

EMPLOYER REMINDER

Information and tips to aid administrators in standard IMRF procedures.

ROUTE TO:

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|---|---|
| <input type="checkbox"/> Director | <input type="checkbox"/> Personnel/HR |
| <input type="checkbox"/> Manager | <input type="checkbox"/> Data Processing |
| <input type="checkbox"/> Department Head(s) | <input type="checkbox"/> Payroll Dept. |
| <input type="checkbox"/> Authorized Agent | <input type="checkbox"/> Accounting/Finance |
| <input type="checkbox"/> Assistant to AA | <input type="checkbox"/> Other |
| <input type="checkbox"/> Web Assistant | |

Are you a member of a special education cooperative or other type of educational cooperative?

Avoid Erroneous Reporting

Does your school board or governing body hire, fire, or direct the activities of people, including those in special education cooperatives? Are these people included in your reporting to IMRF? It is not unusual for one unit of government to provide payroll services for another unit of government, particularly for a cooperative organized under the Intergovernmental Cooperation Act or for a joint educational program. **However, an IMRF employer providing these payroll services may be erroneously reporting employees of another employer to IMRF under their employer number.**

Reporting guidelines

Since the Illinois Pension Code specifies which Illinois public employers may participate in IMRF, the Pension Code's provisions *cannot* be changed by a contract or other action between a participating IMRF employer and a local governmental employer that does not participate in IMRF.

An IMRF employer may report only those employees working in qualifying positions who are actually employed by that unit of government. Even if a unit of government participates in a cooperative, that unit of government is not the true employer unless it has the primary authority to hire, terminate, and direct employees' activities.

Essentially, IMRF participation and coverage is not something your employer can automatically provide to employees of another, separate unit of government; IMRF members must be your employees solely hired and directed by your governing body. If you provide payroll services to a separate public entity, those employees *should not* be reported to IMRF.

Consequences of violations

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.

To learn more...

To learn more about avoiding erroneous reporting violations, review [Section 3](#) of IMRF's *Manual for Authorized Agents*. Employers may also contact IMRF with questions using the **exclusive, employer-only phone number, 1-800-728-7971.**

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

Main Office: 2211 York Rd., 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

