

Provo City School District

Policy Series 5000: Personnel



Policy No. 5510

Retirement

The Provo City School District Board of Education directs the superintendent to develop policy for the implementation of issuing and terminating post-retirement benefits to qualifying employees. As an equal opportunity employer, the District will comply with the Age Discrimination in Employment Amendments of 1986 (P.L. No. 99-592). An employee's age shall not be a factor in determining separation from employment.

Provo City School District (PCSD) participates in the Utah Public Employees' Retirement System. Eligibility for participation and benefits is determined by Utah Retirement System (URS) guidelines implemented pursuant to the Utah State Retirement and Insurance Benefit Act, Utah Code Ann., Title 49 (the Act). The District will allow all employees who qualify to participate in the Utah Retirement System to purchase years of service credit based on criteria outlined in this policy and according to Utah Code 49-3-410.

Every District employee is also covered by the Federal Social Security System to the extent provided for by law.

The district will make contributions to these retirement systems on the behalf of qualifying staff according to law and will make payroll deductions from staff wages and salaries for the staff contributions to these programs as required by law.

Notification of Intent to Retire

An employee must give notice of intent to retire in writing at least thirty (30) calendar days before the effective retirement date to the Human Resources Department to facilitate time to hire a replacement for the position being vacated. Employees will be asked to complete the Voluntary Retirement Acknowledgment, General Release and Waiver Agreement.

Benefits

The payroll coordinator, or his/her designee, shall provide assistance to retiring District employees with their District retirement benefits. The following benefits are applicable to employee groups as outlined in their negotiated agreements upon separation from the District in good standing:

The District will provide a payout of a portion of the qualifying employees sick leave balance based upon years of service as per Procedure 5400 P3:

- 0 – 11 years, 11 months and 31 days 0 days, does not qualify

- 12 -18 years 1 for every 10 days in sick bank
- 19-25 years 1 for every 8 days in sick bank
- 26 + years 1 for every 6 days in sick bank

Vacation is a benefit that is earned by eligible employees for each month worked. Contracted employees who work 240 days or more, accrue vacation. Any unused balance, not to exceed 20 days unless negotiated otherwise by the association related to the employee classification, shall be paid upon employee-initiated release of employment. There is no vacation payout for a district-initiated release of employment.

Through negotiated agreement, Provo City School District offers two post-employment benefit plans:

- Grandfathered Plan for those employees (termed “grandfathered”) who on or before 9/1/07 have 20 or more years of full-time contracted service with the District as determined by the Utah State Retirement System Guidelines; and
- Pro-Rated Retirement Plan for those employees who on or before 9/1/07 have less than 20 years of full-time contracted service with the District as determined by the Utah State Retirement System.

Details regarding the administration of the OPEB plans can be found in the Regulations for Post-Employment Benefits.

Eligible employees who indicate in writing through the Voluntary Retirement Acknowledgment, General Release and Waiver Agreement to the district Human Resources Department their intent to retire, by the qualifying date indicated on the document, may receive an early retirement benefit based on the District’s early retirement incentive program. This benefit is a percentage of the employee’s annual income and is indicated in the notice offer based on annual budget availability.

Purchasing Retirement Credit

This section is intended to satisfy requirements provided for in Utah Code 49-3-410 for the purchase of service credit. It should be interpreted in such a fashion to satisfy the requirements of said section:

The District will purchase up to 95% (or such lesser amount as provided below) of the cost of the early retirement credit that is available for all terminating eligible employees as further defined below.

To be an “eligible employee”, the employee must:

- Satisfy the requirements of Utah Code 49-3-410;
- Be an employee participating in the Utah Public Employee Noncontributory System;
- Satisfy, after the purchase of credit, the minimum retirement eligibility of

said Utah system;

- Retire immediately following the purchase of the credit and agree with the District that such employee is not eligible for rehire by the District following the purchase of credits;
- Pay the percentage of the cost of the available early retirement credit which is not paid by the District.

The percentage of the “available early retirement credit” which will be purchased by the District is the maximum amount of credit (but not more than 95%) which may be purchased for such employee pursuant to Utah Code 49-3-410, but limited as not to exceed the amount of any District Retirement Benefits available to an eligible individual, including any early retirement notice incentive payments.

This purchasing policy as provided above shall be administered in a nondiscriminatory fashion based upon the above provided participation standards.

The District reserves the right to amend and modify this purchasing policy at any time.

Legal References:

Synopsis

Utah Code Ann., Title 49
URS Employer’s Guide

Utah State Retirement and Insurance Benefit Act

Approved by Board of Education:
Revised:

May 10, 2016
June 9, 2020