IPERS Employer Bulletin 2015-1

DATE: May 27, 2015
TO: School District Reporting Officials
FROM: Donna M. Mueller, CEO
SUBJECT: Termination Dates for Contracted Teachers

Per Iowa Administrative Code 495—11.5(1) – Effective July 1, 1990, a school employee will not be considered terminated if, while performing the normal duties, the employee performs for the same employer additional duties which take the employee beyond the expected termination date for the normal duties. Only when all the employee’s compensated duties cease for that employer will that employee be considered terminated.

Retirees are eligible to start IPERS retirement benefits the month after the month in which they terminate employment. If snow days have pushed the end of the school year from May to June, the first month of retirement eligibility is delayed for one month as well. Retirees may receive their remaining contract wages through August and still begin their IPERS benefits the month following their last completed day of duty.

<table>
<thead>
<tr>
<th>Example</th>
<th>Date</th>
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<tbody>
<tr>
<td>Date last considered an employee</td>
<td>May 29, 2015</td>
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<tr>
<td>Date of last IPERS paycheck</td>
<td>August 31, 2015</td>
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<tr>
<td>First month of entitlement for IPERS benefits (FME)</td>
<td>June 30, 2015</td>
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It is the employer’s responsibility to certify a retiree’s final date of employment on the Employer Verification of Employment form in the Application for IPERS Retirement Benefits. If this form was completed for a retiree prior to a school cancellation that caused a change in the employee’s final date of employment, please contact IPERS to update the Application for IPERS Retirement Benefits. Please note that if the month of the termination is the same (for example, May 28th versus May 29th) this will not cause a change in the retiree’s FME and a call would not be necessary. Failure to notify IPERS of a change in month of termination could result in the retiree having to pay back any overpayments.

If inclement weather did push the termination date into June, a retiree who terminates early and does not complete the number of days in their original contract must be able to demonstrate a loss in salary equivalent to the days not worked of the contract period. Volunteer teaching for these days is not allowed. In this case, were the employee truly terminated in May, the retiree would be able to use May as the termination month and their FME would be June. IPERS does not have any control over an employer’s requirements for offering such an arrangement as this is between the retiree and the district they are working for.

Retirees should consider whether terminating their employment early would affect any other benefits offered by their employer including any retirement incentives.

INQUIRIES
For further information, contact the Employer Relations Team at 1-877-473-7799.