as detailed below.

- Employer contributions provided under a Section 125 plan in addition to regular salary are IPERS-covered to the extent that a member and all similar employees could receive cash instead of the payments toward benefits. These contributions are IPERS-covered even if the member does not choose to take the cash benefit.
- Additional amounts deducted from a member’s regular salary at the member’s discretion to purchase Section 125 plan benefits are IPERS-covered.
- Employer contributions provided under a Section 125 plan that must be used to purchase Section 125 plan benefits are not IPERS-covered.
- Whether you include your organization’s Section 125 plan contributions as IPERS-covered wages, you must apply that decision uniformly across your organization’s employee groups.

Need a refresher on the rule? See our Section 125 Plan Certification information.
# COMPLIANCE TIPS

## Independent Contractors

Independent contractors are not employees so they are not eligible for IPERS coverage. The guidelines below can help you consistently decide who is an employee and who is an independent contractor.

### Is an Independent Contractor when he or she...

- Has an established business that offers defined services
- Offers services to multiple customers or clients
- Was hired to work for you through a normal bid process
- Has substantial control over how services are provided

### Is NOT an Independent Contractor when he or she...

- Performs work only for you
- Operates under a business name
- Is subject to substantial control by your organization over how services are provided
- Does not promote his/her services
- Is a teacher or superintendent
- Is a city council member, city clerk, or other public official
- Is performing an essential governmental function

IPERS may review an employer’s decision to designate a worker as an employee or an independent contractor either during a compliance review or at the request of the worker or another person or group. In this situation, IPERS will ask you and the worker to complete a [Worker Status Determination form](#) and supply supporting documentation of the relationship. The Worker Status Determination form helps determine employment status for IPERS’ purposes only.

## Bona Fide Retirement

### Administrative Rule Change Reminder

During the bona fide retirement period, IPERS-covered employers cannot allow a former employee to work as an independent contractor. A verbal or written arrangement to work as an independent contractor cannot be made until after the former employee has received at least one IPERS benefit payment.

### Returning to Work after Retirement

Many IPERS retirees go back to work with an IPERS-covered employer after retiring and continue to receive IPERS retirement benefits. Iowa law governs the circumstances under which this is allowed. As a reporting official, you should know the regulations associated with a retiree's return to work. Make sure to review these [frequently asked questions](#) about the bona fide retirement period.

## Employee Coverage: Temporary vs. Permanent

Your organization should decide which positions are classified as "permanent" and which are classified as "temporary" employment. Employees working in comparable positions should be consistently designated as permanent or temporary employees – two employees doing similar jobs should not be treated differently. Consistency is key. Refer to [these frequently asked questions](#) to learn more.