NEBRASKA

STATE

EMPLOYEES RETIREMENT SYSTEM HANDBOOK

NPERS
Nebraska Public Employees Retirement Systems
Revised 06/2011

IMPORTANT

This member handbook contains time-sensitive information and should be read by all new State Retirement Plan employees within 30 days of employment.

NPERS
Nebraska Public Employees Retirement Systems

P.O. Box 94816
Lincoln, NE 68509
402-471-2053
800-245-5712
npers.ne.gov

NEBRASKA STATE EMPLOYEES RETIREMENT SYSTEM

Nebraska Revised Statutes §§84-1301 through 84-1333

The State Employees Retirement Plan (the Plan) is designed to provide retirement benefits in recognition of service to the state of Nebraska and is administered by the Public Employees Retirement Board (PERB). The Plan is qualified under Internal Revenue Code **§§401(a)** and **414(h)** and is comprised of a **Defined Contribution** benefit and a **Cash Balance** benefit. The contribution rate for members and employers is defined in state statute. The plan year is January 1 through December 31.

Effective January 1, 2003, new members and rehires who begin contributing to the Plan participate in the **Cash Balance** benefit. (Prior Plan participants were eligible to convert to Cash Balance or keep their Defined Contribution benefit.) Members were given a second opportunity to convert to Cash Balance January 1, 2008.

This booklet provides an *overview* of the benefits available to members of the Plan as of the date of printing and is not intended to be a substitute for retirement education. Revisions will be made available on our website. The statutes and provisions of the "State Employees Retirement Act" in all cases supersede the information in this booklet and the website.

If you have questions, contact:

Nebraska Public Employees Retirement Systems (NPERS)
P.O. Box 94816
Lincoln, Nebraska 68509-4816

Fax: 402-471-9493
or call 402-471-2053 or toll-free 800-245-5712.

You may schedule an appointment to visit NPERS at 1221 N Street, Suite 325, Lincoln.

For Plan information and to use the Benefit Estimator, visit the NPERS website: npers.ne.gov.

TABLE OF CONTENTS

Cash Balance or Defined Contribution 1

Membership/Enrollment 2

- Mandatory Membership 2
- Voluntary Membership 2
- Transfers Between Agencies 3

Beneficiary Designation 3

Contributions` 4

Vesting/Vesting Credit 4

Investment Of Contributions 5

- Cash Balance Benefit 5
- Defined Contribution Benefit 6
- Defined Contribution Investment Changes 7
- Trading Restrictions/Excessive Trading Policy 7
- Methods for Investment Elections and Transfers 8

Statement Of Account 8

Address Changes 9

Fees 9

- Record-keeping Fee 9
- Administrative Fee 9
- Investment Management Fee 10

Termination of Employment 10

Payment Options at Termination/Retirement 11

- Distribution of Account 11
- Options for Cash Balance Participants 12
- Options for Defined Contribution Participants 13

Deferral 13
Monthly Annuity 14
Direct Deposit/Debit Card 15
Cost-Of-Living (COLA) Provision 16
Annuity Options 16
Lump Sum Withdrawal 18
Rollover Distribution 18
Systematic Withdrawal Option 18

Taxation 19
Taxation of Withdrawals 19
Required Minimum Distributions 20
Taxation of Annuities 20
Safe Harbor Annuity Taxation 21

Death Benefits 21
Surviving Spouse's Options 22
Non-Spousal Beneficiary's Options 22

Disability Benefits 22

Reemployment 23

Military Leave 26

Spousal Pension Rights Act/QDRO 26
Qualified Domestic Relations Order (QDRO) 27

Retirement Planning Program 27

Administration of the Retirement Plan 28
Release Of Information 29
Fax Policy 29
E-mail Policy 30

Appeals Process 30

CASH BALANCE OR DEFINED CONTRIBUTION

The State Employees Retirement Plan began as a Defined Contribution Plan in 1964. Cash Balance was added in 2002. Starting January 1, 2003, all new employees eligible to participate in the State Employees Retirement Plan participate in Cash Balance. Defined Contribution members were given the option of remaining in the Defined Contribution benefit or converting to Cash Balance in 2003 and again in 2008.

CASH BALANCE/DEFINED CONTRIBUTION IN THIS HANDBOOK

This booklet provides an overview of the Plan.

Areas where Cash Balance differs from Defined Contribution are clearly described and are located in these sections:

- Investment of Contributions
- Payment Options at Termination/Retirement
- Death Benefits
- Reemployment

All Plan assets are held *in trust*. Under current law, accounts are immune from execution, garnishment, attachment, bankruptcy and insolvency laws, or any other process of law. The assets cannot be paid out because of any legal actions. You cannot use your Plan assets as loan collateral since they are not assignable. There are only two means by which your Plan assets can be paid to anyone other than yourself or your beneficiaries:

IMPORTANT

There are only two means by which your Plan assets can be paid to anyone other than yourself or your beneficiaries:

- Through a qualified domestic relations order under the Spousal Pension Rights Act.
- Through an IRS tax lien.

IMPORTANT

Members **CANNOT** take a distribution (receive any funds) until they have ceased employment.

MEMBERSHIP/ENROLLMENT

Mandatory Membership

Effective January 1, 2007, upon employment, immediate participation is mandatory for all **permanent, full-time** employees who work one-half or more of the regularly scheduled hours during each pay period. Employees must be a United States citizen or a qualified alien in order to participate. Your employer will enroll you effective on the date you are hired.

MANDATORY PARTICIPATION				
Participation is mandatory for permanent, part-time employees when, in a calendar year, an employee's hours exceed half of the regularly scheduled hours in a pay period for at least:				
6 bi-weekly pay periods	**OR**	**6 semi-monthly** pay periods	**OR**	**3 monthly** pay periods

The effective date of participation will be the next pay period following the 6 bi-weekly/6 semi-monthly/3 monthly pay periods that the employee exceeded half the regularly scheduled hours. If the employee does not begin participation, make-up contributions are required going back to the effective date of participation, or two years, whichever is less.

Participation for **permanent, full-time, seasonal** employees is required.

Voluntary Membership

Participation is voluntary for **permanent, part-time employees age 18 or older** and **permanent part-time seasonal** employees. If you wish to enroll, you may do so by completing a Cash Balance Voluntary Enrollment Form, available from your employer or NPERS. Your employer should submit the completed form to NPERS.

Once you become a member, you are subject to all provisions of the Plan and cannot withdraw funds or cancel participation until you cease employment.

Temporary employees are not eligible to participate. An employee who works longer than one year is no longer considered "temporary" and the full-time and part-time enrollment rules will apply.

If you have been **appointed** by the Governor, you may elect not to become a member of the State Plan.

EXCEPTIONS

The following state employees participate in separate retirement plans and are not eligible to join the State Plan:

- State judges
- Department of Education employees participating in the School Employees Retirement Plan
- Department of Labor (Division of Employment) employees hired prior to July 1, 1984
- State Patrol officers
- Army and Air National Guard technicians
- Employees of the University of Nebraska, state colleges, and community colleges
- Employees of the State Board of Agriculture (Fair Board) employed after July 1, 1982

If you have questions regarding eligibility, please contact NPERS.

Transfers Between Agencies

If you accept employment with another state agency with a 120-day or less break in service, your membership with the Plan will not be interrupted. Your former employer should notify the new agency of your participation in the Plan, if they are aware you are transferring. If you have taken a distribution of your retirement funds, you will have to repay the full amount. (See “Reemployment.”)

BENEFICIARY DESIGNATION

Your beneficiary is the person or persons you designate to receive your account balance upon your death. At the time you enroll in the Plan, your employer will provide you with a Beneficiary Designation Form.

Keeping your beneficiary designation at NPERS up to date will ensure benefits are paid promptly and properly upon your death.

CIRCUMSTANCES FOR BENEFICIARY REVIEW

We recommend reviewing your beneficiary designation when:

- You or a beneficiary marries or becomes divorced
- A beneficiary dies
- You return to employment after receiving a distribution of your account
- You have a child

You may request a Beneficiary Designation Form from your employer, from NPERS, or access the form from the NPERS website. When NPERS receives your properly completed form, it will cancel any previous beneficiary designations.

Beneficiary information is considered confidential and will not be provided over the phone. If you are unsure who you have listed, you may request this information in writing or you may complete a new form and submit it to our office.

If you have not designated a beneficiary, your beneficiary predeceases you, or you have requested a full disbursement and pass away prior to distribution, then death benefits will be issued to your estate. (See "Death Benefits.")

COMPLETING THE BENEFICIARY DESIGNATION FORM

- You may name primary and contingent beneficiary(ies). You may name a person or a trust.
- Benefits will go to your named, primary beneficiary(ies) in equal amounts ***unless*** you assign specific percentages.
- If you designate multiple primary beneficiaries and one or more of them predecease you, your benefits will be divided among the remaining primary beneficiaries.
- NPERS does not observe the passing of benefits to the heir(s) of deceased beneficiary(ies) ***per stirpes***.
- Only when ***all*** your named, primary beneficiary(ies) ***have predeceased you,*** will benefits go to your contingent beneficiaries.

CONTRIBUTIONS`

As a member of the Plan, you contribute **4.8%** of compensation each payroll period. The state (employer) matches your contributions at the rate of **156%**. Both your contributions and the employer match are made on a "pre-tax" basis. To be eligible to receive the employer matching contributions at termination or retirement, you must be vested. (See "Vesting/Vesting Credit.")

The law does not allow you to contribute more than the amount specified in the State Plan. However, the **Deferred Compensation Plan** is available for you to *voluntarily* defer an additional amount from compensation, thereby reducing your current federal and state income taxes. For more information, ask your employer for a Deferred Compensation Plan booklet, or review the booklet on the NPERS website.

VESTING/VESTING CREDIT

Vesting allows you to retain the matching employer account when you terminate employment. Vesting occurs after three years of plan participation, including vesting credit.

CONDITIONS FOR VESTING IN LESS THAN THREE YEARS	
You can become vested in less than three years if you:	■ Attain age 55 before terminating employment. ■ Die before terminating employment. ■ Qualify for disability. (See "Disability Benefits.")

If you have participated in another Nebraska governmental plan (see examples below), that participation *may* count toward the three years required to vest in the Plan. To qualify, you **must** complete an Eligibility and Vesting Credit Application and submit to NPERS **within 180 days** of your date of hire. **If you fail to apply for vesting credit within 180 days of your date of hire, you are *not* eligible for vesting credit.**

Examples of Nebraska governmental employment include: municipal government, public power district, law enforcement, county government, state university or state college. (Examples of employment that would not qualify would be federal employment, out-of-state university or college, and any non-governmental employment.)

When a non-vested plan member ceases employment, his/her employer contributions are forfeited. The forfeiture funds are used to offset NPERS' administrative expenses.

INVESTMENT OF CONTRIBUTIONS

The investment of contributions differs significantly between the **Cash Balance** benefit and the **Defined Contribution** benefit.

Cash Balance Benefit

Members who participate in **Cash Balance do not make investment choices,** for either member or employer contributions. The rate of return for Cash Balance accounts is not tied to investment performance. Cash Balance participants are guaranteed a rate of return ("Interest Credit Rate") on their accounts based on the federal mid-term rate plus 1.5%. When the federal mid-term rate falls below 3.5%, members receive a 5% minimum credit rate.

The interest credit rate is determined each calendar quarter (January, April, July and October) based on the federal mid-term rate that is published by the Internal Revenue Service as of the first day of that quarter. The federal mid-term rate is based on the average market yield (during the calendar month of the determination) on outstanding marketable obligations of the United States with maturities of at least three years but no more than nine years.

CASH BALANCE TRUST FUND/DIVIDENDS

All member and employer contributions are held in a trust fund. This trust fund is invested by professional fund managers under the direction of the Nebraska Investment Council. Trust fund dollars cannot be used for any purpose other than providing retirement benefits to members or covering plan expenses.

Each year an actuarial study is conducted on the trust fund to determine the funded status. If the study finds the actuarially required contribution rate exceeds the rate of all contributions required pursuant to the State Employees Retirement Act, there shall be a supplemental appropriation sufficient to pay for the difference. If the study determines favorable investment returns have created a surplus, the Public Employees Retirement Board (PERB) may choose to issue a dividend to plan members. In order to be eligible for the dividend, a Cash Balance member must have maintained an account balance as of December 31 of the prior calendar year to which the dividend is issued.

Defined Contribution Benefit

Members who elected to keep their **Defined Contribution benefit make their own investment decisions** for both member and employer contributions. Rates of return vary based on investment choices and market performance. There is no guaranteed rate of return.

DEFINED CONTRIBUTION INVESTMENT FUNDS

The PERB selects the investment funds available to Defined Contribution participants, and the Nebraska Investment Council selects the money managers for each fund. There are currently 13 investment options for **member and employer contributions**. These investment options may change from time to time. Each year NPERS will publish an Annual Investment Report outlining the current investment options. This report is available on the NPERS website and members may contact NPERS to request a written copy. For additional investment assistance, NPERS offers an Investment Education video on the NPERS website. Members who do not have internet access may request a copy of this video in DVD format.

INVESTMENT OPTIONS (AS OF 05/2011)

- Money Market Fund
- Conservative Premixed Fund
- Age-Based Fund
- Large Company Value Fund
- Investor Select Fund
- Stable Value Fund
- Moderate Premixed Fund
- S & P 500 Index Fund
- Small Company Stock Fund
- Bond Market Index Fund
- Aggressive Premixed Fund
- Large Company Growth Fund
- International Stock Index Fund

If you do not make an investment election at the time of your enrollment, your employee contributions will be invested in the Stable Value Fund and employer matching contributions invested in the Moderate Premixed Fund.

Defined Contribution Investment Changes

FUTURE CONTRIBUTIONS	
Investment Election	You may change how *future* contributions are invested by making an *investment election.* An investment election will not change how existing funds are invested.

EXISTING FUNDS	
Transfer	To change the investment of funds already in your account requires a *transfer*. You may transfer (move) a dollar amount or percentage of your existing balances between any of the various funds.

Trading Restrictions/Excessive Trading Policy

In order to protect plan sponsors and participants, as well as meet regulatory guidelines, the Public Employees Retirement Board implemented an excessive trading policy effective on May 1, 2011. This policy monitors and limits the number of *transfers* permitted within a set period of time. Changes to *investment elections* (future payroll contributions) are not affected.

A "monitoring period" will begin whenever a member makes a "Round Trip." A round trip is defined as a *transfer* ***into*** *followed by a transfer* ***out*** *of the same fund* within 60 days. When a member executes a round trip, this initiates a 60 day monitoring period. If the member makes *another transfer* ***into*** *the same fund* during the monitoring period, a written notice will be mailed to their home address. This notice will inform the member if they perform *a transfer* ***out*** *of this fund during the next 60 days*, they will be subject to trading restrictions.

Members subject to trading restrictions will be prevented from making any transfers **into** the applicable fund for 60 days. Investment elections or transfers for all funds during this time period must be done via the U.S. Mail. This would exclude the use of phone, voice response, fax, web/internet, and hand-delivered means of executing trades. The participant will be notified in writing upon the imposition of these trading restrictions. Trading privileges will be restored automatically at the end of the trading restriction time period.

There are additional trading restrictions on the Stable Value Fund. A direct transfer between the Stable Value Fund and a "competing fund," specifically the Money Market Fund, is not allowed. Transfers between such “competing funds” via another fund are restricted for three months.

When transferring out of a fund, you cannot transfer back into that fund on the same day.

Methods for Investment Elections and Transfers

There are the two ways Defined Contribution participants may make investment elections or transfers.

METHODS FOR MAKING INVESTMENT CHANGES	
Online	Enter changes through the online account access via the NPERS website. Instructions on creating an online account are available on the NPERS website.
Mail or Fax	Complete an Investment Election Form, available from your employer or NPERS, or downloaded from the NPERS website, and submit to NPERS by mail or fax to 402-471-9493.

There is no fee assessed for these changes or transfers and members will receive confirmation of the changes from the plan record-keeper. It is the member’s responsibility to review all confirmations and quarterly statements, and immediately report any discrepancies to NPERS.

STATEMENT OF ACCOUNT

Account statements are mailed each calendar quarter. These statements give a detailed summary of contributions, investment earnings or losses, record-keeping fees, and the account balance accumulated to date. **It is the member’s responsibility to review all statements and immediately report any discrepancies to NPERS.**

Statements and other important items are mailed to your home address. **To ensure you receive your statements and other mailings, always inform your employer of address changes.** You may request a statement of account at any time by writing NPERS, utilizing the Online Account Access via the NPERS website, or calling the automated voice response at 800-449-2696 (Lincoln area, 402-467-6925). The automated voice response can also provide account balance information.

ADDRESS CHANGES

As long as you are an active employee, your address is reported to NPERS by your employer. Therefore, it is important you keep your address current *with your employer.*

If you terminate employment and do not withdraw your funds, you are responsible to report any address changes directly to NPERS, in writing with your signature, to ensure you receive your quarterly statements and other items mailed to you.

FEES

ACCOUNT FEES

There are three separate fees assessed to member accounts.

- Record-keeping fee
- NPERS' administrative fee
- Investment management fee

IMPORTANT

The amount of these fees are subject to change. Changes to fees are reported in NPERS' newsletters and on the NPERS website.

Record-keeping Fee

The fee for record-keeping services is subtracted directly from your account. This fee is assessed on a monthly basis and is reflected on your quarterly account statement.

When a member takes a *total* distribution of his/her account through a direct payment, rollover or annuity, the record-keeper currently charges a $35 distribution fee. No fee is charged if the account is under $100. For Defined Contribution participants taking periodic withdrawals, the fee will be charged on the *final* distribution that depletes the member's account.

Administrative Fee

A portion of NPERS' operational costs are reimbursed from Plan forfeitures. Forfeitures occur when a non-vested plan member ceases employment, which causes the employer contributions to be forfeited. These amounts are used to partially offset NPERS' administrative expenses.

NPERS may also assess a charge in the form of basis points against plan assets. A basis point is one one-hundredth of a percent. For example, if a member has $10,000 in his/her account, a charge of 10 basis points in expenses would cost approximately $10 per year. These fees are reflected in the adjustment column of your quarterly statement.

Investment Management Fee

The investment management expenses include the operational costs of the Nebraska Investment Council, the custodial bank fee to handle the plan accounting, and the fee charged by each fund manager. These fees are not subtracted on your quarterly statement but reduce the earnings of each investment fund.

Because of economies of scale and the state's negotiating power, the investment fees on your funds are very low. The fees range from as low as 0.03% on some index funds to 0.41% on the more actively managed choices like the Small Company Stock Index Fund. In comparable mutual funds outside of the Plan, fees are generally higher and sales charges may also apply. Investment fees for each fund are listed in NPERS' Annual Investment Report.

TERMINATION OF EMPLOYMENT

Once you cease employment, *regardless of age*, you may begin removing funds from your account. To qualify for employer matching funds, you must be "vested." (See "Vesting/Vesting Credit.") If you are not vested at the time you cease employment with the state, you are NOT eligible for the employer matching contributions. Both non-vested and vested members have the same distribution options upon ceasing employment. (See "Payment Options At Termination/Retirement.")

If you cease working for the state *before* age 55, you are considered to have "**terminated**" for plan purposes. You may begin taking distributions from your account, but there may be tax penalties for early withdrawal. (See "Taxation.")

If you cease working for the state *on or after* the age of 55, you are considered "**retired**" for plan purposes. If actively employed by a participating state agency, upon reaching age 55 you are automatically vested, regardless of how long you have been a member of the Plan.

Your employer is required to notify NPERS of the date you cease employment with the state. Upon receipt of the information, NPERS will send you a letter describing the options available to you regarding your account (See "Options at Retirement/Termination.")

If you request payment instead of deferring your account, you will receive payment as soon as administratively practicable, but *no sooner than 60 days* after your termination date, provided all contributions have ceased and all transactions affecting your account have been completed. If you receive pay for unused leave, contributions must be deducted from those payments. This may delay your payment if your leave pay is delayed by your employing agency.

Any late contributions or dividends (See "Cash Balance Trust Fund/ Dividends") received *after* a Cash Balance member has taken distribution of their account will be placed in a non-interest bearing account. These funds will be distributed to the member upon request.

WARNING

If you return to work for the state in any capacity before **120 days** have elapsed, you are not entitled to receive funds, and any funds distributed must be repaid within two years (see "Reemployment"). State and County members who have filed a grievance (appeal) of a **termination** may withdraw up to $25,000 from the employee (member) account pending the final outcome of the grievance. If reinstated, the member must repay the distribution.

You may wish to contact NPERS in writing or by telephone in advance of your termination/retirement date to obtain an estimate of benefits under the various annuity options. To provide estimates, you will be asked for your anticipated termination date and the date of birth of your spouse or beneficiary.

PAYMENT OPTIONS AT TERMINATION/RETIREMENT

Distribution of Account

After receiving notice of your termination from your employer, NPERS will send you a letter explaining your distribution (payment) options.

PROCESS FOR REQUESTING A DISTRIBUTION	
Step 1	Contact NPERS by phone or in writing and request the Request for Distribution form.
Step 2	Complete this form in full. It must be signed and dated in front of a notary, and then notarized.
Step 3	Submit to our office.

Regardless of the payment option you select, your payment will be processed as soon as administratively possible, but **no sooner than 60 days** after your termination to allow time for processing all contributions from final pay. If you purchase an annuity, payments will be retroactive to your annuity start date.

When your contributions and earnings are distributed to you, the funds are taxed as ordinary income in the year in which you receive them. (See "Taxation.")

The record-keeper charges a $35 distribution fee to a member who takes a total distribution of their account through rollover, direct payment or annuity. (See "Fees.") This fee is subject to change.

IMPORTANT

There are differences in distribution options between **Cash Balance** and **Defined Contribution**. A summary of the options for each plan are listed below, followed by explanations.

CONSIDERATIONS

You should consider and discuss the following with your family before choosing a retirement payment option:

- Your health and family health history.
- Other financial income in addition to your retirement benefit.
- Your beneficiaries who might depend on a benefit if you die.
- The age difference between you and your beneficiaries.
- The health of your beneficiaries.

Options for Cash Balance Participants

CASH BALANCE DISTRIBUTION OPTIONS

- Monthly annuity.
- Deferral of payments until a later date (no later than age 70 ½).
- Rollover distribution to an outside financial institution.
- Rollover distribution to the state Deferred Compensation Plan.
- Lump sum distribution.
- Combination of annuity, lump sum and/or rollover.

IMPORTANT

Cash Balance participants are limited to a **one time distribution of their entire account**. They may use a combination of the above options for the distribution.

DEFINED CONTRIBUTION DISTRIBUTION OPTIONS	
■ Deferral of payments until a later date.	■ Rollover distribution.
■ Monthly annuity.	■ Lump sum distribution.
■ Systematic withdrawal (monthly, quarterly, semi-annually or annually).	■ Combination of any of these options.

DEFERRAL

If you do not wish to take a distribution of your account upon termination, you may defer distribution up to age 70½. You will continue to pay the same fees paid by active (employed) members and may request a distribution at any time. A taxable Required Minimum Distribution (RMD) must be taken by April 1, following the year you reach age 70½ or the calendar year in which you retire. Members still actively employed by the state are not required to take an RMD.

Defined Contribution members continue to have the same investment choices they had while employed and may make investment changes at their discretion from the investment options offered.

Cash Balance members continue to receive the guaranteed interest credit rate and are eligible for dividends *provided no distribution was taken from the account for the entire calendar year*. If a distribution is taken on or prior to December 31 during the year for which the dividend is awarded, the member is NOT eligible to receive the dividend. Any eligible dividends or late contributions received *after* a Cash Balance member has taken distribution of their account will be placed in a non-interest bearing account. These funds will be distributed to the member upon request.

If a **Cash Balance** member has terminated employment and deferred taking a distribution, at age 70½ the federal RMD laws will force a distribution. At that time the member will have the following options:

WITHDRAWAL OPTIONS	
Option 1	Use the Cash Balance account to purchase an annuity. The monthly annuity payments will fulfill RMD requirements.
Option 2	Elect to be paid the RMD in a lump sum and rollover the remaining balance of the Cash Balance account to another qualified retirement plan (IRA, etc.). It will be the responsibility of the member to ensure all future RMD's are taken from the rollover account.
Option 3	Elect to be paid the Cash Balance account in one lump sum.

The **Cash Balance** member may select from a combination of the above options as long as they incorporate the *entire account at the same time*. If a Cash Balance member fails to make a selection from these disbursement options, state statute requires NPERS to use the entire account to purchase the Five-Year Period Certain and Continuous annuity for the member. This purchase must be made prior to April 1 of the year following age 70½. If the member wishes to take a distribution other than the Five Year Period Certain and Continuous, they must file an application no later than January 15 of that same year.

IMPORTANT

Under the Deferral Option, it is important you keep your address current with NPERS.

Monthly Annuity

You may use *all or part* of your account to purchase an annuity. When you purchase an annuity, the designated funds from your account are liquidated and in return you receive a guaranteed monthly payment. This monthly payment will continue for the life of the member, or for a set period of time depending on the option selected (See "Annuity Options."). The amount of your monthly annuity payment will be determined by the dollar amount used to purchase the annuity, your age on the date payments are to begin, the annuity option you select, and if you elect an annual cost-of-living adjustment.

WARNING

You **CANNOT** cancel your annuity or change your option after your annuity effective (start) date.

NPERS self-annuitizes, which results in higher annuity rates than are available through outside annuity providers. The rates are recommended by the Plan's actuary. **Defined Contribution** participants will receive a competitive annuity rate. **Cash Balance** participants, as an integral part of the benefit, will receive a higher annuity rate.

EFFECTIVE DATE

If an annuity is purchased, the effective date will be the later of:

The first of the month following your last day of work, provided your application for benefits is received by NPERS in the month you terminate employment.

OR

The first day of the month following the date you file your application.

FOR EXAMPLE: If your last day of work is January 2 and your application is received by NPERS prior to February 1, your effective date is February 1. If your last day of work is December 31 but NPERS did not receive your application until January 15, your effective date is February 1.

When you select an annuity option, your age must be verified before payments can begin. A legible copy of your birth certificate will be considered sufficient proof of your age. When a survivor option is selected, NPERS requires proof of age of your spouse or beneficiary. If the spousal option is selected, proof of marriage is required.

You may request an annuity estimate by writing to NPERS, or calculate your own estimate by using the Benefit Estimator on the NPERS website.

Direct Deposit/Debit Card

NPERS will provide two options for distribution of monthly annuity benefits, direct deposit or a deposit to a prepaid Visa debit card. All retirees will be required to provide written authorization selecting one of these two options. The electronic disbursement option chosen will remain in effect until changed or canceled by the member in writing. To change the method of deposit, a member must complete and sign a new debit card enrollment form, or a direct deposit form, and submit to NPERS. Any changes to direct deposit or a debit card MUST be received by NPERS 30 days prior to the date scheduled for the annuity benefit payment for which the change is to occur. Both forms are available on our website (npers.ne.gov) or members can request one by calling our office.

Cost-Of-Living (COLA) Provision

When selecting an annuity, you must decide if you wish to purchase an annual cost-of-living adjustment (COLA) to offset inflation. If you elect an annuity with no COLA, *the monthly annuity amount will never change*. If you purchase with the COLA, *the annuity dollar amount increases 2.5% each year.*

Annuity Options

The following annuity options are available to you at termination/retirement. **You CANNOT cancel your annuity or change your option after your annuity effective date.** Therefore, NPERS suggests you request a benefit estimate before you make your selection.

OPTION 1

Life Only Annuity

Provides a monthly payment ***for your lifetime*** with no refund or death benefit. There is no beneficiary designation under this option.

OPTION 2

Modified Cash Refund Annuity

Provides a monthly payment ***for your lifetime***. If you die before receiving payments equal to the amount used to purchase the annuity, the remaining balance will be paid in a lump sum to your beneficiary(ies) or estate. You may list as many beneficiaries as you wish and change them at any time.

OPTION 3

Period Certain and Continuous Annuity

Provides a monthly payment ***for your lifetime***, with a potential death benefit for a period of five, ten or fifteen years to your beneficiary(ies) or estate. You may list as many beneficiaries as you wish and change them at any time.

5-Year Provides a monthly payment for your lifetime, with a guarantee that **if you die before receiving 60 payments**, the remaining monthly payments will be paid to your beneficiary(ies) or estate.

10-Year Provides a monthly payment for your lifetime, with a guarantee that **if you die before receiving 120 payments**, the remaining monthly payments will be paid to your beneficiary(ies) or estate.

15-Year Provides a monthly payment for your lifetime, with a guarantee that **if you die before receiving 180 payments**, the remaining monthly payments will be paid to your beneficiary(ies) or estate.

OPTION 4

Joint and Survivor Annuity

Provides a monthly payment ***for your lifetime***, and a percentage of that benefit to your spouse after your death. Your spouse will be your sole, permanent beneficiary. Should he/she predecease you or you divorce, you cannot select another beneficiary. NPERS will require legible proof of age for your spouse and a certified copy of your marriage license. *(This option is not available to an Alternate Payee.)*

50% Provides a monthly payment for your lifetime. When you die, your spouse will receive 50% of your benefit, paid monthly for his/her lifetime.

75% Provides a monthly payment for your lifetime. When you die, your spouse will receive 75% of your benefit, paid monthly for his/her lifetime.

100% Provides a monthly payment for your lifetime. When you die, your spouse will receive 100% of your benefit, paid monthly for his/her lifetime.

OPTION 5

Non-Spousal Joint and Survivor Annuity

Provides a monthly payment ***for your lifetime***. When you die, your surviving beneficiary will receive 50% of your benefit, paid monthly for his/her lifetime. You may designate only one person as your beneficiary (this cannot be your spouse) and should he/she predecease you, you cannot select another beneficiary. NPERS will require legible proof of age for your beneficiary. *(This option is not available to an Alternate Payee.)*

OPTION 6

Designated Period Annuity

Provides a monthly payment ***for a designated period*** of 5, 10, 15 or 20 years. There is **NO guaranteed lifetime payment** under these options. If you die prior to the end of the designated period, your beneficiary(ies) or estate will receive the remainder of the benefit payments. You may list as many beneficiaries as you wish and change them at any time.

5-Year Payments will cease at the end of the 5-year period. If you die before receiving 60 payments, the *remaining* monthly payments will be paid to your beneficiary(s) or estate. This option will have 25% withheld from each monthly payment (see "Taxation.") and may be subject to early withdrawal penalties if distributions occur prior to retirement age.

10-Year Payments will cease at the end of the 10-year period. If you die before receiving 120 payments, the *remaining* monthly payments will be paid to your beneficiary(s) or estate.

15-Year Payments will cease at the end of the 15-year period. If you die before receiving 180 payments, the *remaining* monthly payments will be paid to your beneficiary(s) or estate.

20-Year Payments will cease at the end of the 20-year period. If you die before receiving 240 payments, the *remaining* monthly payments will be paid to your beneficiary(s) or estate.

Lump Sum Withdrawal

All or part of your account may be paid directly to you. NPERS is required by law to withhold 20% for federal and 5% for Nebraska state taxes (See "Taxation."). **Cash Balance** participants are limited to a **one-time distribution of their entire account.**

WARNING

If you cease work before age 55 and are considering taking a withdrawal from your account, please see "Taxation" before you make a decision. There is a possibility of an additional 10% federal tax penalty plus a 3% Nebraska state tax penalty for early withdrawals of retirement funds.

Rollover Distribution

All or part of your account may be rolled over or transferred to another eligible retirement plan or traditional IRA. Distributions are not taxed at the time of the rollover as your money is being transferred from one eligible retirement account to another. You will be taxed when you eventually withdraw the money from the other plan or IRA. Contributions prior to 1985 have already been taxed and will be returned to you tax-free. These after-tax contributions can be rolled over if your rollover company will accept them and you make the appropriate election on your distribution form.

Cash Balance participants are limited to a one-time distribution of their entire account. **State** Cash Balance members may rollover all or part of their retirement funds to the voluntary Deferred Compensation Plan (DCP). In order to rollover, the member must already be a participant of DCP and have made a previous contribution(s) to the DCP account prior to termination. Cash Balance members who request a partial rollover must purchase an annuity or take a lump sum distribution of all remaining funds at the time of the rollover.

Systematic Withdrawal Option

(DEFINED CONTRIBUTION PARTICIPANTS ONLY)

The systematic withdrawal option (SWO) is available to **Defined Contribution** participants only and is **not available to Cash Balance participants**.

SWO is a series of automatic withdrawals paid to you at the frequency and dollar amount you elect. The payment can be made on a monthly, quarterly, semiannual or annual basis and must be a minimum withdrawal of at least $100. Withdrawals will be allocated pro rata among your investment funds. Changes in amount and frequency are limited to two per year.

While receiving SWO payments, your account remains invested. You continue to have investment choices and may transfer your remaining account balance among the investment funds. You will continue to pay the same fees paid by active account participants.

NPERS is required by law to withhold 20% for federal and 5% for Nebraska state taxes (See "Taxation."). If a SWO withdrawal is taken prior to reaching retirement age, you may also incur a 10% federal and a 3% Nebraska early withdrawal penalty.

The SWO payment will cease when the account is fully depleted. If you die, the SWO payment will cease upon notification of your death. If a balance remains, it will be paid to your designated beneficiary or estate.

TAXATION

Current contributions to the Plan are not taxed when deducted from your salary and remitted to NPERS. Taxable income reported on your Wage and Earning Statement (IRS Form W-2) issued by your employer is reduced by the amount you contribute to your retirement account.

When your contributions and earnings are returned to you, either as an annuity or another form of distribution, the funds are taxed as ordinary income in the year you receive them. Payments are subject to both federal and state income tax. State income tax will be based on your state of residence when you receive payments.

Contributions made prior to January 1, 1985, were taxed before being deducted from your compensation. Therefore your contributions made prior to January 1, 1985 are returned to you "tax-free."

Once you receive payments from your retirement account, the income will be reported to you on an IRS Form 1099-R each year in January for the payments received during the prior year. A copy of that form will also be provided to the IRS.

Taxation of Withdrawals

Any amounts from your account that are rolled into a traditional IRA or another qualified retirement plan are not subject to taxation at the time of the rollover. Those amounts will be subject to taxation when you take a distribution from the rollover account.

NPERS is required by law to withhold **20%** for federal income taxes and **5%** for Nebraska state income taxes for all withdrawals paid directly to you. These withholdings may or may not cover your full tax liability. Your actual tax liability will vary depending on your total taxable income for the year and the tax laws in effect at the time. If you are no longer a resident of Nebraska and have notified our office in advance, the 5% Nebraska state tax will not be withheld. You will however, be subject to state income tax in accordance with your new state of residence.

If you cease work **prior to age 55** and take a withdrawal PRIOR to age 59½, you may be subject to a Federal **10% tax penalty** and a Nebraska **3% tax penalty** for early withdrawals.

EARLY WITHDRAWAL PENALTIES

You *may* be able to avoid the early withdrawal penalties if one of the following applies:

- The taxable portion of your refund is "rolled over" into a traditional IRA or another qualified pension plan within 60 days of the payment date.
- If payment is made after separation from service and the member will be at least age 55 *in the year of* separation.
- Payment is made to an alternate payee under a qualified domestic relations order (QDRO).
- Your payment is used for large, eligible medical expenses.
- You are eligible for retirement due to disability.

IMPORTANT

Early withdrawal penalties are assessed at the time you file your tax return.

Required Minimum Distributions

Taxable distributions are required to begin the year you reach age 70½ unless you have not separated from service. The initial payment may be delayed until April 1 following the year you reach 70½, or the year you terminate employment.

Taxation of Annuities

If you purchase an annuity, NPERS will withhold federal taxes from each monthly check based on the withholding election you designate. To designate or change withholding, complete and submit an NPERS Withholding Certificate for Annuity Payments form (available on our website). If you do not submit a withholding form, NPERS will withhold taxes at the rate of "married taxpayer with three exemptions." You may change your withholding at any time by submitting a new withholding form.

Your annuity payments will be subject to the income tax requirements of the state in which you reside. If you are a resident of the state of Nebraska when receiving retirement annuity payments, Nebraska taxes will be withheld from your monthly benefit at the same number of exemptions you designate for federal taxes. NPERS cannot withhold taxes for another state.

Safe Harbor Annuity Taxation

Pre-1985 contributions are returned tax-free based on the "Safe Harbor" method, as required by the Internal Revenue Service. NPERS calculates the "tax-free" portion of your monthly retirement check by dividing pre-1985 contributions by the fixed number of payments assigned per your age.

EXAMPLE

Under the current tax tables, 260 monthly payments are designated for individuals commencing benefits from ages 61 to 65. If you had a total of $9,100 of pre-'85 contributions, this amount would be divided by 260 and you would receive $35.00 of your benefit tax-free for the first 260 monthly payments.

After you have received the fixed number of payments assigned, your monthly benefit becomes 100% taxable.

IMPORTANT

Since tax laws frequently change, NPERS recommends you contact the Internal Revenue Service or a certified tax consultant for more information.

DEATH BENEFITS

Upon your death, your employer or beneficiaries should immediately notify NPERS. Any balance remaining in your account will be released according to your most recent Beneficiary Designation Form.

DEATH BENEFITS

These rules apply:

- If you die without a designated beneficiary, a lump sum payment will be made to your estate.
- Proof of death must be provided before any payments will be distributed.
- If you started annuity payments before your death, death benefits to your beneficiaries will be dependent on the annuity option you selected.

Surviving Spouse's Options

If you die with a balance remaining in your account and have designated your spouse as your sole primary beneficiary, your spouse may elect either a withdrawal or an annuity, as follows:

SURVIVING SPOUSE'S OPTIONS	
Lump Sum or Rollover	A one-time payment, paid out no later than the fifth anniversary of your death. Your surviving spouse may take a direct payment or roll the money into another qualified retirement account or IRA.
Systematic Withdrawal	If you have a Defined Contribution account, your surviving spouse may elect a systematic withdrawal. All funds must be distributed within five years. **NOTE:** Systematic Withdrawal is not available for Cash Balance accounts.
100% Joint and Survivor Annuity	A guaranteed monthly payment paid for your spouse's lifetime. Contact NPERS for a benefit estimate. **IMPORTANT:** To receive the annuity benefit, the spouse must file an application with NPERS within ***180 day***s of the date of death. The effective date of the annuity will be the date of death.

Non-Spousal Beneficiary's Options

If you die with a balance remaining in your account and your sole primary beneficiary is **not** your spouse, your account will be paid to your beneficiaryand must be distributed in full by the fifth anniversary of your death.

NON-SPOUSAL BENEFICIARY'S OPTIONS	
Lump Sum or Rollover	A one-time payment, paid out no later than the fifth anniversary of your death. Benefits may be rolled over into another qualified retirement account or IRA.
Systematic Withdrawal	If you have a Defined Contribution account, your beneficiary may elect a systematic withdrawal. All funds must be distributed within five years. **NOTE:** Systematic Withdrawal is not available for Cash Balance accounts.

DISABILITY BENEFITS

As a member of the State Plan, you may be eligible to begin taking distributions from your retirement account prior to age 55 as a result of a disability. Disability is defined as an *"inability to engage in a substantially gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration."*

DISABILITY BENEFIT QUALIFICATIONS	
To qualify, you must:	■ Be under age 55. ■ Have incurred the disability while a member of the plan. ■ Cease employment for reasons of physical or mental impairment. ■ Apply for benefits with NPERS within *one year* of the date you cease employment. ■ Provide a brief description of your illness, the name of your personal physician, and any other physicians or specialists you have seen regarding your illness. ■ Submit to a medical examination by a physician selected by NPERS and at the expense of the Plan.

Your payment options are the same as regular termination/retirement payments under the Plan. (See "Payment Options at Termination/ Retirement.") If you qualify for a disability, you will automatically be vested in the employer contributions.

This is **NOT** a long-term disability insurance plan. If you receive disability insurance benefits in addition to your retirement benefits, the insurance company may reduce their payment to you by the amount you receive from the State Plan.

IMPORTANT

Qualifying for disability retirement benefits through NPERS will also qualify employees for continuation of their health insurance coverage through the state. (Please check with State Personnel or your employer regarding premium rates the retiree must pay, etc.)

REEMPLOYMENT

Reemployment is defined as severing service as a state employee, then returning to work at the same or another state agency participating in the retirement plan. This *does not* include employment in the private sector, or any other employer not participating in the State retirement plan.

120 DAYS OR LESS	
If you are reemployed in *any capacity within 120 days or less:*	■ You must repay all benefits issued, within two years. ■ All annuity or systematic withdrawal payments will cease. The annuity contract will be cancelled. Annuity payments must be repaid. Funds used to purchase the annuity will be restored to the account. ■ You will return to participation in the same plan (DC or CB) you were in prior to separation from service.

121 DAYS UP TO FIVE YEARS	
If you terminate (cease employment prior to age 55) and are reemployed after 120 days, but not more than five years:	■ Regardless of the plan you were previously in, if eligible to participate (See "Membership."), you will return as a Cash Balance member. Any deferred funds (left in the prior account) will transfer to Cash Balance. ■ You will return to "active" status effective on your date of hire. No further distributions may be taken from your account until you cease employment. ■ If you previously purchased an annuity, those payments will continue. ■ Repayment of any distributions (other than annuities) is optional and may affect vesting credit (see chart below).

FIVE YEARS OR MORE	
If you terminate (cease employment prior to age 55) and are reemployed after five or more years:	■ Regardless of the plan you were previously in, if eligible to participate (See "Membership."), you will return as a Cash Balance member. Any deferred funds (left in the prior account) will NOT transfer to your new account. ■ If you previously purchased an annuity, those payments will continue. ■ Prior service will not be recognized toward eligibility or vesting credit. **If you are age 55 or over, your "new" account will be automatically vested.**

The following diagram shows the reemployment and plan participation/vesting rules for a returning State Plan member under age 55.

YOU ARE REHIRED

(UNDER AGE 55)

What happens next depends on the length of the break since your previous employment with the State.

120 DAYS OR LESS NO TERMINATION

(Includes rehiring for temporary employment)

You MUST repay any payout within two years and continue participation.

STOP

5 YEARS OR MORE NEW EMPLOYEE

You receive no credit for previous service. You will be considered a new employee.

REFER TO NOTE AND STOP

AFTER 120 DAYS OR MORE

(But less than 5 years)

You must return to plan participation.

Refer to note and continue.

NOTE: Subsequent Plan participation will be in the Cash Balance benefit. **If less than 5 years and you have a previous Defined Contribution account, it will be converted to Cash Balance.**

VESTED EMPLOYEE

You remain vested.

- Contributions remain in your Plan.
  - You continue your participation in the Plan. STOP
- You elected to receive a payout.
  - You may repay your payout for up to 3 years. Payment must be completed in 5 years. STOP

NON-VESTED EMPLOYEE

Your service credit is restored as follows:

- Contributions remain in your Plan.
  - You are given credit for prior service and your prior employer contributions are restored. STOP
- You elected to receive a payout.
  - You may repay your payout for up to 3 years. Payment must be completed in 5 years.
    - Credit for your prior service and prior employer contributions are restored proportionally. You will receive full credit and repayment of employer contributions only if you fully repay your payout. STOP

MILITARY LEAVE

If you are on Military Leave and return to active employment with the state, you are eligible to receive *vesting credit* for the period of military service, even if you do not make employee contributions for that period. To receive this vesting credit, you must return to employment with the state **within 90 days** of discharge and must submit your military honorable discharge documents to NPERS.

If you wish to receive *employer matching contributions* for the period of military service, you must make your employee contributions for that time period through payroll deductions.

PAYROLL DEDUCTIONS PROCESS FOR EMPLOYER MATCHING
■ Within **one year** of return to state employment, contact NPERS in writing of your intent to repay missed contributions.
■ Contact your employer for details on verifying your period of military service.
■ Your employer must notify NPERS of the beginning and ending of the period of military service.
■ Your employer must complete a Make-up Contribution Agreement, which you must sign. Your payments will be based on your average compensation rate during the 12-month period immediately before your military service.
■ You must complete your payments through payroll deductions in a period that is no greater than three times your military leave, but not to exceed five years.
■ NPERS will contact your employer to ensure that matching contributions are remitted for your make-up contributions.
■ There will be no interest earned or fees charged to you or your employer for the military service credit, as required by federal law.

SPOUSAL PENSION RIGHTS ACT/QDRO

Under current law, your account is exempt from attachment (as in garnishment of wages) and is unassignable (for example, as loan collateral). In 1996 the Spousal Pension Rights Act codified the rights of divorced spouses and children to a share of a plan member's retirement account. To claim this share, proper language must be included in the divorce decree and be qualified by NPERS. For further details refer to Neb. Rev. Stat. §§42-1101 through 42-1113, or contact NPERS.

Qualified Domestic Relations Order (QDRO)

A "qualified domestic relations order" (QDRO) is a domestic relations order (DRO) that has been approved by NPERS and is therefore effective in dividing the member account. A divorce decree and/or property settlement, although effective for most purposes, *does not* divide a retirement account unless it includes a QDRO. Once a judge has approved a DRO, it must be sent to NPERS to be approved. After NPERS approves the order, the benefits will be divided. If NPERS pays out benefits or a refund and later receives an order that would have affected the money already paid out, NPERS is legally held harmless for making the earlier payments. Therefore, whenever a domestic order is signed, it should be sent to NPERS as quickly as possible.

The person who receives a share of a member's account through a QDRO is called the *"alternate payee."* Becoming an alternate payee gives the former spouse certain rights to the benefits, but does not mean he/she will have immediate access to the money.

ALTERNATE PAYEE ACCESS

There are two ways an alternate payee can gain access to the retirement account:

- The member terminates employment or retires
- The member is age 50 or older

If a member is under age 50 and working, the alternate payee *cannot* gain access to the account.

When the alternate payee gains access to the account, the method of payment depends on the options the member is entitled to at the time the alternate payee *makes application.* For further details refer to Neb. Rev. Stat. §§42-1101 through 42-1113, or contact NPERS.

RETIREMENT PLANNING PROGRAM

Every fall, NPERS conducts statewide Retirement Planning seminars for members age 50 and over and Financial Management Seminars for members under age 50. Spouses are welcome to attend. You may not, according to law, attend more than one seminar per fiscal year (July 1 – June 30).

Eligible members are entitled to receive **leave with pay** to attend up to two Retirement Planning and up to two Financial Planning seminars, for a total of four seminars. According to state law, *"...leave with pay shall mean a day off paid by the employer and shall not mean vacation, sick, personal, or compensatory time."* You may choose to attend either seminar more than twice, but such leave will be at your expense and will be at the discretion of the employer. The law limiting attendance to twice is not retroactive and therefore will not include attendances prior to September 9, 1995.

For information on seminars scheduled in your area, visit the NPERS' website or contact our office. Each fall NPERS mails or emails registration information to all eligible members.

ADMINISTRATION OF THE RETIREMENT PLAN

The **Public Employees Retirement Board (PERB)** consists of eight members appointed by the Governor for five-year terms. Six members are participants in the retirement systems administered by the PERB. Two are at-large members and are not employees of the state of Nebraska or any of its political subdivisions. The State Investment Officer is also a member of the PERB in a non-voting, ex-officio capacity.

The PERB is responsible for the administration of the Judges, State Patrol, School Employees, State Employees and County Employees Retirement Systems, and the Deferred Compensation Plan. PERB meetings are normally scheduled on the third Monday of each month. Current PERB members and meeting dates may be found on the NPERS website.

The **Nebraska Public Employees Retirement Systems** is the agency responsible for the administration of the State Plan.

The **Director** is hired by the PERB and directs NPERS in its administration of the various systems. The Director is subject to the approval of the Governor and a majority vote of the Legislature.

The **State Treasurer** is the custodian of the funds and securities of the retirement systems.

The **Nebraska Investment Council** is responsible for the investment and management of the systems' assets. The Council contracts with outside managers to invest the various funds.

The **record-keeper** is a company under contract with the PERB to maintain individual member accounts, provide quarterly statements, and allow for changes in investment allocations where applicable.

Release Of Information

Member account information including name, address, account balances, beneficiaries, or payment options, will only be released to you under specific conditions.

CONDITIONS FOR RELEASE OF INFORMATION

- Your personal visit to NPERS with adequate proof of identity.
- Adequate proof of identity provided over the phone (not including beneficiaries).
- Written requests.
- Written release signed and dated by member (release date must be less than six months old).
- Court ordered release.
- Request from guardian or conservator with proper certified authorization (request date must be less than three months old).
- Request from individual holding power of attorney with authorization to receive confidential information.

Account information may be released to your employer for verification of necessary information. The Internal Revenue Service may receive account information to comply with federal tax laws. Account information may be released as necessary under a qualified domestic relations order.

Fax Policy

FAXABLE DOCUMENTS

The following will be honored via facsimile (fax) if signed by the member:

- Requests for account information.
- Requests for beneficiary listings.
- Requests for annuity estimates.
- Changes in tax withholding.
- Changes in direct deposit or debit card.

Original, signed NPERS forms are required to process annuities or payments, to change beneficiaries, or to change an address for payment requests. However, faxed applications for a retirement annuity or a refund will be accepted to determine effective date of processing of payment **if the original, signed and notarized form is received within five working days.** Faxed Beneficiary Designation forms shall also be accepted with timely receipt of the original, signed and notarized form.

E-mail Policy

General questions about the State Plan and requests for forms may be communicated through e-mail.

At the present time, NPERS does not answer individual account questions by e-mail; such questions must be submitted as a signed, written request.

APPEALS PROCESS

NPERS makes every effort to follow Federal and State statutes, and rules and regulations when administering the plan. As a member of the State Plan, you have the right of review if you disagree with a decision reached by NPERS' Director or the Retirement Board (PERB). You must file your appeal form within 30 days after you receive notice of the Director's or the PERB's decision.

A hearing officer appointed by the PERB will schedule a formal hearing and send written notice to all parties concerned. If you wish to further appeal a decision, you are entitled to judicial review under the Nebraska Administrative Procedures Act.

The time limits prescribed may be extended at the discretion of the PERB.

IMPORTANT

State laws and NPERS policies are subject to change. Please view our website or contact our office for the most current plan information.

NPERS
Nebraska Public Employees
Retirement Systems

P.O. Box 94816
Lincoln, NE 68509
85-28-51

402-471-2053
800-245-5712
npers.ne.gov