Survey Says . . .
Thank you for participating in the online survey to evaluate the new format of The Latest Word.

We are glad you like the new email format! We learned that you want more information on I-Que, member benefits, and postretirement employment; and you want to stay updated on law changes, contribution rates, and upcoming training sessions. We greatly appreciate the time you took to provide your feedback, and we'll do our best to incorporate your suggestions.

If you don't have time to read your newsletter now, why not save it in an IPERS folder to read later? Remember, you have 24/7 access to current and past newsletters on www.ipers.org.

We always appreciate hearing from you. Please send your feedback to IPERS' employer relations bureau at employerrelations@ipers.org.

--Donna

In This Issue:
FROM DONNA M. MUELLER, CEO
Survey Says . . .

TRAINING & EDUCATIONAL EVENTS
About GASB (Governmental Accounting Standards Board)

Upcoming Pension Reporting Changes From GASB
If your accountants are confused about the upcoming changes from GASB, they won't want to miss several opportunities to learn more. Darla Iverson, IPERS' chief financial officer, and Glenna Musselman, IPERS' senior accountant, will present information on GASB's new Statement No. 68. For organizations that report financials under GAAP (generally accepted accounting principles), this statement requires a new entry related to your pension obligation on your organization's
NEWS & ANNOUNCEMENTS
85th General Assembly Legislative Review

Upcoming Contribution Rates

I-QUE HELP
Is Your Internet Browser Keeping You From I-Que?

COMPLIANCE TIPS
'Tis the Season: How to Determine if Your Seasonal Employees Are IPERS-Covered
When an Employee Retires, Employment Verification Is Key

IPERS BENEFITS FOR MEMBERS
What Are "Full" IPERS Benefits?

balance sheets and income statements.

Statement No. 68 becomes effective for your organization's fiscal year beginning after June 15, 2014. Let us help you learn about this major change.

**Webinar (prerecorded)**
An Overview of Upcoming GASB Changes
Posts to IPERS website on June 18
Free, and open to all
No registration required--available 24/7 on [www.ipers.org](http://www.ipers.org).

**Presentation (live)**
Iowa Municipal Professionals Academy conference, July 24-26
IPERS breakout session, July 25
Registration fee required for the conference.
Gateway Hotel & Conference Center, Ames

The webinar and presentation cover similar information.

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**For IPERS Reporting Officials**

**Annual Update**
Join us in July for our traditional summer training event. Representatives from IPERS' employer relations bureau will discuss updates and answers to reporting officials' commonly asked questions. Register soon to reserve your spot!

Attend one half-day session.
July 9-11 at IPERS in Des Moines
July 16-18 at other locations around Iowa

The training flyer is posted on IPERS' [Employer Training webpage](http://www.ipers.org). Send yours in soon!

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**85th General Assembly Legislative Review**
This year's legislative session was relatively quiet without any "IPERS" bills. The second half of this biennial session reconvenes in January 2014. In preparation, the Public Retirement Systems Committee will meet this fall to review and evaluate all the public pensions, including IPERS and the other statewide public retirement plans (MFPRSI, which is for most Iowa police officers and firefighters; PORS, for peace officers; and the Judicial Retirement System). The Committee typically meets during the legislative interim of odd-numbered years. IPERS will present timely information such as funding status, contribution rates, upcoming GASB changes, and demographics about the membership to the committee.

**Upcoming Contribution Rates**
Fiscal year 2014: July 1, 2013-June 30, 2014

<table>
<thead>
<tr>
<th>Membership Class</th>
<th>Member Share</th>
<th>Employer Share</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular</td>
<td>5.95%</td>
<td>8.93%</td>
<td>14.88%</td>
</tr>
<tr>
<td>Sheriffs and deputies</td>
<td>9.88%</td>
<td>9.88%</td>
<td>19.76%</td>
</tr>
<tr>
<td>Protection occupations</td>
<td>6.76%</td>
<td>10.14%</td>
<td>16.90%</td>
</tr>
</tbody>
</table>
I-QUE HELP

Is Your Internet Browser Keeping You From I-Que?

IPERS is committed to making I-Que work for you. There are literally hundreds of potential combinations of operating systems and Internet browsers in wide use. I-Que runs off of a software application called V3, version 8.3. The vendor IPERS employed to create I-Que states that I-Que supports the following browsers.

<table>
<thead>
<tr>
<th>Browser</th>
<th>Versions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Microsoft Internet Explorer</td>
<td>6, 7, 8*, or 9*</td>
</tr>
<tr>
<td>Mozilla Firefox</td>
<td>3.6, 10 ESR</td>
</tr>
<tr>
<td>Apple Safari</td>
<td>4, 5</td>
</tr>
</tbody>
</table>

While it is possible that other browsers may work, only the versions above are actively supported by our vendor. As we upgrade I-Que, additional browsers will be supported.

*If you use Internet Explorer 8 or 9, here are our tips to make I-Que work with those newer versions.

*If you're using Internet Explorer 8 . . .
Go to Tools and select Compatibility View. A check mark will appear. You'll stay in Compatibility View as long as the check mark is visible under your Tools menu. It's a simple fix!

*If you're using Internet Explorer 9 . . .
Select Tools, then Compatibility View Settings. If you suspect a website isn't working properly, you can add it to the Compatibility View list to see if that helps. Add I-Que to the Compatibility View list by entering in IPERS’ website address—www.ipers.org.

Or switch to Compatibility View from the browser's address bar. If Internet Explorer recognizes that the website isn't compatible, you will see the Compatibility View button near the address bar. To turn Compatibility View on, click the Compatibility View button to make the icon change from an outline to a solid color.

If none of these suggestions work and you experience problems with I-Que, call us at 1-877-473-7799 or email employerrelations@ipers.org. We'll do our best to help you resolve the problem.

COMPLIANCE TIPS

'Tis the Season: How to Determine if Your Seasonal Employees Are IPERS-Covered

Your organization may categorize seasonal workers as temporary...
employees, or you may choose to treat all seasonal workers as permanent employees from Day One. Whichever you decide, treat similar workers consistently. If you make a change to your practices, put it in writing and make sure it is noted in the council or board meeting minutes.

If you consider your seasonal workers as temporary employees, then follow the rules for coverage of temporary employees to determine if and when each worker becomes IPERS-covered. When a temporary employee earns $1,000 in two consecutive calendar quarters and then returns to perform additional service in the following season (without a formal severance), that person becomes a permanent employee and you must start to withhold IPERS contributions. Permanent employees must be covered for all future periods of employment until a formal severance occurs, or until the employee no longer receives wages from your organization for four consecutive quarters.

IPERS considers an employee to have a formal severance with either of these two scenarios:

- At the end of the season, provide a paper document to the worker showing the date of termination, and keep a copy for your records.
- The following season, open the position to the general public and require candidates to complete a new employment form before one is selected to do the work.

**When an Employee Retires, Employment Verification Is Key**

IPERS and employers must work as a team. Together we help make sure IPERS benefits are provided to the right people at the right times in the right amounts.

We need your expertise when a member is ready to start receiving monthly retirement benefits. Each member’s retirement benefit application includes an Employer Verification of Employment page that must be completed for IPERS to process the retirement application. When you receive an Employer Verification of Employment page from one of your employees or former employees, take care to ask the right person to fill it out. The person who fills it out must have access to payroll and personnel records. Often the reporting official is the perfect choice.

The person who signs the form states that the information on it is true, and essentially states that your organization’s records agree with the information you’ve provided. When you’re finished, provide the form back to the member. We appreciate your willingness to do your part and do it well—working with IPERS and the people IPERS counts as members.

**IPERS Benefits for Members**

**What Are "Full" IPERS Benefits?**

One topic that gets a lot of attention is that of “full” benefits. "How can I earn full IPERS benefits?" an IPERS member may ask. "How did that person earn an IPERS benefit that high?" a legislator, private-sector
worker, or other member of the general public may ask. Keep reading to learn more about how to best answer these important questions.

The truth is, the term *full* does not have a clear definition when used to describe IPERS benefits. You won't find it in the Iowa Code that governs the IPERS plan, or in IPERS' Member Handbook.

To understand what someone may mean by the term "full" benefits, we need to first know about IPERS' benefit formula. There are three things to know:

<table>
<thead>
<tr>
<th>Determining factor</th>
<th>How it relates to a benefit amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. What dollar amount represents the member's IPERS-covered wages?</td>
<td>Higher wages can mean a higher benefit.</td>
</tr>
<tr>
<td>2. How many years has the member worked in IPERS-covered employment? (This determines the multiplier to be used in the member's benefit calculation.)</td>
<td>More years of service, up to 35 years, means a higher benefit.</td>
</tr>
<tr>
<td>3. Has the member reached normal retirement age?</td>
<td>If no, the benefit amount will be reduced.</td>
</tr>
</tbody>
</table>

The salary and multiplier are both capped. Here's how.

1) **Maximum salary**
   
   Average salary generally means the average of the highest three or five years of salary. However, the IRS sets a wage ceiling for each calendar year. IPERS does not use a salary amount that is beyond the wage ceiling. The wage ceiling amount for 2013 is $255,000.

2) **Maximum multiplier (related to years of IPERS-covered employment)**
   
   Your years of service determine the percentage of your salary that helps determine your benefit amount. With 35 years of service, a member in the Regular membership class has earned 65 percent of her average salary as her benefit amount, which is the maximum multiplier. The multiplier for Regular members is 2 percent a year up to 30 years, and 1 percent a year for years 31-35.

"Full" benefits?

The most likely definition for the term "full" benefits may be the multiplier of 65 percent, combined with meeting normal retirement age.

Another possible definition may be simply meeting normal retirement age (and therefore not having your benefit reduced for early retirement). However, meeting normal retirement age does not mean you earn 65 percent of your salary as your IPERS benefit amount.

**Normal retirement age is:**

(1) age 65,
(2) age 62 if you have at least 20 years of service, or
(3) when your years of service plus age equal at least 88, whichever comes first.

**Quick note about minimum retirement age**

The earliest an IPERS member can begin receiving IPERS retirement benefits is age 55. (This is not the same as normal retirement age.) The only exceptions to that rule are for members who are eligible for IPERS disability benefits, and certain sheriffs and deputies.

See more information about the benefit formula for Regular members, including a description of normal retirement age, in the Member Handbook section "How Your Benefits Are Calculated."