



MEMBERS OF COUNCIL

HON. TERRY E. BRANSTAD
GOVERNOR

HON. MATT SCHULTZ
SECRETARY OF STATE

HON. MARY MOSIMAN
AUDITOR OF STATE

HON. MICHAEL L. FITZGERALD
TREASURER OF STATE

HON. WILLIAM H. NORTHEY
SECRETARY OF AGRICULTURE

Executive Council of Iowa

CAPITOL BUILDING
DES MOINES, IOWA 50319

PHONE: 515 281-5368
FAX: 515 281-7562

July 23, 2013

Mr. Glen Dickinson, Director
Legislative Services Agency
State Capitol
L-O-C-A-L

Dear Mr. Dickinson:

Pursuant to Senate File 2126, Section 1 with reference to Iowa Code section 7D.29, I am writing to notify the Legislative Services Agency that the Iowa Public Employees' Retirement System (IPERS) has requested funds in the amount of \$10,000.00 to cover costs with regard to the Federal-State Agreement. Enclosed is background information from the Department that will be provided to the Executive Council in support of this request.

Executive Council will not vote to approve or deny the request for two weeks following issuance of this notice. We therefore anticipate this matter being placed on the August 12, 2013 Agenda for consideration

Executive Council of Iowa


GeorgAnna Madsen
Executive Secretary

cc: Donna M. Mueller, Chief Executive Officer, IPERS

Enclosures



Donna M. Mueller
CHIEF EXECUTIVE OFFICER

July 17, 2013

2013 JUL 17 PM 2:05

Executive Council
Attention: GeorgAnna Madsen
Capitol Building
LOCAL

RE: Request for Reimbursement – SF2126 – Federal-State Agreement Administration Costs

Dear Ms. Madsen:

I am requesting that the Iowa Public Employees' Retirement System (IPERS) be reimbursed \$10,000 for costs associated with administering the Federal-State Agreement Administration Costs that were incurred during FY2013. Actual costs in FY2013 were \$16,356.02. Per SF2126, costs paid from the Executive Council shall not exceed ten thousand dollars each fiscal year.

All states that participate in social security coverage must designate an agency to act as the State Social Security Administrator (SSA). As stated in §97C.2(8), IPERS is Iowa's designated State Administrator.

In the past, the IPERS Trust Fund has borne the cost of the State Administrator duties. This is in conflict with two statutory provisions:

- §97B.7 which states that the monies of the IPERS Trust Fund are for the exclusive benefit of the members of the trust fund, and
- §97C.19 provides:
 - *The money spent for personnel, rentals, supplies, and equipment used by the state agency in administering this chapter and chapters 97 and 97B shall be equitably apportioned and charged against the funds provided for the administration of this chapter and those chapters.*

While the amount required to administer this role is relatively small, by statute, the IPERS Trust Fund cannot be used to pay for these expenses. Annual expenses related to administering SSA typically run \$3,000 to \$8,000. However, in FY2013, IPERS had additional legal expenses of \$8,394.22 for social security coverage issues, which increased total expenses in FY2013 to \$16,356.02.

Expenses incurred during FY13 were salary expenses of \$6,065.33 incurred by staff working on social security coverage issues, out-of-state travel expenses of \$1,646.47 incurred to send an employee to the annual National Conference of State Social Security Administrators (NCSSSA), the annual membership payment of \$250.00 to the NCSSSA, and legal services of \$8,394.22 incurred for legal guidance from outside counsel regarding coverage issues for certain IPERS-covered employers.

The account coding for the funds to be transferred to is: 0791-553-4110-86.

Thank you for your assistance.

Sincerely,

Donna M. Mueller
Chief Executive Officer

Senate File 2126

AN ACT

PROVIDING FOR THE FUNDING OF THE DUTIES OF THE STATE'S SOCIAL
SECURITY ADMINISTRATOR.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 97C.13A Federal-state agreement
administration — costs.

Actual costs incurred by the state agency in the fulfillment
of its duties under this chapter shall be paid as an expense
authorized by the executive council from the appropriations
addressed in section 7D.29. Costs paid from appropriations as

provided in this section shall not exceed ten thousand dollars each fiscal year.

JOHN P. KIBBIE
President of the Senate

KRAIG PAULSEN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2126, Eighty-fourth General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved _____, 2012

TERRY E. BRANSTAD
Governor

FY13 SSA EXPENSES							
Date Paid	Document #	Vendor	Description	Salary	OOS Travel	Membership	Legal Fees
7/1/12-10/11/12			Salary for 1st Qtr	2,451.75			
10/12/12-1/17/13			Salary for 2nd Qtr	100.97			
1/18/13-4/11/13			Salary for 3rd Qtr	2,620.68			
4/12/13-6/30/13			Salary for 4th Qtr	891.93			
05/31/12	TP553IP143538	US Bank Cardmember Serv	NCSSSA 62nd annual Conf-D Huffine 7/29/12-8/1/12-AirFare		428.60		
06/29/12	TP553IP180621	US Bank Cardmember Serv	NCSSSA 62nd annual Conf-D Huffine 7/29/12-8/1/12-Registration		375.00		
08/29/12	TP553IP236064	US Bank Cardmember Serv	NCSSSA 62nd annual Conf-D Huffine 7/29/12-8/1/12-Lodging		609.66		
09/06/12	TP553IP241066	Danielle Huffine	NCSSSA-62nd annual Conf-D Huffine 7/29/12-8/1/12-Meals & Mi		214.79		
09/14/12	TP553IP256110	Danielle Huffine	NCSSSA-62nd annual Conf-D Huffine-7/29/12 Meal		18.42		
01/31/13	GAXM2095948010113A	National Conf of SSSA	NCSSSA membership 1/1/13-12/31/13			250.00	
08/21/12	GAX553IP2330723	Ice Miller Donadio & Ryan	Legal Services/SSA July 2012-SS coverage				6,327.00
09/24/12	GAX553IP265129	Ice Miller Donadio & Ryan	Legal Services/SSA Aug 2012-IPERS materials prepared & Courier expense				196.09
01/29/13	GAX553IP028352	Ice Miller Donadio & Ryan	Legal Services/SSA Nov-Dec 2012-Updated client on status of request to SS				39.60
03/12/13	GAX553IP067415	Ice Miller Donadio & Ryan	Legal Services/SSA Jan 2013-SSA on status regarding to Harlan				564.30
04/03/13	GAX553IP0914613	Ice Miller Donadio & Ryan	Legal Services/SSA Feb 2013-prepared for & participated in conf call on SS coverage for Harlan				1,267.23
				6,065.33	1,646.47	250.00	8,394.22
			Total SSA- FY13	16,356.02			

NCSSSA = National Conference of State Social Security Administrators

	Staff Hours Spent on SSA Issues/Calculated into salary costs above			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
G Schochenmaier	1.50		0.50	
M Zhou	2.50	1.75	3.75	0.25
D Huffine	71.00	2.00	74.00	27.5
D Martin			0.50	
K Hiatt			1.00	
D Mueller			0.75	
Total Hours	75	3.75	80.5	27.75

187.00

ICE MILLER LLP

APPROVED

H. Gregg 8-20

Iowa Public Employees' Retirement System
Attn: Kelly Lovell
7401 Register Drive
Des Moines, IA 50321

Invoice 1221628 Page 1
August 14, 2012

S. Schaefer 12.30 hrs x \$198 = 2415.60
M. Braitman 6.10 hrs x \$477 = 2909.70
T. Mumford 2.10 hrs x \$477 = 1001.70
6327.00

SSH TASKS
Greenlights
2909.70
1001.70
2415.60
6327.00

FOR SERVICES RENDERED THROUGH July 31, 2012
Federal ID #35-0874357

OUR MATTER # 11438.0001
Employee Benefit Matters

- 07/01/12 Drafted letter to Social Security Administration from IPERS on behalf of City of Harlan regarding Social Security coverage for Harlan police officers.
S. Schaefer 4.00 hrs.
- 07/02/12 Worked on Social Security coverage letter; worked on Social Security issue and request to Social Security for options.
M. B. Braitman 3.80 hrs.
- 07/02/12 Worked on issues regarding Harlan.
T. Mumford 1.00 hrs.
- 07/02/12 Checked on adoption of amendment for determination letter; updated status report of IRS filings.
G. D. Wolf .80 hrs.
- 07/02/12 Revised PLR request on IPERS Medicaid recovery issue to incorporate client changes and address specific questions.
T. Shine 1.10 hrs.
- 07/02/12 Continued work on draft letter to Social Security Administration regarding coverage for City of Harlan police officers.
S. Schaefer 1.90 hrs.
- 07/03/12 Worked to complete draft of Social Security Administration letter regarding coverage for City of Harlan police officers.
S. Schaefer 2.80 hrs.
- 07/03/12 Worked on draft letter regarding Harlan.
T. Mumford .50 hrs.
- 07/03/12 Revised PLR request on IPERS Medicaid recovery issue to incorporate client changes and address specific questions.
T. Shine 1.20 hrs.
- 07/03/12 Worked on request to Social Security regarding Harlan; worked on finalizing the IRS PLR on Medicaid estate recovery.
M. B. Braitman 2.30 hrs.
- 07/05/12 Revised PLR request on IPERS Medicaid recovery issue to incorporate client changes and to address specific questions.

07/11/12	T. Shine	3.00 hrs.
	✓ Reviewed private letter ruling draft and provided comments.	
07/11/12	T. Mumford	1.00 hrs.
	Finalized Private Letter Ruling request; organized PLR package; prepared Forms 2848 and 8821; sent package to client with Forms and instructions.	
07/13/12	T. Shine	2.40 hrs.
	✓ Worked on PLR.	
07/16/12	T. Mumford	.20 hrs.
	Finalized and organized Private Letter Ruling request package for signature and submission to the IRS.	
07/18/12	T. Shine	2.60 hrs.
	Revised letter to Social Security regarding City of Harlan police officers per client comments; drafted cover email on same.	
07/18/12	S. Schaefer	2.00 hrs.
	✓ Provided comments on draft to go to client.	
07/19/12	T. Mumford	.50 hrs.
	Finalized revisions on Harlan Social Security letter and cover email and sent to client.	
07/23/12	S. Schaefer	.80 hrs.
	Sent Harlan letter to Social Security Administration.	
07/31/12	S. Schaefer	.20 hrs.
	Provided update on the status of the Private Letter Ruling request that was filed with the IRS on July 16 regarding the qualified status of IPERS.	
07/31/12	T. Shine	.40 hrs.
	Call to Fox at SSA regional office to discuss providing background materials on Iowa Police and Fire Social Security coverage; updated client on same.	
07/31/12	S. Schaefer	.50 hrs.
	Reviewed e-mail request from Fox (SSA) for additional information; directed response to Schochenmaier regarding status of projects.	
	T. Mumford	.60 hrs.

Summary of Fees

	Hours	Rate/Hr	Dollars
M. B. Braitman	6.10	477.00	2,909.70 x
T. Mumford	SSA 2.10 3.80	477.00	1,812.60 -
S. Schaefer	12.20	198.00	2,415.60
G. D. Wolf	1.00	216.00	172.80 x
T. Shine	10.70	225.00	2,407.50 -
TOTAL	<u>33.60</u>		<u>9,718.20</u>

2.10 x 477
1001.77
SS

TOTAL Fees for Professional Services \$ 9,718.20

ITEMIZED CHARGES:

DATE	DESCRIPTION	QTY	RATE	AMOUNT
07/23/12	Photocopies 15:08,	24	\$ 0.18	\$ 4.32 E101
07/31/12	Photocopies 12:39,	10	\$ 0.18	\$ 1.80 E101
07/31/12	Photocopies 16:27,	102	\$ 0.16	\$ 16.80 E101
07/31/12	Long Distance 2302, 12:58 PM, 1-816-936-5783,	4	\$ 0.10	\$ 0.40 E105
	Binding Charges			\$ 2.00

TOTAL Itemized Charges..... \$ 25.32

TOTAL DUE FOR THIS PERIOD..... \$ 9,743.52

Invoices are due upon receipt, past due after 30 days. Interest charges may accrue on past due balances.

Should you require additional copies of invoices or have additional billing inquiries please contact
Carol Tretter @ 317-221-2996 or Carol.Tretter@icemiller.com or payice@icemiller.com

GAX 553JP265129 - paid 9-24-12

ICE MILLER LLP

APPROVED

Aug 9-21

Iowa Public Employees' Retirement System
Attn: Kelly Lovell
7401 Register Drive
Des Moines, IA 50321

Invoice 1226247 Page 1
September 14, 2012

FOR SERVICES RENDERED THROUGH August 31, 2012
Federal ID #35-0874357

OUR MATTER # 11438.0001
Employee Benefit Matters

*Yellow highlights =
SSA tasks
158.40
37.69

196.09*

08/01/12	Reviewed copy of IPERS materials prepared to send to Social Security Administration; prepared transmittal letter on same.	
	S. Schaefer	.80 hrs.
08/04/12	Follow up on tax levy.	
	M. B. Braitman	.40 hrs.
08/30/12	Reviewed information by Mueller for conference call.	
	T. Mumford	.50 hrs.

Summary of Fees

	Hours	Rate/Hr	Dollars
M. B. Braitman	0.40	477.00	190.80
T. Mumford	0.50	477.00	238.50
S. Schaefer	0.80	196.00	158.40
TOTAL	<u>1.70</u>		<u>587.70</u>

TOTAL Fees for Professional Services \$ 587.70

ITEMIZED CHARGES:

DATE	DESCRIPTION	QTY	RATE	AMOUNT
08/01/12	Photocopies 12:16,	6	\$ 0.18	\$ 1.08 E101
08/10/12	Courier Expense Airbill: 798686904662; Ship To: John P Fox Social Security Administration 601 E 12TH ST KANSAS CITY, MO,	1	\$ 37.69	\$ 37.69 E107

TOTAL Itemized Charges..... \$ 38.77

APPROVED

Jan 1/24/2013

Iowa Public Employees' Retirement System
 Attn: Kelly Lovell
 7401 Register Drive
 Des Moines, IA 50321

Invoice 1246284 Page 1
 January 18, 2013

FOR SERVICES RENDERED THROUGH December 31, 2012
 Federal ID #35-0874357

OUR MATTER # 11438.0001
 Employee Benefit Matters

11/13/12	Drafted letter on consequences of excluding 125 contributions from IPERS covered wages and potential alternative options. S. Schaefer	4.60 hrs.
11/16/12	Worked on 125 issues related to IPERS covered wages. T. Mumford	.50 hrs.
11/19/12	Updated client on status of request to Social Security regarding City of Harlan police officers. S. Schaefer	.20 hrs.
11/26/12	Worked on 125 letter related to IPERS covered wages.. T. Mumford	.50 hrs.
12/05/12	Worked on memo regarding IPERS definition of "wages" as including 125 payments. S. Schaefer	.70 hrs.
12/05/12	Worked on 125 issues related to IPERS covered wages.. M. B. Braitman	.50 hrs.
12/05/12	Worked on 125 analysis related to IPERS covered wages. T. Mumford	.50 hrs.
12/06/12	Worked on letter to IPERS regarding considerations with respect to removing 125 amounts from the definition of compensation. S. Schaefer	2.50 hrs.
12/07/12	Researched forfeiture statues. T. Mumford	.40 hrs.
12/08/12	Worked on 125 analysis related to IPERS covered wages.. T. Mumford	.60 hrs.
12/09/12	Worked on IPERS coverage wage/125 plan elections. M. B. Braitman	.90 hrs.
12/11/12	Worked on 125 plan / IPERS covered compensation options letter. M. B. Braitman	1.20 hrs.
12/12/12	Prepared the summary of responses chart for the Iowa Public Employees Retirement System from various states regarding state laws for forfeiture of pension benefits for a conviction of a	

	crime, other than crime related to public service.	
	J.L.Sargent	.90 hrs.
12/12/12	Worked on information regarding forfeiture.	
	T. Mumford	.50 hrs.
12/13/12	Continued preparation of the summary of responses chart for the Iowa Public Employees Retirement System from various states regarding state laws for forfeiture of pension benefits for a conviction of a crime, other than crime related to public service.	
	J.L.Sargent	.20 hrs.
12/17/12	Continued preparation of the summary of responses chart for the Iowa Public Employees Retirement System from various states regarding state laws for forfeiture of pension benefits for a conviction of a crime, other than crime related to public service.	
	J.L.Sargent	.10 hrs.

Summary of Fees

	Hours	Rate/Hr	Dollars
M. B. Braitman	2.60	477.00	1,240.20
T. Mumford	3.00	477.00	1,431.00
S. Schaefer	.20 ₅ 8.00	198.00 x .20 = 39.60	1,584.00
J.L.Sargent	1.20	166.50	199.80
TOTAL	<u>14.80</u>		<u>4,455.00</u>

TOTAL Fees for Professional Services \$ 4,455.00

TOTAL DUE FOR THIS PERIOD..... \$ 4,455.00

Invoices are due upon receipt, past due after 30 days. Interest charges may accrue on past due balances.

Should you require additional copies of invoices or have additional billing inquiries please contact Carol Treitter @ 317-221-2996 or Carol.Treitter@icemiller.com or payice@icemiller.com



GAX 553JF0607415 - paid 3-12-13

APPROVED

3-04-2013

Iowa Public Employees' Retirement System
Attn: Kelly Lovell
7401 Register Drive
Des Moines, IA 50321

Invoice 1250482 Page 1
February 25, 2013

FOR SERVICES RENDERED THROUGH January 31, 2013
Federal ID #35-0874357

TF - Trust FUND
SS - Social Security
Fund

OUR MATTER # 11438.0001
Employee Benefit Matters

01/09/13	Spoke with G. Minc at IRS regarding his findings on the Private Letter Ruling request for the Iowa Public Employees Retirement System on whether an amendment to the anti-assignment provisions affect the qualified status of the Plan.		
	T. Shine	.90 hrs.	— TF
01/09/13	Worked on IRS follow-up regarding private letter ruling and Social Security.		
	T. Mumford	.30 hrs.	— SS
01/10/13	Followed-up with SSA on status of request regarding Harlan police officers.		
	S. Schaefer	.20 hrs.	— SS
01/17/13	Prepared for and telephone conference regarding PLR closure.		
	M. B. Braitman	1.00 hrs.	— TF
01/17/13	Participated in conference call with client regarding IRS position on PLR.		
	T. Mumford	1.00 hrs.	— TF
01/26/13	Worked on Social Security response for Harlan.		
	M. B. Braitman	.50 hrs.	— SS
01/28/13	Considered Social Security Administration response regarding Harlan.		
	T. Mumford	.30 hrs.	— SS

Summary of Fees

		Hours	Rate/Hr		Dollars
M. B. Braitman	SSA .50 = 238.50	1.50	477.00	477.00 TF	715.50
T. Mumford	SSA .60 = 286.20	1.60	477.00	477.00 TF	763.20
S. Schaefer		0.20	198.00		39.60 SSA
T. Shine		0.90	225.00		202.50 TF
TOTAL		<u>4.20</u>			<u>1,720.80</u>

TOTAL Fees for Professional Services \$ 1,720.80

SSA 564.30
TF 1159.98

APPROVED

Sherrill 4-1-2013

Iowa Public Employees' Retirement System
Attn: Kelly Lovell
7401 Register Drive
Des Moines, IA 50321

Invoice 1254656 Page 1
March 15, 2013

FOR SERVICES RENDERED THROUGH February 28, 2013
Federal ID #35-0874357

OUR MATTER # 11438.0001
Employee Benefit Matters

Charge to Social Security budget.

02/04/13	Prepared for and participated in conference call on Social Security coverage options for Harlan police officers. S. Schaefer	1.30 hrs.
02/04/13	Conference call with client regarding Harlan Social Security situation. T. Mumford	.90 hrs.
02/04/13	Prepared for and telephone conference regarding Harlan Social Security coverage. M. B. Braitman	1.20 hrs.
02/12/13	Evaluated non-resident alien issues for response to G. Schochenmaier's questions; conducted research regarding same. R. L. Gauss	.80 hrs.
02/15/13	Worked on reply regarding ACA. T. Mumford	.20 hrs.
02/18/13	Continued research regarding resident alien vs non-resident alien withholding and verification of status. R. L. Gauss	.50 hrs.
02/19/13	Drafted memorandum regarding resident vs. non-resident alien withholding and answering questions regarding verification of status. R. L. Gauss	2.30 hrs.
02/19/13	Worked on NRA issues. T. Mumford	.50 hrs.
02/21/13	Telephone call with Schochenmaier regarding PPACA; worked on IRS reporting for non-resident aliens. T. Mumford	1.30 hrs.
02/21/13	Continued work on resident versus non-resident alien analysis. R. L. Gauss	1.20 hrs.
02/21/13	Prepared for and had call with Schochenmaier regarding Affordable Care Act issues. C. Sears	1.00 hrs.
02/22/13	Made revisions to memo and resident versus non-resident alien status.	

02/23/13	R. L. Gauss	.50 hrs.
	Finalized memorandum to Schochenmaier regarding 1042 compliance.	
	T. Mumford	.30 hrs.
02/24/13	Follow up on foreign tax treatment.	
	M. B. Brailman	.30 hrs.

Summary of Fees

	Hours	Rate/Hr	Dollars	
C. Sears	1.00	364.50	364.50	
M. B. Brailman	1.50	477.00	715.50	.30 regul
R. L. Gauss	5.30	337.50 hrs	1,788.75	
T. Mumford	3.20	477.00	1,526.40	2.30 regul
S. Schaefer	1.30	198.00 SSA All	257.40	1097
TOTAL	12.30		4,652.55	

TOTAL Fees for Professional Services \$ 4,652.55

ITEMIZED CHARGES:

DATE	DESCRIPTION	QTY	RATE	AMOUNT	
02/15/13	Tele-Conferencing Long Distance Soundpath Conf Call; Mary Beth Brailman; Date of Call: 02/04/2013 10:52:00 AM,	223	\$ 0.04 \$	8.13	E105
TOTAL Itemized Charges.....					\$ 8.13

TOTAL DUE FOR THIS PERIOD..... \$ 4,660.68

Invoices are due upon receipt, past due after 30 days. Interest charges may accrue on past due balances.

Should you require additional copies of invoices or have additional billing inquiries please contact Carol Tretter @ 317-221-2996 or Carol.Tretter@icemiller.com or payice@icemiller.com

*SSA 1267.23
Regular 3393.1*