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| <b>DESCRIPTOR TERM:</b><br><br><b>Personnel and Employment</b> | <b>Millard District Policy</b><br><b>File Code: 4020</b><br><br><b>Approved: 11-12-20</b> |
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**EMPLOYEE INCENTIVE AND RETIREMENT BENEFITS**

**PURPOSE**

It is the desire of the Millard Board of Education to attract and retain employees of the highest quality.

**A. RETIREMENT BENEFIT**

1. To recognize the value of long-term employees, the Millard Board of Education provides a retirement benefit that consists of a one-time payment upon retirement. This termination benefit provides that \$5,000.00 plus twenty-five percent (25%) of the contracted amount for the year of employment when application is made shall be awarded to qualified employees. This consists of a one-time payment into a Prime Trust (Health Reimbursement Account – HRA), or a 401(k) account, or a 403 (b) account, as determined by an exit interview. The amount paid may not exceed the maximum amount allowed by IRS rules and regulations in effect at the time of choosing to retire for an HRA, 401(k), or 403(b) accounts.
2. An employee may use this benefit to purchase future service years or previously earned service years from the Utah Retirement System.
3. An employee must be eligible
  - a. to draw Utah Retirement System benefits at the time of separation of employment according to the Utah Retirement System’s qualifications as follows:

| <b>Utah Retirement System Benefits Qualifications</b> |
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| 30 years any age                                      |
| 20 years age 60                                       |
| 10 years age 62                                       |
| 4 years age 65  |

- b. and have a minimum of fifteen (15) years with the Millard School District to qualify for this offered retirement benefit.

4. Qualified employees currently on the Millard School District Medical benefit may opt to remain on the District's insurance until the employee is Medicare eligible. If a qualified employee chooses this option, the District is not responsible for any costs related to the insurance premium. A qualified employee wishing to participate in this option must either pay the entire annual premium in advance or provide for reimbursement to the Millard School District from a Prime Trust account.
5. Upon the death of the qualified employee and all that qualified employee's dependents who are eligible to withdraw funds from the defined medical benefit trust (Prime Trust), the remaining funds will be returned to the District, which in turn will, as far as is possible, issue the funds to the estate of the deceased employee as defined by the beneficiary designation. Dependents or heirs of the employee are responsible for all tax consequences from the District distributions.
6. Any employee who resigns during the contract year or is terminated for cause will not be eligible.
7. In order to receive a full benefit, application must be made to the Superintendent of Schools by January 15th of the year of retiring.
8. If application for the retirement benefit is received after January 15th of the current school year, the retirement benefit will be limited to \$2,500 plus fifteen percent (15%) of the contracted amount for the year of employment when application is made. No application will be accepted after April 15th.
9. Millard School District employees who retire under this policy will be given the same consideration of re-employment as any other applicant. They must meet the re-employment requirement of the Utah Retirement Systems. If reemployed as licensed teachers, they will be provisional teachers placed on the salary schedule according to experience up to Step 8, or with Board approval up to Step 10 for teachers.

**B. EMPLOYEE RECRUITMENT STIPEND**

1. In order to help alleviate shortages in substitute employees, Millard School District offers a stipend to employees, for the recruitment of substitute lunchroom workers, custodians, bus drivers, instructional assistants, and teachers.
2. Employees who recruit successful substitute workers will receive a \$100 stipend from the district after the recruit successfully completes the tenth day of work.

3. Employees who have been recruited will receive a bonus according to the following guidelines:
  - a. Lunch Workers, instructional assistants, and custodians receive \$100 after their tenth successful substitute experience.
  - b. Teachers receive \$150 after their tenth successful substitute experience to assist in compensation for required coursework.
  - c. Bus Drivers receive reimbursement for all training costs plus \$150 after one year of successful substitute experience.

10.

## Application for Millard School District Retirement Benefit

**Applications must be submitted to the District Office by 4:30 p.m. on January 15<sup>th</sup> of the current school year in order to receive a full benefit. Applications received before April 15<sup>th</sup> will be eligible for a partial benefit. Applications received after April 15<sup>th</sup> will not be accepted.**

Employee: \_\_\_\_\_

DOB: \_\_\_\_\_ Age: \_\_\_\_\_

**Retirement Package Option**

**FULL BENEFIT:** A one (1) time payment of \$5,000 + 25% of the employee’s current contracted salary, not to exceed the IRS maximum allowed for 401(k) employer and employee combined amount for one (1) year, will be paid into a district’s PRIME CHOICE Plan. Based on an exit interview, a determination will be made whether the contribution will go into a Prime Trust Health Account or the Utah Retirement Systems established 401(k) account in the name of the individual employee. If the determination is made that the contribution is paid into the 401(k) account, it is the understanding that there may be future tax consequences when withdrawn.

**PARTIAL BENEFIT:** A one (1) time payment of \$2,500 + 15% of the employee’s current contracted salary, not to exceed the IRS maximum allowed for 401(k) employer and employee combined amount for one (1) year, will be paid into a district’s PRIME CHOICE Plan. Based on an exit interview, a determination will be made whether the contribution will go into a Prime Trust Health Account or the Utah Retirement Systems established 401(k) account in the name of the individual employee. If the determination is made that the contribution is paid into the 401(k) account, it is the understanding that there may be future tax consequences when withdrawn.

*All qualified employees will have the option to use the one (1) time payment not to exceed the IRS maximum allowed for 401(k) employer and employee combined amount for one (1) year, to purchase future service years or previous earned service years. Any remaining balance will revert to the above determination under the District’s PRIME CHOICE Plan.*

Signature of Employee: \_\_\_\_\_ Date: \_\_\_\_\_

- Full Benefit: Acceptance Millard School District Board of Education / Administration
- Partial Benefit: Acceptance Millard School District Board of Education / Administration

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Substitute Referral/Bonus Form

Substitute's Name: \_\_\_\_\_

*Substitutes will receive \$100.00 for 10 completed custodial or lunch worker days.  
 Substitutes will receive \$150.00 for 10 completed teacher or instructional assistant days.  
 Substitutes will receive \$150.00 plus training costs after 1 year of successful bus driving.*

Referring Employee's Name: \_\_\_\_\_

*Millard School District employees that refer a person to substitute are entitled to receive \$100.00 when the substitute (1) applies to be a substitute and completes all the necessary paperwork and requirements and (2) works ten days or completes 1 year of substitute bus driving.*

**Substitute, please enter the date worked, who you substituted for, and the position worked for the 10-day requirement.**

|               | <i>Date Worked</i> | <i>Substituted for (Employees name)</i> | <i>Position Worked</i> |
|---------------|--------------------|---|------------------------|
| <i>Day 1</i>  |                    |   |                        |
| <i>Day 2</i>  |                    |   |                        |
| <i>Day 3</i>  |                    |   |                        |
| <i>Day 4</i>  |                    |   |                        |
| <i>Day 5</i>  |                    |   |                        |
| <i>Day 6</i>  |                    |   |                        |
| <i>Day 7</i>  |                    |   |                        |
| <i>Day 8</i>  |                    |   |                        |
| <i>Day 9</i>  |                    |   |                        |
| <i>Day 10</i> |                    |   |                        |

\_\_\_\_\_  
*Substitute's Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Referring Employee's Signature*

\_\_\_\_\_  
*Date*

*Please submit completed form to: Keith Griffiths, Business Administrator, at the Millard School District Office.*