

North Dakota Public Employees Retirement System

DEFINED BENEFIT RETIREMENT

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RETIREMENT FORMS

For each new permanent and temporary employee, the authorized agent must complete the online “Setup New Employee”. See your [PERSLink Employer Self Service Guide \(ESS\)](#). After setup, each new employee can complete their benefit plan enrollment(s) using [PERSLink Member Self Service \(MSS\)](#). PERSLink MSS provides online access to benefit information, the ability to complete benefit enrollments and changes, as well as updating personal profile instead of completing paper forms and submitting to NDPERS.

Enrollments & Waivers

<u>If You Are Trying To:</u>	<u>Use the</u>
Enroll a new employee in the Defined Benefit Plan	New Hire Guide and Forms
Enroll a temporary/part-time employee in the Defined Benefit Plan	New Hire Guide and Forms
Switch an employee from mandatory participation to optional participation and employee is <u>continuing</u> participation in the Defined Benefit Plan	<ul style="list-style-type: none"> • Employment Change Request Through Employer Self Service • New Hire Guide and Forms • Agreement/Waiver of Participation for Optional Retirement SFN 17627
Switch an employee from mandatory participation to optional participation and employee is electing NOT to continue to participate in the Defined Benefit Plan	<ul style="list-style-type: none"> • Employment Change Request Through Employer Self Service • Agreement/Waiver of Participation for Optional Retirement SFN 17627
Switch an employee from optional participation to mandatory participation in the Defined Benefit Plan	<ul style="list-style-type: none"> • Employment Change Request Through Employer Self Service • New Hire Guide and Forms
Waive participation for a new temporary/part-time employee	<ul style="list-style-type: none"> • New Hire Guide and Forms • Agreement/Waiver of Participation for Optional Retirement SFN 17627
Waive participation for reemployed NDPERS retiree (meeting Mandatory Participation, with a “new” employer, and at Normal Retirement)	Retirement Plan Membership Waiver SFN 54286 (<i>Must request directly from NDPERS</i>)

Designation & Changes

<u>If You Are Trying To:</u>	<u>Use the</u>
Name beneficiaries to receive retirement benefits in the event of an employee’s death	Designation of Beneficiary for the Group Retirement Plan SFN 2560
Change a beneficiary for retirement benefits	Designation of Beneficiary for the Group Retirement Plan SFN 2560
Report a name, marital, or address change	Notice of Change SFN 10766
Report a leave of absence, leave of absence extension, or return from leave of absence	Employment Change Request Through Employer Self Service

Employment & Membership Changes

<u>If You Are Trying To:</u>	<u>Use the</u>
Report an employee's classification change within agency	Employment Change Request Through Employer Self Service
Report an employee transferring to another NDPERS participating agency	<ul style="list-style-type: none"> • Notice of Transfer SFN 53706 • Transfer of Unused Sick Leave Sick Leave Verification SFN 53404
Transfer an employee's membership in the Defined Benefit Plan to TIAA	Notice of Membership Transfer to TIAA SFN 50084
Transfer an employee's membership in the Defined Benefit Plan to TFFR	Employment Change Request Through Employer Self Service <u>OR</u> Notice of Transfer SFN 53706
Transfer an employee's membership in the Defined Benefit Plan to the ND Highway Patrol Retirement	Employment Change Request Through Employer Self Service <u>OR</u> Notice of Transfer SFN 53706
Transfer an employee's membership in the Defined Benefit Plan to the ND Law Enforcement Retirement	Employment Change Request Through Employer Self Service <u>OR</u> Notice of Transfer SFN 53706
Switch an employee from a non-elected position to an elected official position	<ul style="list-style-type: none"> • Employment Change Request Through Employer Self Service • Transfer of Unused Sick Leave Sick Leave Verification SFN 53404

Previous Service & Purchases

<u>If You Are Trying To:</u>	<u>Use the</u>
Notify NDPERS of an employee's previous in-or-out of state public employment or Federal service that may be counted as credited service for retirement purposes	Verification of Previous Public Employment SFN 19397
Initiate purchase information for a Defined Benefit Plan employee	NDPERS Request for Purchase Information SFN 53718
Initiate purchase information on active military duty for a Defined Benefit Plan employee	Purchase Agreement for USERRA Covered Military Active Duty SFN 17758
Verify the amount of employee contributions paid by a reservist that may require the employer to refund	Verification of Employee Contributions Towards USERRA Active Military Duty SFN 54361
Verify final 60 days of salary for individuals terminating employment and electing to convert unused sick leave through a pre-tax direct rollover/transfer of eligible funds	Conversion of Unused Sick Leave Application – Defined Benefit SFN 58358 (within Retirement and Deferred Form Packets)

Separation of Employment

<u>If You Are Trying To:</u>	<u>Use the</u>
Notify NDPERS of an employee's separation of employment	Employment Change Request Through Employer Self Service
Report the death of an active employee	Use the "Report a Death" functionality through Employer Self Service
Initiate a refund of a terminating employee's Defined Benefit Plan	Refund/Rollover Guide and Forms
Initiate a direct rollover of a terminating employee's Defined Benefit Plan	Refund/Rollover Guide and Forms
Initiate a deferred retirement benefit for a terminating employee's Defined Benefit Plan	Deferred Retirement Guide and Forms
Initiate a retirement benefit for a terminating employee's Defined Benefit Plan	Retirement Guide and Forms
Provide retirement benefits for a surviving spouse	Application for Surviving Spouse Benefits SFN 52254
Provide retirement benefits to a non-spouse beneficiary	Statement of Beneficiary (Group Retirement Plan) SFN 51702
Initiate a disability retirement benefit for a terminating employee's Defined Benefit Plan	Disability Retirement Guide and Forms
Initiate Direct Deposit for a refund for a terminating Defined Benefit Plan employee	Refund/Rollover Forms – Authorization for Annuity Payments SFN 18379
Initiate Direct Deposit for a retirement or disability benefit for a terminating Defined Benefit Plan employee	Authorization for Annuity Payments SFN 18379

RETIREMENT MEMBERSHIP APPLICATION

SFN 2561

All instructions, terms and conditions are in the NDPERS New Hire Guide and Forms.

Upload to ESS or fax paper applications to NDPERS immediately upon date of hire.

Eligible employees first enrolled prior to January 1, 2025 must complete online enrollment in MSS or complete the Defined Benefit Retirement Plan Membership Application SFN 2561.

Eligible employees first enrolled on or after January 1, 2025 must complete online enrollment in MSS or complete the Defined Contribution Retirement Plan Enrollment Application SFN 62522 (See the Defined Contribution Retirement Plan section).

For employees transferring from one participating agency to another use the Notice of Transfer Guide and Forms.

All state agencies participate in the North Dakota Public Employees Retirement System (NDPERS), except those covered by other state sponsored pension plans (not including Social Security).

Employees of political subdivisions may participate in NDPERS if their governing boards elect to participate.

Eligibility and Participation Requirements

An employee is eligible to participate in NDPERS either as a mandatory or an optional participant if they are employed by a participating employer. If eligible, the employee must be enrolled **IMMEDIATELY**.

Mandatory Participation Requirements

If an employee works a minimum of 20 hours per week for twenty (20) or more weeks of the calendar year, is at least eighteen years of age, fills a permanent position that is regularly funded and not of limited duration, the employee must participate in the defined benefit plan unless the employee waived participation in writing when the employer joined NDPERS.

If the employee meets the above requirements and is a permanent employee, the employee must participate in either the Defined Benefit Plan or the Defined Contribution Plan upon date of hire. **An employee should be enrolled the first month of eligible employment, even when hired subject to a probationary period. There is no maximum age limit applicable for enrollment purposes.**

A member that participates in the NDPERS Defined Benefit Retirement Plan shall remain a participant in the Plan if the account has been left intact. This rule does not apply to participants who are employed and eligible for a Public Safety, Judges, Highway Patrol, Teachers Fund for Retirement (TFFR) or the alternate retirement plan of the board of higher education. If you hire an employee who has been a NDPERS Defined Benefit participant in the past, it will be necessary for you to continue contributing to the NDPERS Defined Benefit Plan.

Participation Requirements for State Elected and Appointed Officials

State elected or appointed officials taking office on or after December 31, 1999 who meet the mandatory participation requirements must be a participating member in the either the defined benefit, if hired before January 1, 2025, or the defined contribution plan, if hired after January 1, 2025, based upon first enrolled eligibility.

Participation Requirements for Other (Non-State) Elected Officials

Elected officials of participating counties that meet the above mandatory participation requirements must be enrolled in the either the defined benefit or defined contribution plan, based upon first enrolled date, effective with the first month of taking office.

All other elected officials that do not meet the above mandatory participation requirements are not covered under the Public Safety Plan provisions but may participate at their own expense as a temporary employee within the first 180 days of employment or within 180 days of changing to part-time or temporary employment.

Participation Requirements for Other (Non-State) Appointed Officials

Officials of all other participating employers appointed on or after August 1, 1999, meeting the above mandatory participation requirements must be enrolled in either the defined benefit or defined contribution plan, based upon first enrolled date, effective with the first month of taking office.

Optional Participation Requirements (Temporary/Part-time employees)

If an employee is at least eighteen years old and is not covered under the above mandatory participation requirements, the employee may elect to participate in NDPERS at their own cost within the first 180 days of employment or within 180 days of changing to part-time or temporary employment.

While it is possible for an employer to pay all or part of the employee contribution for permanent full-time employees, **NDCC 54-52-02.9 expressly prohibits the employer from paying any portion of an optional participant's contribution.** Temporary/Part-time employees **MUST** contribute the entire contribution amount.

An Employee has the **OPTION** to participate, but the employer **must give them this option.**

An employee cannot participate in NDPERS if they are covered by another employer-sponsored plan. This applies to both private and public pension funds. So if an employee has both Permanent and Temporary employment concurrently, the Permanent employment takes precedence.

NOTE: A member signed paper copy of the Designation of Beneficiary for the Group Retirement Plan **SFN 2560** should accompany the Retirement Membership Enrollment. **DO NOT DELAY ENROLLMENT IF YOU DON'T HAVE ALL OF THE INFORMATION REQUIRED FOR THE DESIGNATION OF BENEFICIARY FORM.** The Designation of Beneficiary SFN 2560 may be sent to the NDPERS office later.

PUBLIC SAFETY DEFINED BENEFIT PLAN

If you are a peace officer, correctional officer, firefighter, dispatcher or emergency medical services (EMS) personnel of a participating political subdivision or a state agency; National Guard security officer or firefighter; or employed by the Bureau of Criminal Investigations division of the Attorney General's office, you are eligible to participate in the applicable NDPERS Public Safety Defined Benefit Retirement Plan.

Mandatory Participation Requirements

If one of the eligible employees above works a minimum of 32 hours per week for 20 or more weeks of the year, is at least eighteen years of age, filling an eligible permanent public safety position that is regularly funded and not of limited duration, he/she must participate in the Public Safety defined benefit plan unless participation was waived when his/her employer joined NDPERS.

An employee should be enrolled the first month of eligible employment, even when hired subject to a probationary period. There is no maximum age limit applicable for enrollment purposes. A member enrolled in this plan is ineligible to participate concurrently in any other retirement plan administered by NDPERS.

Exception: According to NDCC 54-52, "Correctional officer" means a participating member who is employed as a correctional officer by a governmental unit and employed by a correctional facility as defined in section 12- 44.1-01, who is enrolled in, but has not yet completed, a correctional officer course approved or certified by the North Dakota Department of Corrections and Rehabilitation (DOCR).

JUDGES MANDATORY PARTICIPATION REQUIREMENTS

After July 1, 1973, if each member elected or appointed to the office of justice of the Supreme Court or judge of the District Court for the first time, you must, from and after the date you took office, be a participation member of the Public Employees Retirement System.

You should be enrolled the first month of eligible employment, even when hired subject to a probationary period. There is no maximum age limit for enrollment purposes.

HIGHWAY PATROL MANDATORY PARTICIPATION REQUIREMENTS

Each member of the Highway Patrol, including the superintendent and assistant superintendent, must participate in the Highway Patrol Retirement System.

**OPTIONAL PARTICIPATION FOR DEFINED BENEFIT RETIREMENT PLAN
SFN 17627**

All instructions, terms and conditions are in the NDPERS New Hire Guide and Forms.

This form must be completed within the first six (6) months of hire for all temporary and part-time employees who do not qualify for mandatory participation but are a previously participating or deferred Main Plan member. See member handbook for definition of mandatory participation. SFN 17627 must also be completed for an employee whose job status is changing from permanent employment to temporary/part-time employment to indicate whether they will participate or decline to participate in the retirement plan. **Failure to enroll in NDPERS will result in an irrevocable waiver of participation.**

For instructions on completing the form, please refer to the back of the form.

A part-time/temporary employee may not participate in NDPERS as an optional participant if he/she is actively contributing to another employer sponsored pension plan (public or private).

FAILURE TO COMPLETE THIS FORM COULD LEAVE THE EMPLOYER VULNERABLE TO LEGAL ACTION.

If an employer already has submitted to NDPERS a “Memorandum of Understanding for the Retirement Plan”, the employer is responsible to provide the temporary employee notice of the opportunity to participate. The employer shall maintain such documentation for a period of six (6) years.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

**RETIREMENT PLAN MEMBERSHIP WAIVER
SFN 54286**

This form should be completed NO EARLIER than 31 days after a severance of employment for retirees returning to eligible employment. To be eligible for benefits, a member must terminate employment or terminate participation.

“*Termination of employment*” means a severance of employment by not being on the payroll of a NDPERS-covered employer for a minimum of one month (31 days). This period is determined by counting 31 days from your last day worked or last regular paycheck, whichever is later, until the date you begin actual employment (first day of work) with a new NDPERS participating employer. Approved leave of absence does not constitute termination of employment.

“*Termination of participation*” means termination of eligibility to participate in the NDPERS retirement plans.

- **Retirees under age 59 ½:** Retirees who meet “Normal Retirement” (unreduced benefits based upon “Rule” or age) in their respective NDPERS plan but are under the age of 59 ½ without a ‘bona fide’ break in service will be subject to a 10% early distribution penalty according to IRS guidelines.
 - **‘Bona Fide’ Break in Service:** Retirees under the age of 59 ½ at the time of retirement must be off all covered payroll for at least 31 days from the last day worked or the last paycheck issued, whichever is later, before returning to work. Also, at the time of retirement, there cannot be any intent to return to work, either written or verbal.
 - **Reporting Under Age 59 ½ Penalty on 1099-R:** If there is not a ‘bona fide’ break in service, the 10% early distribution penalty must be reported on the retiree’s 1099-R for each calendar year retirement benefit payments are paid. The 10% early distribution penalty will remain on the retiree’s 1099-R until age 59 ½ OR until there is a break in service that meets the minimum of 31 days requirement, whichever occurs first.
- **For retirees that elected an early retirement option:** Retirees that have elected a reduced or early monthly retirement would not be eligible for this return to work waiver, as monthly retirement benefits are automatically suspended.

ACTION REQUIRED: An employer and/or retiree must contact the NDPERS office to confirm eligibility to complete an irrevocable “Retirement Plan Membership Waiver SFN 54286.” (*This waiver is not available on the NDPERS website nor is this option available to early retirees.*)

Under N.D.C.C. 54-52-05, if employee eligible for normal retirement and accepts a retirement benefit becomes reemployed with a NDPERS participating employer other than the employer with which the employee was employed at the time the employee retired, he/she may, before reenrolling in the retirement plan, elect to permanently waive future participation in the Defined Benefit or Defined Contribution plan and the retiree health insurance credit program. An employee making this election is not required to make any future employee contributions to NDPERS nor is the employer required to make any further contributions on behalf of that employee.

Under N.D.C.C. 54-52-01(8), a "Governmental unit" means the state of North Dakota, except the highway patrol for members of the retirement plan created under chapter 39-03.1, or a participating political subdivision thereof. Therefore, North Dakota state agencies are considered one employer group and any member retiring with one state agency and becoming reemployed with another state agency **would not be eligible** for this return to work provision.

The following retired members may be eligible for this provision:

<u>Past Employer</u>	to	<u>New Employer</u>
State	>	Political Subdivision
Political Subdivision	>	State
Political Subdivision	>	Political Subdivision

Each retired member that becomes reemployed who is eligible to decline future participation in the NDPERS defined benefit/defined contribution plan will be required to complete a "Retirement Plan Membership Waiver SFN 54286". **This form will only be available upon request from NDPERS and only after an employee's return to work has been reviewed.**

If a waiver of membership is received prior to reemployment, the retiree will be sent confirmation and notice that his/her retirement benefit payments will not be suspended nor will they receive retirement credit for subsequent employment

If a retirement membership application is received, NDPERS will research the retiree's age, if the retiree retired on or after their normal retirement date, he/she will be contacted. The retiree will be given 30 days to waive enrollment in the defined benefit/defined contribution plan and continue receiving retirement benefit payments with no future contributions.

If NDPERS staff received retirement contributions without an enrollment or waiver on file, the reemployed retiree's age will be researched. If the retiree retired on or after his/her normal retirement date, the contributions will be suspended and the retiree will be contacted. The member will be given 30 days to either waive or enroll in the defined benefit/defined contribution plan.

If a retiree, under either of the above scenarios, does not respond within 30 days, the default will be to enroll the retiree as an active participant in the defined benefit/defined contribution plan and contributions will be posted accordingly. The member will be sent notice that his/her retirement benefit payments will be suspended and a second account established. Upon termination of employment, the accounts will be combined and retirement benefit payments will resume.

For instructions on completing the form, please refer to the back of the form.

DESIGNATION OF BENEFICIARY FOR THE GROUP RETIREMENT PLAN SFN 2560

The Designation of Beneficiary form is used to designate beneficiaries for retirement benefits. The form must be completed and returned to NDPERS for new employees, along with online enrollment or the Retirement Membership Application **SFN 2561**. This form is included in the New Hire Forms but should also be used when an employee previously enrolled is electing to update a beneficiary election.

For **FURTHER** instructions on completing the form, please refer to the back of the form.

WHO IS ELIGIBLE TO BE A BENEFICIARY:

Any person, whether or not a relative, or a church or charity may be designated as a primary or contingent beneficiary. A member may also designate his or her estate as beneficiary and the benefits will be distributed according to his or her testamentary will or according to the state laws for interstate distribution. A creditor of a member (such as a bank, credit union, loan company, etc.) may not be named a beneficiary as a means of providing security for a debt. (N.D.C.C. 28-22-19)

DESIGNATED BENEFICIARIES: The percentage of distribution upon your death for all primary beneficiaries must equal 100%; likewise, for contingent beneficiaries.

Primary. Your primary beneficiary is the individual or individuals, trust, charity, or other party you designate to receive your assets after your death. If a primary beneficiary(ies) is deceased at the time of your death, his or her portion of your assets will be divided proportionately among your surviving primary beneficiary(ies), if any.

Secondary. Your secondary beneficiary or beneficiaries will inherit your assets only if you have no surviving primary beneficiaries at the time of your death.

- If shares do not equal 100%, I grant NDPERS the authority to amend each of my beneficiary designations (up to +/- 1%) to pay 100% of my total account balance with up to a 1% difference being credited to the eldest.
- If beneficiaries are listed but no shares designated, I grant NDPERS the authority to divide shares equally between all beneficiaries with up to a 1% difference being credited to the eldest.
- If no valid beneficiary form is on file, NDPERS will issue payment to the member's estate.

Since this distribution may not reflect the member's preference, we recommend the member be sure to designate the percent share for each listed beneficiary and to ensure 100% of the total account balance is accounted for with the share designation.

PART D: SPOUSAL CONSENT

PLEASE NOTE: Designation of a primary beneficiary other than a spouse or in addition to the spouse is subject to the regulations set forth in Part D of the form.

1. Under North Dakota law, if a member designates a primary beneficiary other than a spouse or in addition to the spouse, the spouse must consent to this designation by signing and dating this section of the form. If spousal consent is not given, notification will be sent to the employee along with a copy of the applicable law.
2. If spouse's consent is given and if a member's primary beneficiary election is someone in addition to or in lieu of a spouse, there is no monthly pre-retirement death benefit provision.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

NDPERS REQUEST FOR PURCHASE INFORMATION
SFN 53718

This form should be used to notify NDPERS that an employee is interested in receiving information about the cost to purchase eligible service credit. The form also allows the employee to indicate if they are interested in paying for the purchase by utilizing a rollover/transfer of funds from an eligible source.

Eligible types of service to be purchased may include:

- Additional Service Credit/Generic Credit
- Leave of Absence/Seasonal Months
- Legislative Service
- Active Duty Military Service
- Previous Public Employment
- Unused Sick Leave Upon Termination

For questions about eligible types of service to be purchased, please refer the employee to the **Provisions for the Purchase of Service Credit and Conversion of Unused Sick Leave** brochure on the NDPERS website or call the NDPERS office at (800) 803-7377.

For instructions on completing the form, please refer to the back of the form.

**PURCHASE AGREEMENT FOR USERRA COVERED MILITARY ACTIVE DUTY
SFN 17758**

This form should be used to notify NDPERS that an employee has returned from active military duty that interrupted NDPERS covered employment and is interested in receiving information about the cost to purchase the months missed during the approved leave of absence. A copy of the employee's DD214 or NGB22 Discharge Form is also required to verify the interruption of service qualifies under the Uniform Services Employment and Re-employment Rights Act (USERRA).

USERRA's Impact on the Defined Benefit Plan

An Employment Change Request for a leave of absence **must** be completed through Employer Self Service indicating the date the member leaves active employment. This should also be completed to notify NDPERS of the member's return to employment from active duty.

Upon return from active duty, the member may be entitled to have their credit while on active duty recognized by NDPERS for vesting in retirement benefits, the PEP vesting schedule and benefit eligibility purposes (i.e. meeting the "The Rule"/Rule of 80). A reservist should make application to NDPERS by submitting a written request for the above along with a photocopy of their DD214 form.

In addition, a returning reservist has the option to purchase the service credit not accrued during the leave for the purpose of determining benefit calculation. Retirement credit may be granted for this purpose upon proper documentation and receipt of past contributions.

If application is made to the employer, the employer is required to pay the employer portion of the retirement contributions in a lump sum on behalf of a reservist. The employer is also required to pay any portion of the employee contribution in the same manner that it would have been paid had the reservist not been activated. If the employer does not pay any or all of the employee contribution on behalf of its employees, the reservist is required to pay the employee contribution in order to receive the service credit

The salary to be used in determining the cost to receive the credit must be based on the salary that would have accrued had the reservist not been called into active duty, rather than the salary the reservist is earning at the time of inquiry. If the salary can not be determined, the employee's average rate of compensation during the 12-month period immediately preceding their call to active duty should be used. The following applies to the payment of purchased credit:

- 1) The timeframe that the reservist has to pay any required employee contributions to the plan is 3 times the period of active duty or 5 years, whichever is less. If the reservist does not apply and/or purchase during this timeframe, then USERRA no longer applies. The reservist would have to pay an actuarial cost to receive the service credit.

- 2) If a reservist chooses to make installment payments to the plan to purchase the service, the plan cannot charge interest on the unpaid balance.
- 3) If the reservist chooses to purchase the service and begins payment, NDPERS will send a billing to the present employer for the required employer contributions. These contributions must be paid by the employer in a lump sum. As part of this billing, if any of the employee contributions are employer paid, they will be included.

Upon receipt of the Purchase Agreement for USERRA Covered Military Active Duty **SFN 17758**, NDPERS will compute the cost for the reservist to receive the credit and will send written notification to the reservist and/or the employer.

For instructions on completing the form, please refer to the back of the form.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

**VERIFICATION OF EMPLOYEE CONTRIBUTION TOWARDS
USERRA ACTIVE MILITARY DUTY**

SFN 54361

The Verification of Employee Contributions Towards USERRA Active Military Duty SFN 54361 should be used to verify the amount of employee contributions paid by an individual that may be the responsibility of the employer to pay as a result of NDCC 54-52-17.14 (Main) or 39-03.1-10.3 (HP).

As a result of legislation, an employer is responsible for refunding employee contributions to a reservist who submitted payment to NDPERS to obtain USERRA covered active military duty if the employer would have paid the contributions on behalf of the individual had they not been activated. The law is retroactive to October 1, 1994.

1. The employee must complete Part A to authorize the sharing of this type of information between the employer and NDPERS.
2. The employer must complete Part B to provide NDPERS with notification of the reservist and employers intent. Also, they must answer the questions in Part B to assist NDPERS with determining if the provisions of NDCC 54-52-17.14 or 39-03.1-10.3 apply.
3. Upon receipt, NDPERS will review the member record and will complete Part C. A copy of the completed verification form will be provided to the member and the employer.
4. The employer is responsible for refunding the returning reservist based on the information provided by NDPERS.

**VERIFICATION OF PUBLIC EMPLOYMENT
SFN 19397**

The Verification of Public Employment is used to verify previous in & out of state public employment or Federal government service, when employment dates require documentation at NDPERS.

An employee must meet the following criteria to be eligible to claim previous public employment:

- **Must have** been employed by a state agency, political subdivision, or the Federal Government.
- **Must be** at least 18 years old.
- **Must have** been in a full-time position--i.e., the employee worked at least 20 hours a week for at least 20 weeks in employment year.
- **Must have** been in a permanent position--i.e., regularly funded and not of limited duration.

For instructions on completing the form, please refer to the back of the form.

**NOTICE OF CHANGE
SFN 10766**

This form is to be completed to notify NDPERS of:

- Name change
- Address change
- Marital Status change
- Telephone Number change
- E-mail Address change
- Contact change

Whenever the Notice of Change SFN 10766 is completed and sent to NDPERS, the accuracy of the information **must be certified by the authorized agent or the member and the form must be dated. If someone other than the authorized agent or member signs the form, **it will be returned for the proper signature.****

For **FURTHER** instructions on completing the form, please refer to the back of the form.

1. Complete a marital status change whether there is a name change or not.
2. In cases of marital status change, it is necessary that the member complete a new Designation of Beneficiary **SFN 2560** and Life Insurance Designation of Beneficiary **SFN 53855**
3. Name changes should match the name the member has filed with Social Security.
4. The authorized agent or the member **must** sign Part F for this form to be valid.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

NOTICE OF TRANSFER

SFN 53706

All instructions, terms and conditions are in the NDPERS Notice of Transfer Guide and Forms.

If the employee will not begin employment with a new participating agency within 31 days from the day of employee's last regular pay check with your agency, the applicable separation of employment forms must be completed by both the employee and the authorized agent.

Administrative Code Chapter 71-02-01-01(24): "Termination of employment" means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.

Often employees will terminate their position with an employer participating in NDPERS and take a job with another employer who is also participating in NDPERS. Please note, if you have an employee who is transferring into or out of your agency during the month, it is required that you make a contribution for the partial month. Therefore, NDPERS will receive contributions from both employers during the month that the transfer occurs.

1. Retirement service record will transfer if new employer participates with NDPERS.
2. If employee transfers employment from one participating employer to another participating employer terminating eligible employment, NDPERS will record unused sick leave of a participating member if the new employer certifies that it will not transfer that leave. The certification must include documentation from the previous employer detailing the number of hours of sick leave. NDPERS must receive the certification within sixty days from the date the member leaves employment with the former employer.
3. In recognition of the fact that the current employer may not be aware of the circumstances regarding a departing employee's employment plans and subsequently a new employer will not receive any transfer information, NDPERS has developed a series of scenarios along with the required administrative procedures to follow depending on the particular situation.

If employee transfers employment from one participating employer to another participating employer without termination of employment, the former employer should provide termination notification to NDPERS just as any other employee who is leaving employment. New employer should provide notice of new hire just as any other new hire.

The Benefit Enrollment Specialists will transfer over any existing benefits from the former employer to the new employer if that same benefit is available under the new employer. Any benefit elections that transfer will be noted on the Benefit Enrollment Report available on Employer Self Service (ESS).

With the new employment, the employee may be newly eligible for benefits that were not available with the previous employer. New employer must offer these newly eligible benefits to the employee. Employee must make application within 31 days of new hire/transfer date if enrolling.

Former and new employers must complete Transfer of Unused Sick Leave Verification – SFN 53404 if it is known that the employee is transferring.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

NOTICE OF MEMBERSHIP TRANSFER TO TIAA
SFN 50084

(This form only applies to state colleges, universities, and certain positions in the N.D. Department of Higher Education.)

If an employee is switching his or her membership from NDPERS to TIAA, the Notice of Membership Transfer to TIAA SFN 50084 must be completed. The authorized agent and the employee must complete this form.

If an employee is transferring in from another participating agency and was covered under NDPERS and now will be covered under TIAA, the new agency must follow the above procedures.

For instructions on completing the form, please refer to the back of the form.

1. Employee may transfer of both employer and employee retirement contributions from NDPERS to TIAA; he/she must have at least three (3) years of credited service between NDPERS and the ND Board of Higher Education (TIAA). He/she also must be employed in an eligible position with the ND Board of Higher Education at the time of the transfer.
2. Employee may defer his/her NDPERS account.
3. Employee may **NOT** make application for a refund or rollover until a termination of employment has occurred.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

EMPLOYMENT CHANGE REQUESTS THROUGH EMPLOYER SELF SERVICE

Use to notify NDPERS of:

- Employee leave of absence/leave without pay
- Extending leave of absence/leave without pay
- Employee's return from leave of absence
- Employee's classification change within agency
- Employment type change
- Employee's reduction in hours/change from permanent to part time/temporary
- Employee's termination of employment

EMPLOYMENT STATUS CHANGES:

LEAVE OF ABSENCE

1. NDPERS must be notified whenever an employee is taking a leave without pay and the reason for the leave.
2. A leave of absence cannot exceed one year without being recertified. If an employee is taking an unpaid leave in excess of two years, the employee's membership in NDPERS should be terminated unless the leave is due to an interruption of covered employment due to military activation. However, since the employee has not separated employment with the employer, the employee is not entitled to a distribution of their retirement benefits.
3. NDPERS must be notified of a return from leave prior to the employer resuming retirement contributions for the employee.

EMPLOYMENT CHANGES

1. Job Class (This may affect their eligibility for benefits, as well as, how the employee is reported to NDPERS.)
2. Employment Type (example: Temporary to Permanent)
3. Participation Status (example: Contributing to Non-Contributing)
4. Hourly or Seasonal Status

REDUCTION IN HOURS OR PERMANENT TO PART-TIME/TEMPORARY

If notifying NDPERS of an employee's change from permanent to temporary service, have employee complete an Agreement/Waiver of Participation for Defined Benefit Optional Participants **SFN 17627**.

SEPARATION OF EMPLOYMENT

1. A NDPERS separation of employment guide and forms includes all necessary information for the employee to review and complete.

The employer or employee may obtain the following guides and forms from the NDPERS website:

- Refund/Rollover Guide
- Deferred Retirement Guide
- Disability Retirement Guide
- Retirement Guide
- Transfer Guide

**APPLICATION FOR REFUND OR DIRECT ROLLOVER
SFN 53789**

All instructions, terms and conditions are in the NDPERS Refund/Rollover Guide

Administrative Code Chapter 71-02-01-01(24): "Termination of employment" means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.

A terminating employee **MUST** read the "Safe Harbor Explanation" regarding federal income tax on plan payments. Under Federal regulations, the "Safe Harbor Explanation" must be given to the terminating employee a **minimum of 30 days** prior to a refund or rollover, but **not more than 120 days** prior. The date that the terminating employee signs the Application for Refund and Direct Rollover SFN 53725 will be the start of the "minimum 30 day notification requirement."

Processing of refunds or rollovers will take approximately 60 to 90 days from the employee's last regular paycheck, depending on when the terminating employee signs his or her form and whether there is non-taxable income being rolled over. **Refunds and rollovers are only issued on the first working day of each month.**

If terminating member has less than three (3) years of service credit and an account balance less than \$1000, the member will be **automatically refunded** his or her retirement monies, unless the completed separation of employment forms are submitted to NDPERS.

If the employee wishes to have his/her payment directly deposited:

If the terminating employee wishes to have his or her payment deposited directly into a checking or savings account, the employee and the financial institution must complete an Authorization for Direct Deposit for Annuity Payments SFN 18379 by the 10th of the month prior to the month in which payment will be made. **Direct deposit forms received after the 10th will be delayed and effective one month later.** NDPERS cannot accept alternate direct deposit forms.

FILING PROCEDURE: Original to NDPERS - Please photocopy for your records.

**APPLICATION FOR DEFERRED RETIREMENT BENEFITS
SFN 59044**

All instructions, terms and conditions are in the Deferred Retirement Guide.

N.D.A.C. Chapter 71-02-04-03 provides, in part: “.....Notwithstanding any other provision in this article, benefits must begin no later than April first of the calendar year after the calendar year in which the member retires or attains the age of seventy and one-half years, whichever is later. If the member is employed but ineligible for active participation in the retirement plan, the member’s benefits must begin no later than April first of the calendar year after the calendar year in which the member attains the age of seventy and one-half years. In the absence of a retirement application, benefits shall be paid based on a single life payment option. Benefits must be sent to the member’s last-known address. If the benefit checks are returned with no forwarding information, the benefits will remain in the fund, and will be distributed in a lump sum retroactive to the required beginning date upon location of the member.

N.D.A.C 71-02-04-03.1 providers: ‘Payment date- Retirement benefit for late retirees. Except for retirement options provided in sections 71-02-04-02 and 71-02-0403, for members who are terminated and older than the normal retirement age, but who have delayed or inadvertently failed to apply for retirement benefits, the regular accrued annuity benefits will commence with a lump sum equal to the amount of missed payments, without interest, retroactive to the normal retirement age unless otherwise approved by the North Dakota public employees retirement system board. There will be no retroactive payment for the retiree health insurance credit program.’

N.D.C.C. 54-52-17(3) provides:

A deferred member who has delayed or inadvertently failed to apply for retirement benefits to commence on their normal retirement date may choose to receive either a lump sum payment equal to the amount of missed payments, or an actuarial increase to the form of benefit the member has selected, which increase must reflect the missed payments.

1. Whether vested or not, a member can leave his/her Member Account Balance intact with NDPERS and take a refund or rollover later.
2. A vested member may elect a Deferred Vested Benefit. Under this option, he/she leaves his/her account with NDPERS and elects to receive a monthly benefit at a later date. The earliest age a member can begin to receive a monthly benefit is age 55 (or Minimum Age 60 for members hired after Jan 1, 2016) or “The Rule”, whichever happens first. Under the Deferred Vested Benefit Option, monthly benefits should begin no later than age 65 or the “The Rule”, whichever happens first. Interest continues to compound on the member’s Member Account Balance until monthly benefits begin.
3. **If deferring retirement**, the member should also select a retirement option and a health credit option, if applicable.

4. If the member is converting (purchasing) accumulated sick leave to retirement credit, the member must complete a “**CONVERSION OF UNUSED SICK LEAVE APPLICATION– DEFINED BENEFIT SFN 58358**”.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

**APPLICATION FOR DEFINED BENEFIT PLAN MONTHLY PAYMENTS
SFN 2562**

All instructions, terms and conditions are in the NDPERS Retirement Guide.

N.D.C.C. Chapter 54-52-01(16): "Retirement" means the acceptance of a retirement allowance under this chapter upon either termination of employment or termination of participation in the retirement plan and meeting the normal retirement date.

ND Administrative Code Chapter 71-02-01-01(25): "Termination of employment" means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.

ND Administrative Code Chapter 71-02-01-01(26): "Termination of participation" means termination of eligibility to participate in the retirement plan.

N.D.C.C. Chapter 54-52-05 provides, in part: "...An employee who is eligible for normal retirement who accepts a retirement benefit under this chapter and who subsequently becomes employed with a participating employer other than the employer with which the employee was employed at the time the employee retired under this chapter may, before reenrolling in the retirement plan, elect to permanently waive future participation in the retirement plan and the retiree health program and maintain that employee's retirement status. An employee making this election is not required to make any future employee contributions to the public employees retirement system nor is the employee's employer required to make any further contributions on behalf of that employee."

For Political Subdivisions: The ND Administrative Code Chapter 71-02-04-02.1 provides-"The termination date for purposes of processing an application for retirement benefits must be the last date for which a member receives salary except for a member who is on an approved leave of absence. For members who are paid salary in any month following actual separation from employment where the salary is received after the normal processing date, the termination date for purposes of processing the application must the same date as the date that the last paycheck was issued as salary."

1. The NDPERS retirement effective date is the first of the month following the date member leaves employment. (Last day of employment may be any day of the month and after annual/sick leave used, I.A.). The first payment will be issued the month following retirement effective date and will contain two months of benefits (the current month and the month following the last day of employment). If last day of employment is prior to the end of the month, member still receives a full month of service credit and **retirement benefits are not prorated.**
2. A retiree, who is under age 65 and, **not** deferring the receipt of a pension to a

later date, should indicate Early Retirement. Indicate normal retirement if the retiree is at the “The Rule” or age 65 or older.

3. The retiree will select one Retiree Health Credit Options, if applicable, at the time of retirement and **must** select whether the retiree will, or will not, participate in the NDPERS Group Health Insurance Plan.
4. If the member is converting (purchasing) accumulated sick leave to retirement credit, the member must complete a “**CONVERSION OF UNUSED SICK LEAVE APPLICATION– DEFINED BENEFIT SFN 58358**”.

The retiree **must submit a legible copy of his or her birth certificate, and if married, spouse’s birth certificate and marriage certificate. Certified copies are not necessary if the certification is legibly shown on a photocopy.**

If a retiring employee wishes to have his or her annuity payment deposited directly into a checking or savings account, the employee and the financial institution must complete an Authorization for **Direct Deposit for Annuity Payments SFN 18379 by the 10th of the month prior to the month in which payment will be made. Direct deposit forms received after the 10th will be delayed and effective one month later.** NDPERS cannot accept alternate direct deposit forms.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

**CONVERSION OF UNUSED SICK LEAVE APPLICATION –DEFINED BENEFIT
SFN 58358**

All instructions, terms and conditions are in the NDPERS Retirement Guide and/or the Deferred Retirement Guide.

N.D.C.C. Chapter 54-52-27: “At termination of eligible employment a member is entitled to credit in the retirement system for each month of unused sick leave, as certified by the member’s employer, if the member or the member’s employer pays an amount equal to the member’s final average salary, times the number of months of sick leave converted, times the percent of employer and employee contributions to the retirement program of the member, plus 1.14% for the retiree health benefits program.” Please note that employer payment is subject to N.D.A.C. Chapter 71-02-03-07.

ND Administrative Code Chapter 71-02-03-06 provides detail about payment options that the member has regarding submitting after-tax payment (i.e. personal check) and pre-tax payment (i.e. direct rollover or transfer from an eligible fund).

If a terminating employee would like to pay for their unused sick leave by utilizing a direct rollover or transfer of eligible funds, then the member’s employer must certify the member’s projected salaries for the final 60 days of employment.

The sick leave payment must be paid in full by the 15th of the month following the month of termination. Payment can be made either on an after-tax basis through personal check or pre-tax basis through direct rollover/transfer. If electing a pre-tax payment through direct Rollover/Transfer the member, the employer must provide written certification of the projected gross salaries to be reported to NDPERS during the final 60 days of employment.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your record

RETIREMENT DISABILITY BENEFITS
APPLICATION FOR RETIREMENT DISABILITY SFN 18000
DISABILITY RETIREMENT OCCUPATIONAL DEMANDS SFN 54398
DISABILITY RETIREMENT- ATTENDING PHYSICIANS STATEMENT SFN 54399

N.D.C.C. Chapter 54-52-01(14): “Retirement” means the acceptance of a retirement allowance under this chapter upon termination of employment.

N.D.C.C Chapter 54-52-17(f) provides, in part: “...a member is eligible to receive disability retirement benefits only if the member: (1) became disabled during the period of eligible employment; and (2) applies for disability retirement benefits within **12 months of the date the member terminates employment.**

ND Administrative Code Chapter 71-02-01-01(24): “Termination of employment” means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.

For Political Subdivisions: The ND Administrative Code Chapter **71-02-04-02.1** provides-“The termination date for purposes of processing an application for retirement benefits must be the last date for which a member receives salary except for a member who is on an approved leave of absence. For members who are paid salary in any month following actual separation from employment where the salary is received after the normal processing date, the termination date for purposes of processing the application must the same date as the date that the last paycheck was issued as salary.”

Eligibility:

- The member or member’s employer contributed for at least six (6) months to the NDPERS Defined Benefit Plan or Defined Contribution Plan
- The disability occurred during a period of eligible employment, and
- The member is unable to work due to a medically determinable physical or mental impairment that has or is expected to last at least for a continuous period of 12 months or result in death, and
- The member is currently on your payroll, or the member is within twelve (12) months of their termination date.
- The member must apply at least 2 months or more prior to Normal Retirement, which can be age 65 (55 for Public Safety) or meeting the “Rule”.

Payment:

- Disability retirement benefits are effective is the first of the month following the date member leaves employment. (Last day of employment may be any day of the month and after annual/sick leave used.)

If a disability retiree wishes to have his or her annuity payment deposited directly into a checking or savings account, the employee and the financial institution must complete an **Authorization for Direct Deposit for Annuity payments SFN 18379 by the 10th of the month prior to the month in which payment will be made.** Direct deposit forms received after the 10th will be delayed and effective one month later. NDPERS cannot accept alternate direct deposit forms.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

APPLICATION FOR SURVIVING SPOUSE BENEFITS
SFN 52254

All instructions, terms and conditions will be provided by the NDPERS office upon notice of death. To notify NDPERS of an active employee's death (single or married), complete the Report a Death link through Employer Self Service.

When Reporting the death of an employee through Employer Self Service, please make sure that you provide the PERSLink ID number of the deceased employee on your contact ticket. This will ensure that NDPERS is notified of the correct individual's death. If you need to report the death of a spouse or dependent, you will need to contact the member service unit at NDPERS by calling (800) 803-7377 or (701)328-3900.

The surviving spouse of a deceased active employee, who has three (3) or more years of credited service, is entitled to select among two (2) surviving spouse benefit options. A Surviving Spouse of a deceased active employee, who has less than three (3) years of credited service, is only entitled Option 1.

Option 1: A lump sum distribution of the member's retirement account. This includes employee's contributions, any vested employer contributions, and accrued interest. The spouse must also select how the payment is to be distributed. **If the benefit is paid direct, the taxable portion will be subject to the 20% federal withholding requirement. If a direct rollover is selected, PART C must be completed also. NDPERS DOES NOT ACCEPT ROLLOVERS INTO NDPERS ACCOUNTS.**

Option 2: A monthly Lifetime Benefit.

The surviving spouse **must submit** a legible copy of his or her birth certificate, spouse's birth certificate, and marriage certificate. Certified copies not necessary if the certification is shown on a photocopy.

The surviving spouse must submit a **certified** copy of the Certificate of Death. If there is no life insurance, the certified copy will be returned after the member's account has been processed.

If a surviving spouse wishes to have his or her **beneficiary** payment deposited directly into a checking or savings account, the surviving spouse and the financial institution must complete an Authorization for Direct Deposit for Annuity Payments SFN 18379 by the 10th of the month prior to the month in which payment will be made. Direct deposit forms received after the 10th will be delayed and effective one month later. [NDPERS cannot accept alternate direct deposit forms.]

**STATEMENT OF BENEFICIARY (GROUP RETIREMENT PLAN)
SFN 51702**

All instructions, terms and conditions will be provided by the NDPERS office upon notice of death. To notify NDPERS of an active employee's death (single or married), complete the Report a Death link through Employer Self Service.

When Reporting the death of an employee through Employer Self Service, please make sure that you provide the PERSLink ID number of the deceased employee on your contact ticket. This will ensure that NDPERS is notified of the correct individual's death. If you need to report the death of a spouse or dependent, you will need to contact the member service unit at NDPERS by calling (800) 803-7377 or (701)328-3900.

If a deceased active employee is single at the time of death or his/her spouse has consented in writing to waive an right to a death benefit, the employee's member account balance will be available to be refunded in a single lump sum payment to the beneficiary or beneficiaries on record.

The designated beneficiary may have the option to elect to have the member's account balance paid directly to them or have the funds rolled over directly into an inherited Traditional or Roth IRA.

If the employer has no beneficiary on record, the member's account balance will be refunded to his/her estate.

The beneficiary must submit a certified copy of the Certificate of Death. If there is no life insurance, the certified copy will be returned after the member's account has been processed.

NDPERS is required to send the IRS "Special Tax Notice Regarding Plan Payments" to recipients of eligible rollover distributions a minimum of 30 days, but no more than 120 days prior to a distribution.