IPERS®

Preparing for an IPERS Compliance Review

Friday, August 28, 2026

Diane Dannen, Senior Retirement Compliance Officer

Designating a Reporting Official

- Employers must designate one reporting official who serves as your main contact with IPERS. Use the ***Employer Account/Reporting Official Demographics*** form. This form can be found on our website – IPERS.org.

- This person is authorized to sign IPERS' documents and is responsible for:
  - Deducting and submitting IPERS retirement contributions from employee's covered wages.
  - Reporting member information and wages on monthly reports.
  - Maintaining member records.

- Your organization must tell IPERS immediately if there is a change in the reporting official, their address or contact information.

Employer Identification Number

- Each employer has a unique five-digit identification number.
- You will use this on all IPERS correspondence and reporting documents.

Your username will always begin with your 5-digit employer identification number.

Responsibilities

- Report covered wages to IPERS.
- Prepare W-2’s.
- Verify member leaves of absence upon request.
- Assist with service purchase requests.
- Update I-Que with termination and last check dates.
- Keep track of which plan your employees have elected to be a part of: IPERS or TIAA.
- Keep track of when your temps or adjuncts have qualified for coverage.
- No longer required to handle any beneficiary designation forms or update address changes for the employee.

Compliance Reviews

- When you are contacted regarding a compliance review we will ask you to provide:
  - Gross payroll report for the review year
  - W-2's and 1099's
  - Contracts

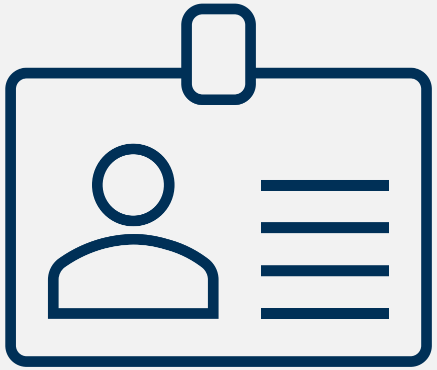
- Then before the review is scheduled, we will ask you to provide:
  - Explanation of differences on payroll comparison report

- Employers will need to substantiate all covered and non-covered wage treatment during the Compliance Review.

IPERS contacts reporting officials for employers who will undergo a compliance review.

Temporary Employees

- Employment expected to be less than 6 months may be temporary
- Examples may include, but are not limited to:
  - Most seasonal employees (lawn care and snow removal employees)
  - Substitute teachers and coaches
  - Clerical help
  - Volunteer firefighters
- Excluded until an ongoing relationship is established
- Wages paid of $1,000 or more in two consecutive calendar quarters, or
- Employed for 1,040 hours or more in a calendar year.
- Coverage begins the quarter after a relationship is established



Citizen Coach

- Is an employee (permanent or temporary) who works for a school district in only a coaching capacity.
- A school may provide them with coverage immediately or wait until they qualify.

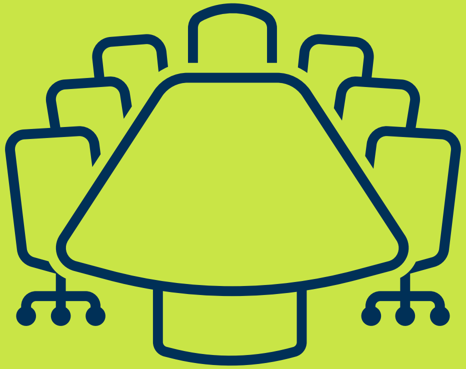
- To qualify for IPERS Coverage:

  A) If the coach is expected to fill the position each season and cannot be unseated by another, then a permanent relationship has been established, and coverage would begin when the coach returns the second season.

  B) If there is no expectation of continued employment beyond the first season, a temporary relationship exists, and the coach shall only be covered if they meet the temporary coverage requirements.

Board Members

- Utility boards, hospital boards, township trustees, etc.
- Elected
  - Covered if full time & receive salary
  - Optional coverage if part time and receive salary
  - Not covered if paid per diem
- Appointed
  - Covered if paid salary
  - Not covered if paid per diem

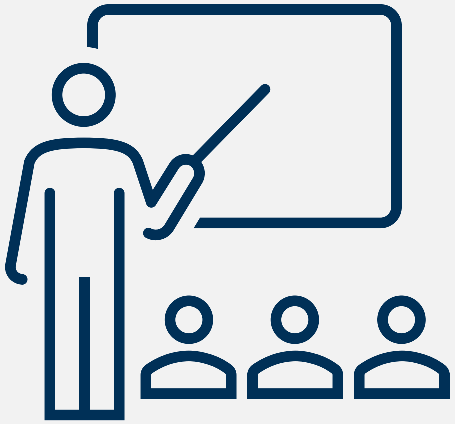


Optional Coverage

- Part-time paid elected officials
  - Choose IPERS or Social Security...NOT both
- Employees of community action programs
- City managers or city administrators performing duties under Iowa Code Chapter 372 or 420
- Water utilities with 412 retirement system
- Magistrates

Alternative Plan Coverage

- Eligible employees default to being IPERS covered, unless they elect to participate in an eligible alternative retirement plan such as TIAA.
- Employees have 60 days from hire date to choose.
- Election, once made, is binding and cannot be changed.
- If you have covered them for IPERS and the employee chooses TIAA within the 60 days of hire, you will need to submit a wage adjustment to correct the wages reported.



Exempt Positions

- High school students
- College students (not covered when enrolled full-time or part-time and working part-time at college where enrolled)
- Adjunct instructors employed <u>without</u> a continuing contract (whose teaching load does not exceed one-half time for two full semesters or three full quarters in a calendar year).
- Foreign Exchange teachers/visitors in a field of specialized knowledge or skill
- Volunteers
- Reserve peace officers
- Interns and resident doctors

Independent Contractors

- IPERS will request 1099's for the Compliance Review.
- Independent contractors are not IPERS covered and cannot perform the same duties as an IPERS covered position.
- Things to consider:
  - How will this person do the job differently as a contractor than as an employee?
  - Does employer direct the work or result?
  - Do they provide their own liability insurance?
- Be very careful with whom you treat as a contractor.
- If you would like guidance, submit the "Worker Status Determination Form" to IPERS for review.

Covered Wages

Regular Pay
Hourly or Salary

Vacation & Sick
Unless lump sum

Overtime

Longevity Pay

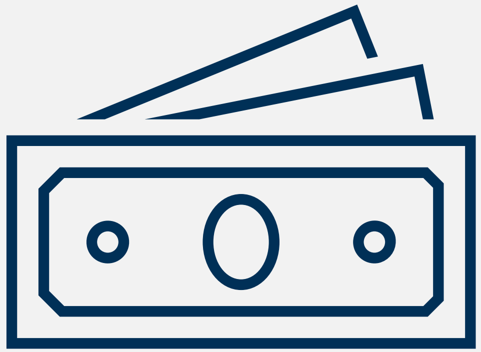
Comp Time
covered up to
240 hours annually
per calendar/fiscal year

Back Pay

Other
Amounts deducted from the member’s pay
at the member’s discretion for tax-
sheltered annuities, dependent care,
and cafeteria plans

Non-Covered Wages

- Severance pay
- Early retirement incentives
- Bonuses
- Allowances
- Lump sum payout of unused vacation or sick leave



Covered Wage Ceiling

- IRS limit for active member covered wages.
- Calendar Year 2026: $360,000

FY2027 Contribution Rates

	Member Share	Employer Share	Total
Regular Members			
7/1/2026 – 6/30/2027	6.29%	9.44%	15.73%
Sheriffs/Deputy Sheriffs Members			
7/1/2026 – 6/30/2027	12.335%	12.085%	24.42%
Protection Occupations			
7/1/2026 – 6/30/2027	7.885%	7.635%	15.52%

Monthly Wage Reports

- Report monthly gross wages when paid, not when earned.
- IPERS will calculate the contributions due after the report has been submitted.
- Reports and contributions are due the 15th of the month following the month of the associated payrolls.
- Late wage report fee = $20 + $0.25 for each person on report.

Payments and Documents

- Payments must be received by the 15th of the following month.
  - IPERS encourages all employers to use EFT
  - Interest Fee for late payment: $20

- Documents Tab in I-Que:
  - Employer Annual Statement
  - Employer Monthly Statement
  - Wage Adjustment Detail Report

- Employer Monthly Statement and Wage Adjustment Detail Report will be available in I-Que on the 1st of every month.

Wage Reporting Adjustments

Wage Reporting Adjustments are used to correct reporting errors in previous months, such as:

- Incorrect SSN, occupation code, or wage amounts

Employers have the option to request a refund for permanent employment of less than 6 months.

Wage adjustments can be submitted through I-Que either by an import or by attaching the PDF form.

- Excel spreadsheet available for download on www.ipers.org if you choose to upload.

If a wage adjustment results in contributions due, a letter will be sent to the employee.

Contact Us

Send questions securely using the Messages feature in I-Que.

877-IPERS-99 (877-473-7799)

Office hours: 8 a.m. – 4:30 p.m., Monday-Friday