



NEWS TO USE

A newsletter for PERSI employers

July 2010

- Substitute Teachers and HB644
- Going Green

SUBSTITUTE TEACHERS: UNDERSTANDING HB644

PERSI membership for substitute teachers changed this month. HB644 changed the definition of employee for PERSI purposes, exempting substitute teachers from PERSI membership as follows:

"Any person not under contract with a school district or charter school, who on a day-to-day basis works as a substitute teacher replacing a contracted teacher and is paid a substitute wage as established by district policy or who, on a day-to-day basis works as a substitute assistant replacing a staff instruction assistant or a staff library assistant and is paid a substitute wage as established by district policy" are not employees for PERSI purposes. (This bill can be read in its entirety online at <http://www.legislature.idaho.gov/legislation/2010/H0644.htm>)

90-Day Break

Confusion has already surfaced with teachers thinking they can retire from a school district and return almost immediately as a non-contracted substitute teacher for the district from which they just retired. The following is provided as clarification:

Subsection (1) of 59-1356 would apply to an early retiree (not service retirement age) school teacher who retires under PERSI and then returns to work within 90 days as a substitute [as defined in HB644] with the same employer.

If a retiring teacher is not service retirement age, he/she needs to wait 90 days before becoming a substitute at the same school district or he/she is not considered to have terminated employment. HB644 changed the definition of employee, exempting substitutes generally. It was not intended, nor was it drafted, to provide an

exception to the restrictions of 59-1356 (1) which requires early retirees to have a 90-day break in service without any guarantee of reemployment in any capacity with the same employer and also requires repayment of any retirement benefit payments received by the retiree if the 90-day condition is not met.

Simply put, the circumstances under which a retired teacher can go back to work [under HB644] as a substitute without adversely impacting his/her retirement are:

- (1) Be service retirement age [in which case the 90-day rule does not apply]; or
- (2) Wait 90 days before returning to the same employer (school district)

Separation Benefit

Can substitutes who were PERSI members in the past, but who are now ineligible, withdraw their PERSI funds? Answer: Not unless there is a distributable event.

Part-Time Employees Who Also Substitute

Is a member who works 20 hours per week doing a job other than teaching for the school district and works another 20 hours as a substitute during the week, PERSI eligible? Answer: Only the non-substitute hours count towards PERSI eligibility.

PERSI will continue to clarify HB644 as questions arise. A letter of clarification will soon be going to school districts; meanwhile, employers and members can check the Web site periodically for updates.

School districts can direct employees with HB644 questions to the PERSI Answer Center toll-free 1-800-451-8228 or 334-3365 from the Boise area.

IT'S EASY BEING GREEN



PERSI thinks it's easy being green... especially when we can save money and support the environment without sacrificing customer service. By transitioning to electronic means for most communications, PERSI expects to realize significant savings each year while ensuring current information is always available. When looking at the 2011 fiscal year budget, areas were identified where expenses could be reduced without impacting service. Since most written materials are already posted on the PERSI Web site for easy access anytime day or night by members, retirees, and employers, it was a "no brainer" that fewer mailings, less printing, and no warehousing expenses could make a difference in our overhead costs...and we could show our respect for the environment at the same time.

NEWSLETTERS

Starting September 1st the *News To Use* newsletter will no longer be mailed to employers. A link to the online newsletter has always been emailed to employers each month, followed by a mailed copy. As the number of employers has grown, so too has the expense of printing and mailing the newsletter. With nearly 100 percent of employers having Internet access, now is a good time to transition to the digital age. Employers who keep paper copies of the newsletter for quick reference can download a copy from the PERSI Web site at www.persi.idaho.gov. Only a handful of employers do not have Internet access, so PERSI will continue to send them a newsletter via mail.

The hope is to eventually email links to members and retirees for their respective newsletters too. Because it is a huge undertaking with a lot of logistical and technical implications, it may be a while before this phase can be implemented.

FORMS

Ensuring current forms are used by employers has, at times, been a challenge. PERSI forms are ever-changing, which is why the majority of necessary forms are available from the PERSI Web site. Employers can always count on getting the most up-to-date form from a Web site download. It is also easy to direct employees to the PERSI Web site for forms. No one wants to complete a form only to learn it is outdated. It pays to make downloading the first step in providing forms to your staff.

HANDBOOK / MEMBER INFORMATION KIT

July 1st marks the end for printed handbooks. While the handbook has always been available online, it was also printed in large quantities and warehoused for mailings. Bulk printing is costly. Anytime the law changed the handbook became outdated, so PERSI had to either use outdated materials or dispose of the handbooks and reprint. Warehousing was an added expense. To ensure current information is readily available to members, the handbook will continue to be updated online but no longer be printed. If a member requests a handbook, they will receive a CD containing the handbook and Choice Plan brochures (*Member Information Kit*). Keeping information current while eliminating the need to warehouse and eventually dispose of outdated materials will result in sizable savings to PERSI each year. Employers wanting something to give new employees may want to download the *Benefits at a Glance* flyer from the PERSI Web site.

BROCHURES

As new brochures are developed, they are posted on the PERSI Web site for easy access. Much like the handbook, brochures can become obsolete rather quickly so it's important to update them often. Online is the easiest, most efficient way to provide current information to members. PERSI will continue to print brochures on-demand using in-house resources and will make them available to members who come into an office for an appointment.

WEB SURVEY

PERSI recently implemented a Web-based survey to gather information from employers, members, retirees and other visitors. Using the Web allows PERSI to get quick feedback about the functionality of its Web site, and also collect demographic data so we better understand our users. All information will be analyzed so any changes made to the Web site will address the needs of the greatest number of people. We invite employers and their employees to take the survey.

PERSI is excited about the transition to a less-costly, more efficient and greener approach to providing materials to our employers and members...and we hope employers and members like the new approach too.