

RETIREMENT OF PROFESSIONAL STAFF MEMBERS

Teachers

Normal retirement

The normal retirement date is the first day of the calendar month immediately following:

- An employee's (Retirement System member) 65th birthday, with any amount of credited service;
- An employee's (Retirement System member) 62nd birthday, and the completion of at least ten (10) years of credited service; or
- The day that the sum of an employee's (Retirement System member) age and years of total credited service equals eighty (80).

Reimbursement for unused accumulated leave

An employee will be reimbursed for unused accumulated leave at the rate of thirty-four dollars (\$34) per day providing the employee notified the District of plans to retire one (1) fiscal year prior to retirement (beginning March 1, 2002 for the 2002-2003 school year) so that the District may budget for the leave reimbursement. The estate of an employee who deceases while under contract shall be paid thirty-four dollars (\$34) per accumulated leave day.

Lifetime athletic passes

In recognition of service to the District, the Board will issue to each employee who retires from the District a lifetime athletic pass to all athletic events to which the District can authorize free admission for two (2). Such athletic passes shall not be honored for District athletic events held at the facilities of Northern Arizona University.

Continued insurance protection

At the option of a staff member who has not yet attained the age of sixty-five (65), and who upon retirement consistent with Arizona statutes desires medical-health or dental insurance coverage at District group insurance rates, the employee shall make appropriate arrangements for individual payments to the District through the District business office. The employee will pay the difference between the dollar allowance provided by the Arizona State Retirement System and the cost of the selected plan. This coverage will be available to age sixty-five (65) or for five (5) years, whichever occurs first. In the event payment is not received in a timely manner, the insurance coverage will be discontinued.

Until the employee reaches age sixty-five (65), dependent coverage may be continued by retirees for eligible dependents when the dependent has not reached the age of sixty-five (65), or the retiree has been under this policy for five (5) years, whichever occurs first, and the dependent has

been insured during the retiree's last full semester of employment. In the event payment is not received in a timely manner, the insurance coverage will be discontinued.

State retirement incentive (window of eligibility)

In the future, should the Arizona State Legislature pass a bill establishing a "window of eligibility" retirement incentive, whereby an employee could elect to retire during a specified time period, the employee shall be advised of and have the opportunity to take full advantage of the statutory provision, consistent with Arizona law and rules/regulations of the Arizona State Retirement System. Consideration shall be given to the effect of the teacher retirement on students.

District Retirement Option - Teachers

Eligibility

The District Retirement Option is available to staff members who meet the following criteria:

- Minimum of fifteen (15) years of certificated service in the District and attained age fifty (50) or minimum of fifteen (15) years of certificated service in the District and a minimum of seventy-seven (77) points in the Arizona State Retirement System (ASRS).
- Notify the Superintendent in writing of intent to participate in the District Retirement Option on March 1, one (1) fiscal year prior to the year of participation in the program. The notification requirement may be waived due to extenuating circumstances, at the discretion of the Board. Employees must notify the Superintendent of their decision to retire no later than March 15 of the year of retirement.

Conditions of Participation

- Participation in the District Retirement Option is voluntary. Once a staff member selects early retirement and enters the program, any subsequent return to full-time certificated employment is solely at the discretion of the District.
- Admittance to the District Retirement Option shall be subject to recommendation by the Superintendent and approved by the Board.
- The staff member may terminate participation in the District Early Retirement Program at any time upon written request to the Superintendent. Once having withdrawn, he/she may not reenter the program except at the sole discretion of the Board.
- In order to receive medical and dental benefits a staff member will retire from the Arizona State Retirement System at the same time as retirement from the District and be a benefit eligible employee.
- A staff member who is no longer eligible for the Arizona State Retirement System retirement benefits will become ineligible for the District Retirement Option.

Note: Employees are encouraged to contact the Arizona State Retirement System (ASRS) prior to retirement. ASRS recommends attending a pre-retirement seminar one (1) to three (3) years prior to retirement. Pre-retirement seminars are held throughout the state at selected times during the year. The ASRS recommends that an employee requests a written estimate of benefits and meet with an ASRS benefits advisor one (1) year prior to retirement. The ASRS further recommends that employees complete a retirement application and send it to ASRS six (6) months prior to retirement.

Enrollment in the ASRS can be adversely affected if a retiree works for an ASRS employer for half (1/2) time or more after retirement. It is the employee's responsibility to determine how continued employment affects retirement benefits.

Social security: Full-retirement benefits eligibility chart

The following chart provides employees with information related to eligibility for full social security benefits. Social security benefits are unrelated to Arizona State Retirement System benefits. Medicare benefits begin at age sixty-five (65) as of January, 1998. Partial social security benefits are available at age sixty-two (62).

<u>Year of Birth</u>	<u>Age for Full Benefits</u>
1937 or earlier	65 years
1938	65 years, 2 months
1939	65 years, 4 months
1940	65 years, 6 months
1941	65 years, 8 months
1942	65 years, 10 months
1943 – 1954	66 years
1955	66 years, 2 months
1956	66 years, 4 months
1957	66 years, 6 months
1958	66 years, 8 months
1959	66 years, 10 months
1960 or later	67 years

Program Options

Option 1:

- Work opportunity:
 - A retiree may voluntarily seek post-retirement work if available in the District for a five-year period after retirement. Any post-retirement work must be at the mutual consent of both the District and the retiree. A retiree may work up to twenty (20) days at District expense. Additional days beyond twenty (20) may be agreed upon by mutual consent between the District and the retiree. Retirees will be paid at the following daily rate:

- Teachers (as defined in Article 1.1H), counselors, librarians, speech therapists, and school psychologists will receive a salary of seventy dollars (\$70) per day.
- Worked performed by the retiree will be dependent upon the retiree's professional background/experience and the needs of the District. The retiree and the Superintendent or Superintendent's designee will agree upon the work performed. Such work can be characterized as temporary, project type of tasks which may include, but is not limited to:
 - Demonstration teaching;
 - Staff development and in-service training;
 - Assistance with testing programs;
 - Compilation and interpretation of test results;
 - Updating/revising curriculum guides and other learning materials;
 - Small-group instruction; and
 - Substitute teaching in appropriate areas of certification.
- Continuation during this five-year period is based on mutual agreement between the District and retiree.

Phased Retirement

An employee eligible to retire under this section may seek post retirement work as a contracted employee for the year following retirement. Subsequent years the retiree may seek continued employment with the District as a contracted employee.

- Benefit package for District Retirement Option
 - The staff member will be offered the same medical and dental insurance benefits as full-time District employees for up to five (5) years or age sixty-five (65), whichever comes first.
 - The District will pay the difference between the dollar allowance provided by the ASRS and the cost of the selected plan for a period of five (5) years or age sixty-five (65), whichever comes first. The five (5) years of insurance subsidized by the District will commence upon retirement. For employees retiring after the 2014-15 school year the district will pay a fixed amount, yet to be determined, per year for the five year period of District-paid subsidy. Conditions can change prior to the 2015-16 school year that could result in a change to this policy.
 - Term life insurance will be provided in the amount of fifteen thousand dollars (\$15,000) for five (5) years or age sixty-five (65), whichever comes first.

- If the district paid subsidy period ends prior to age sixty-five (65), individual coverage for medical, dental, and life insurance may be continued at the staff member's expense, up to attainment of age sixty-five (65), at District group insurance rates. Failure to pay the balance owed within twenty-five (25) days for the cost of medical, dental, and life insurance shall result in the forfeiture of the Retirement Incentive Program and all insurance.
- Dependent coverage may be continued, at the staff member's expense, during the period the retiree is covered for eligible dependents when the dependent has not reached age sixty-five (65) and the dependent has been insured during the last full semester of regular employment.
- The staff member will make arrangements with the District business office to make payments for any coverage at the early retiree's expense in a timely manner. In the event payment is not received in a timely manner, the insurance coverage will be discontinued.

Compensation for unused accumulated leave

Compensation for unused accumulated leave is based on years of continuous, full-time service:

<u>Years</u>	<u>Daily rate for unused leave</u>
15 - 24	\$55
25 or more	\$60

Administrative Staff

District Retirement Option

The District Retirement Option for administrators is available to administrators with a minimum of ten (10) years of certificated service in the District who have attained the age of fifty-five (55), or those with a minimum of ten (10) years of certificated service in the District and total credited service in the Arizona State Retirement System equal to eighty (80) or more points.

Administrators taking part in this program must notify the Superintendent in writing on or before March 1, one (1) school year prior to the year of participation in the program. The notification requirement may be waived due to extenuating circumstances, at the discretion of the Board. Administrators must notify the Superintendent of their decision to retire no later than March 15 of the year of retirement.

Participation in the District Retirement Option is voluntary.

Benefits to the administrator under this program are:

- The administrator may voluntarily seek work after retirement.
 - Assistant superintendents, principals and assistant principals will receive a salary not less than one hundred twenty five dollars (\$125) per day.

- Other administrators will receive a salary determined by the Superintendent.
- Continuation is based on satisfactory work performance.

An administrator eligible to retire under this section may seek post retirement work as a contracted employee for the year following retirement at the discretion of the Superintendent. Subsequent years the retiree may seek continued employment with the District as a contracted employee at the discretion of the Superintendent.

- The administrator who retires from the District at any age consistent with provisions of the Arizona State Retirement System will have the same medical and dental insurance benefits as full-time District employees kept in effect until attaining the age of sixty-five (65) or until the administrator becomes eligible for medical and dental benefits paid by another employer or is eligible for Medicare. The District will pay the difference between the dollar allowance provided by the Arizona State Retirement System and the cost of the selected plan.
- In addition, the District will make available to the administrator, until age seventy (70), a term life insurance policy in the amount of fifty thousand dollars (\$50,000), with the cost to be paid by the administrator.
- Further, in the event of the retired administrator's death prior to attaining the age of sixty-five (65), District medical and dental coverage in effect for the surviving spouse shall be maintained by the District until the date upon which the administrator would have attained the age of sixty-five (65).

- Compensation for unused accumulated leave per day:

<u>Years of Service in the District</u>	<u>Pay Class 11, 12 13, 20 & 21</u>	<u>Pay Class 14, 15, 16 22, 23 & 24</u>
10 - 14	\$55	\$70
15 - 19	\$60	\$75
20 - 24	\$65	\$80
25 - 29	\$70	\$85
30+	\$75	\$90

To ensure that enrollment in the Arizona State Retirement System is not adversely affected, a maximum of no more than nineteen (19) hours of work per week may be performed by the administrator.

Work performed by the administrator will be dependent upon the administrator's professional background/experience and the needs of the District. The work to be performed will be agreed upon by the administrator and the Superintendent.

The administrator may terminate participation in the Early Retirement Incentive Program at any time upon written request to the Superintendent. Once having withdrawn, the administrator may not reenter the program except at the sole discretion of the District.

Admittance to the District Early Retirement Incentive Program shall be subject to recommendation of the Superintendent and approval by the Board.

Departure/Retirement from the District

Normal retirement.

The normal retirement date is the first day of the calendar month immediately following:

- An employee's (Retirement System member) 65th birthday, with any amount of credited service;
- An employee's (Retirement System member) 62nd birthday, and the completion of at least ten (10) years of credited service; or
- The day that the sum of an employee's (Retirement System member) age and years of total credited service equals eighty (80).

Reimbursement for unused accumulated leave.

Consistent with provisions above under the heading "Accumulated leave" in the section on "Leaves of Absence" relating to compensation per day of unused Accumulated Leave, an employee or the employee's estate shall be reimbursed for unused Accumulated Leave.

Lifetime athletic passes.

In recognition of service to the District, the Board will issue to each employee who retires from the District a lifetime athletic pass to all athletic events to which the District can authorize free admission for two (2). Such athletic passes shall not be honored for District athletic events held at the facilities of Northern Arizona University.

Continued insurance protection.

At the option of a staff member who has not yet attained the age of sixty-five (65), and who upon retirement consistent with Arizona statutes desires medical-health or dental insurance coverage at District group insurance rates, the employee shall make appropriate arrangements for individual payments to the District through the District business office. The employee will pay the difference between the dollar allowance provided by the Arizona State Retirement System and the cost of the selected plan.

Until the employee reaches age sixty-five (65), dependent coverage may be continued by retirees for eligible dependents when the dependent has not reached the age of sixty-five (65) and the dependent has been insured during the retiree's last full semester of employment.

Part-time employment.

Part-time employment after retirement from the District will be limited to the provisions of the District Early Retirement Incentive Program. When, in the judgment of the Board, continued employment is in the best interests of the District due to the lack of qualified applicants, the retiree may be offered continued employment consistent with rules and regulations of the Arizona State Retirement System.

Adopted: date of manual adoption

LEGAL REF.: A.R.S. 38-711
 38-741 et seq.