



Independent Contractor/Third Party Employee Audit

FISCAL YEAR

2020-2021

DUE DATE

08/05/2022

The Office of Retirement Services (ORS) is conducting a review to ensure reporting compliance in accordance with PA 300 of 1980* (Retirement Act). The purpose of this review is to ensure that all retirees of the Michigan Public Schools Employees Retirement System (MPERS) employed as independent contractors or third-party employees are reported to ORS pursuant to the Retirement Act.

To complete our review, each reporting unit is being asked to review a list of retirees that was sent to your File Transfer Service (FTS) mailbox and submit the following two items:

1. Complete list of individuals as defined below, including Social Security Numbers* (SSNs).
2. Certification that the information provided is correct and complete to the best of your ability.

Who should be added to my response?

Anyone **not** reported on the Registry of Educational Personnel (REP) file that performed services for the reporting unit as a contractor or while employed by a third-party between July 1, 2020 and June 30, 2021.

Please make a good faith effort to provide wage and hour data for all personnel, whether they were reported on the REP file or not. This will require cooperation from the third-party employer when applicable. You will need to submit either a complete list of individuals, or a copy of your correspondence with the third-party showing their inability to comply.

Please note that the Retirement Act does not exclude services performed on an intermittent or sporadic basis from consideration for reporting to ORS. This includes MPERS retirees engaged as independent contractors or third-party employees.

Consider asking potential independent contractors/third-party employees to verify their MPERS retiree status prior to engaging them to perform services for your reporting unit.

What will ORS do with this information?

ORS will take the list you provide and check to see if any of the individuals are MPERS retirees. At the conclusion of the audit, you will receive a list of MPERS retirees requiring adjustment or research, depending on their retirement effective date.

How do I send this information to ORS?

Use the FTS (Recipient: DMBORSER, Class ID: Contractor, Filetype: Binary) to send the following:

1. Spreadsheet containing wages and hours for all indirectly employed individuals performing services for your reporting unit regardless of whether or not they were reported on the REP file.
2. Completed and signed certification on page 2 of this document.
3. If necessary, a document explaining why your list is incomplete that includes copies of correspondence with third-party employers when applicable.

For information on how to use FTS, see [2.07: Downloading and uploading secure files using FTS \(michigan.gov\)](#). Contact Web Reporting at ORS_Web_Reporting@michigan.gov or 1-800-381-5111 for help.

*The FTS is compliant with the SSN Privacy Act and maintains a current Michigan Security Accreditation. Please do not submit SSNs via email in accordance with PA 454 of 2004** (SSN Privacy Act).

*[MCL 38.1305](#) (1), [MCL 38.1342](#) (6), **[MCL 445.81 et seq](#)



Independent Contractor/Third-Party Employee Audit Certification

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Section I – Certification

Please check ONE:

- We have reviewed the list provided by ORS that contains retirees reported on the Registry of Educational Personnel (REP) file as performing services at our reporting unit and we certify that we **do not engage** any other Independent Contractors or Third-Party Employees that were not reported on the Registry of Educational Personnel for the Fiscal Year above. (Go to Section II)

OR

- We have reviewed the list provided by ORS that contains retirees reported on the REP file as performing services at our reporting unit and we certify that we **do engage** other Independent Contractors or Third-Party Employees that were not reported on the Registry of Educational Personnel for the Fiscal Year above, and **we have provided a complete list** of these individuals to ORS. (Go to Section II)

OR

- We have reviewed the list provided by ORS that contains retirees reported on the REP file as performing services at our reporting unit and we certify that we **do engage** other Independent Contractors or Third-Party Employees that were not reported on the REP file for the Fiscal Year above, and **we have NOT provided a complete list** of these individuals to ORS. **We have provided ORS a document explaining why our list is incomplete that includes copies of correspondence with third-party employers when applicable.**

Section II – Signature

REPORTING UNIT NUMBER
REPORTING UNIT NAME
PAYROLL OFFICIAL NAME (PLEASE PRINT)
PAYROLL OFFICIAL SIGNATURE
DATE SIGNED

Please submit the required information by August 5, 2022. Please do not submit SSNs via email; use FTS.