



STATE OF NEW MEXICO
Educational Retirement Board

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Date: June 30, 2017
To: New Mexico Educational Retirement Board (NMERB) Local Administrative Units
Subject: FY18 Instructions for Employers

Please find below fiscal year 2018 instructions for the preparation and submission of employer reporting and monthly remittances. Rule changes to NMERB Rules and Regulations which became effective the past fiscal year have been included within these instructions. The full text of these changes are available at <http://www.nmerb.org/pdfs/Notice%20of%20Upcoming%20Rule%20Changes.pdf>.

Upcoming proposed rule changes are scheduled to be posted on our website later in July. We will send out notification when these are available for you to review and comment on.

This document outlines the key reporting elements related to rates, documentation, and timing that employers will need to follow when submitting FY18 monthly reports. If you need additional information or assistance, please contact your Employer Reporting Analyst. We'll be glad to help you.

I. RATES: Contribution rates will remain the same in the coming year:

Contribution Rate Schedule

Wage Category	Reporting Date Range	Member Rate	Employer Rate	Combined Remittance Rate
\$20K or less	7-1-17 to 6-30-18	7.90%	13.90%	21.80%
Over \$20K	7-1-17 to 6-30-18	10.70%	13.90%	24.60%

II. DUE DATES: Due dates will remain the same in the coming year:

All completed reports and remittances are due **no later than the 15th of the month following the month in which contributions were withheld**. To simplify the reporting process, if the 15th falls on a weekend or holiday, reports and contributions are due the next business day.

Late or incomplete reports submitted without showing good cause will be subject to a charge of fifty dollars (\$50) per day. This is a specific charge to be assessed for late reports separately from late payments. The director may waive charges for untimely submitted reports upon a written showing of good cause.

However, charges for late remittance of contributions cannot be waived. Charges for late remittance of contributions are calculated at a rate equal to the state treasurer’s overnight investment program rate plus 1% applied daily, accumulating from the due date forward until paid. The actual amount charged on late contributions is the greater of ten dollars (\$10) or the calculated interest amount.

III. REPORTS:

The forms and formats needed to submit electronic reports are available on our website at www.nmerb.org. Employers who opt to create their own reporting forms should contact their Employer Reporting Analyst to ensure the form’s layout and fields will meet NMERB’s retirement software specifications.

Please note that all fields in the electronic **Work Report (W-1)** are mandatory. Each field on the **Member Detail Report (M-1)** is also mandatory, but employers should only include employees whose demographic information has changed from what has previously been reported. Specifications for these reports are available on the website at www.nmerb.org.

Since **Employee Data Forms** (also called **Member Data Forms**) require authorized employer signatures, they can still be sent to us via our secure FAX at (505) 827-8010.

Employer Contribution Reporting Requirements

Payment	Form 100	Work Report/ File	Member Detail Report/ File	Employee Data Forms
Called in to WFB Cash Concentration	FAX to (505) 827-8010	Upload to Employer Self Service (ESS)	Upload to Employer Self Service (ESS)	FAX to (505) 827-8010

Include a **Form 9** with the **Form 100** for each adjustment to a member account. For example, if an employee was previously reported using the wrong Job Code, submit one **Form 9** to remove the wages reported from the incorrect Job Code, and one **Form 9** to add the wages to the new corrected Job Code.

The **Form 9's** should be submitted with the **Form 100**, listed in the Overpayment or Underpayment column, and included on the electronic **Work Report (W1)**. All forms can be found in the **Employers** section on the ERB website at www.nmerb.org.

FULL-TIME EQUIVALENCY (FTE):

For purposes of calculating a member's total service credit and membership eligibility, employment with all LAUs is aggregated. Multiple FTEs should be combined to determine whether the employee's FTE is greater than the .25 threshold necessary for NMERB membership. FTE percentages are to be based on the employer's intent at the time of hire, and adjusted over time as needed to reflect the actual work history. As a practical matter, an hourly employee working forty hours per week should be shown as 1 FTE (100%). When, on examination of the short or long term intent of employment, an employer determines that the FTE would be .25 FTE or less, the employer should report at .25 FTE or less and not remit contributions calculated for those wages. If on review of actual employment the employee is determined to have worked greater than .25 FTE, contributions should be calculated and reported retroactively, using two **Form 9's**. Interest will not be charged on this adjustment.

IV. UNIVERSAL REPORTING (effective August 1, 2016):

In order for NMERB to have a more complete picture of the types of employees working at our Local Administrative Units affecting future decision-making for the membership, each employer's reports must include all employees, classifications, and FTE percentages even when an employee has been identified as excluded from coverage.

To report the wages of employee identified as excludable from coverage, use the job category "EX" on employer reports.

V. SIGNATURE AUTHORIZATION AND CONTACT UPDATE FORMS:

To avoid delay in processing of retirement applications, refund applications, and monthly reporting, due to correct signatures not on file with NMERB, ensure that these forms are submitted at the beginning of each calendar year, and that we receive any changes to these forms during the year.

VI. YEAR-END CLOSE OUT:

To close out fiscal employment contracts at year end, earnings and contributions (including adjustments) related to the school year should be included in the June report. Members rely on the Service Credit record created by timely employer reporting.

Just a reminder of the importance of terminations dates being reported timely. Terminations should be reported in the month that you are made aware of the action. You do not have to wait until the subsequent month to report the termination. You can send more than one Member Detail File in a month to report these.

FY18 Instructions for Employer Reporting and Remittances

If you need additional information, please contact your Employer Reporting Analyst. We realize information is the key to accurate reporting.

Regards,

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