

EMPLOYER REMINDER

Information and tips to aid administrators in standard IMRF procedures.

ROUTE TO:

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|---|---|
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Providing payroll services to another employer? Consider these cautions

It is not unusual for an IMRF employer to provide payroll services for another employer. This often occurs for a cooperative organized under the Intergovernmental Cooperation Act or for a joint educational program. In some cases, however, the IMRF employer providing the payroll services may erroneously report employees of the other employer to IMRF under their employer number.

Determining employer participation

The Illinois Pension Code specifically defines which Illinois public employers are required or permitted to participate in IMRF. The provisions of the Pension Code cannot be changed by a contract or other action between an IMRF employer and another employer.

Reporting responsibility

You may include in your IMRF wage report *only* those employees working in qualifying positions **who are employed by your unit of government**. Even if your unit of government participates in the cooperative, you are not the employer unless you have the authority to hire and fire that employee. Your governing body *alone* must have ultimate authority over anyone reported to IMRF, under your unique employer number, on your payroll report.

You cannot provide IMRF participation and coverage to employees of another, separate unit of government. If you provide payroll services to a separate public entity, your IMRF wage report may include only those actually hired and directed by your governing body.

Consequences of inaccurate reporting

Erroneously reporting an employee who has no statutory right to IMRF participation with your employer is a serious problem. By doing so, you promise pension coverage, as well as disability and death benefit protection, where none actually exists. You also inappropriately and unnecessarily increase the pension liability and costs for your employer and taxpayers. This is true even if the separate unit of government reimburses you for the IMRF contributions.

For more information

For additional information, review [Section 3](#) of IMRF's *Manual for Authorized Agents*.

Visit www.imrf.org for publications, forms, booklets, legislative updates, video tutorials, and Employer Access login.

Main Office: 2211 York Road, Suite 500, Oak Brook, IL 60523-2337

Member-only Phone Number: 1-800-ASK-IMRF (275-4673) Monday - Friday, 7:30 AM—5:30 PM (CST)

Employer-only Phone Number: 1-800-728-7971

