

Post-Retirement Employment Option (PREO) Frequently Asked Questions

1. What is the deadline for participating in the PREO?

Notice needs to be given 30 days in advance of the date of retirement.

2. What steps must I take to participate?

Provide the Superintendent with a letter stating your planned retirement date and request re-employment with the District through ESI. You must qualify for ASRS normal retirement, and you must meet all District, state and federal qualification standards, including but not limited to, fingerprint/background clearance, certification, endorsement, education level, and licensure.

3. After being an ESI employee for a year, would I be able to return as a District employee the following year?

For the second year, the District will issue the employment contract/wage agreement. The total salary or hourly rate will be equal to the **greater of** the ESI salary/hourly rate or the starting pay for a new employee in the same column of pay grade, considering previous experience credit. Using this calculation, a returning employee would not receive less than he/she earned as an ESI employee; nor would he/she receive less than a new employee hired by the District. If the employee chooses, the employee may remain with ESI.

4. If I decide to retire mid-year, then return the next work day as an ESI employee, would I be able to return as a District employee at the start of the following school year?

An employee who retires mid-year, then returns the next work day as an ESI employee, would need to remain an employee of ESI for a full calendar year. After being an ESI employee for one calendar year, the employee would be eligible to return to District employment. An employee in a position normally assessed liquidated damages when a contract is not fulfilled would be obligated to pay the District \$2,000 in liquidated damages if the employee fails to report to his/her assignment or resigns from employment with either the District or ESI prior to the end of the school year. An employee who retires mid-year, then returns as an ESI employee with the intention of fully retiring at the end of the current contract year, would be able to do so.

5. As an ESI employee, how will my salary be determined?

Classified Employees Your salary will be equal to 80% of your most recent hourly rate of pay. If you have been placed on the Retirement Step, the additional 2.5% would not be included in this calculation. Employees will be eligible for group performance pay, payable through ESI.

Certified Employees Your salary will be equal to 80% of your most recent salary, exclusive of Proposition 301 individual performance pay funds. If you have been placed on the Retirement Step, the additional \$2,500 would not be included in this calculation. Employees will be eligible for group performance pay, payable through ESI.

6. How many days of sick leave will I receive, as an ESI employee and if I return to District employment?

The number of sick and personal leave days will be provided consistent with the current District policy. However, while in the ESI program, the total annual accrual of leave for the year will be available for use immediately (i.e., provided up front). For any days taken over this amount, a deduction of per diem pay will be made for each day based on the total days of contract. Upon returning to District employment, the employee would receive the same sick leave benefits as other new District employees, i.e., one day per month and a maximum accumulation of 90 days.

7. If I am a 12-month employee, how will the amount of vacation leave be determined?

If paid vacation was a part of the employee's previous position, then the same number of paid vacation days for a first-year employee of that group will be provided through the ESI contract. As with leave, the annual amount of vacation days will be available at the beginning of employment with ESI.

No payment will be made to an employee for unused vacation leave at the conclusion of their term of employment with ESI; however, any unused vacation days earned while on ESI will be added to the vacation that will be accrued beginning the first month of "re-employment" with the District. The vacation leave, earned as an ESI employee, will be available for immediate use. Such vacation leave is strictly "**use it or lose it**" and must be used during the fiscal year in which the individual returns as a District employee. Should an employee leave the District during the subject fiscal year, no compensation will be provided for unused vacation days that were accrued as an ESI employee.

Upon returning to District employment, the employee would be eligible for the same number of paid vacation days for a first-year employee in that position.

8. As an ESI employee, by what date would I have to give notice to the District if I wish to return to the District or continue as an ESI employee?

As an ESI employee, you would need to provide notice within 90 days of your intent to continue employment, whether as an ESI employee or a District employee. In this notice, you would need to indicate whether you request to continue as an ESI employee or to return to District employment.

9. Would participation in the post-retirement program affect my ability to take advantage of the work option program available for certified retirees, in which retirees can receive a subsidy toward health insurance when they substitute teach for 15 days each year?

Employees authorized to participate in the Post-Retirement Employment Option (PREO) would be eligible to participate, provided they are continuously employed either as a contracted employee or as a PREO participant, and provided they elect to participate in the work option program immediately following the final year of work with the District either as a District employee or a contracted employee. Employees who do not opt to participate in this program at retirement are ineligible to take part in this program in future years.

10. If I choose to participate in ESI, would there be any effect on my part-time work with another employer?

Work with another employer that is outside normal work hours is between the individual and that employer. It would have no bearing on the employee's contract with ESI or the District.

11. What options do I have for health insurance coverage after joining ESI?

You will have the option to participate in plans offered by ESI, Arizona State Retirement System, COBRA through SUMMIT, and the open marketplace. It is important to explore and compare the benefits and costs offered to you.

Please be aware if you are a non-exempt classified employee, you will not be eligible for District provided health insurance for 90 days after returning from ESI to employment with CGESD. Please arrange for coverage with your chosen plan provider through this period.

12. If I become an ESI employee, can my COBRA payments be made through payroll deduction?

No - If COBRA coverage is elected through the District, you will be responsible to remit the monthly premiums. **COBRA Medical premiums** should be made out to **Summit** and should be mailed to: **P.O. Box 25160, Scottsdale, AZ 85255-0102.** **COBRA Dental premiums** should be made out to **CGE Insurance Clearing Acct.** and should be mailed to Lorena Flores at the **District Office, 220 W. Kortsen Road, Casa Grande, AZ 85122.**

13. Does ESI carry workers' compensation insurance?

Yes.