

**BALTIMORE COUNTY PUBLIC SCHOOLS**

**DATE:** July 14, 2009

**TO:** **BOARD OF EDUCATION**

**FROM:** Dr. Joe A. Hairston, Superintendent

**SUBJECT:** **REPORT ON THE PROPOSED CHANGES TO BOARD OF EDUCATION POLICY 4250 (renumbered to 4010) – PERSONNEL – COMPENSATION AND RELATED EMPLOYEE BENEFITS: RETIREMENT**

**ORIGINATOR:** J. Robert Haines, Deputy Superintendent

**RESOURCE PERSON(S):** Donald Peccia, Assistant Superintendent, Human Resources  
Frances Allen, Manager, Personnel Services

**RECOMMENDATION**

That the Board of Education reviews the proposed changes to Policy 4250, renumbered to 4010. This is the first reading.

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Attachment I – Policy Analysis 4010/4250  
Attachment II – Policy 4250 (4010)

**Policy Analysis for  
Board of Education Policy 4010  
Retirement**

Statement of Issues or Questions Addressed

Board of Education Policy 4010 “Compensation and Related Employee Benefits: Retirement” is replacing Policy 4250 because the policy should apply to all employees and not just classified employees. The policy is also being recommended for revisions to comply with current practices.

Cost Analysis and Fiscal Impact on School System

No fiscal impact is anticipated by the addition of this policy.

Relationship to Other Board of Education Policies

N/A

Legal Requirements

*Annotated Code of Maryland*, Education Article §5-203, §6-201

COMAR 13A.07.02.01B

COMAR 22.01.12.01

Baltimore County Code, Article 5, Title I

Similar Policies Adopted by Other Local School Systems

1. Baltimore City, Article 4, Section 405, *Resignations and Retirements*
2. Harford County, Policy 14-0015-000, *Retirement*
3. Montgomery County, Policy GIG, *Funding Retirement/Pension System*

Draft of Proposed Policy

Attached

Other Alternatives Considered by Staff

None

**Policy Analysis for  
Board of Education Policy 4250  
Retirement**

Statement of Issues or Questions Addressed

Board of Education Policy 4250 is being recommended for deletion and if approved will be replaced by Policy 4010 “Compensation and Related Employee Benefits: Retirement.” The current policy does not apply to all employees and only applies to classified employees. The policy is also being recommended for revisions to comply with current practices.

Cost Analysis and Fiscal Impact on School System

No fiscal impact is anticipated by the deletion of this policy.

Relationship to Other Board of Education Policies

N/A

Legal Requirements

*Annotated Code of Maryland*, Education Article §5-203, §6-201

COMAR 13A.07.02.01B

COMAR 22.01.12.01

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Draft of Proposed Policy

Attached

Other Alternatives Considered by Staff

None

Timeline:

First reading – July 14, 2009

Public comment – August 11, 2009

Third reading – September 8, 2009

PERSONNEL: [Classified]

COMPENSATION AND RELATED EMPLOYEE BENEFITS:

RETIREMENT

THE BOARD OF EDUCATION DIRECTS THE SUPERINTENDENT OF SCHOOLS TO ESTABLISH PROCEDURES FOR ENROLLMENT OF EMPLOYEES IN THE APPROPRIATE RETIREMENT SYSTEM.

**[Retirement**

1. Retirement Criteria

a. Eligibility

Any classified employee who, upon separation from the Baltimore County Public Schools, will receive monthly retirement benefits from the Maryland State Retirement Systems or the Employees Retirement System of Baltimore County will, upon separation, be considered a retiree.

Any classified employee who, upon separation for other than disciplinary action from the Baltimore County Public Schools, will have reached the age sixty-two (62) will, upon separation be considered a retiree.

Any classified employee separated from the Board of Education who does not meet these criteria is not to be designated a retiree.

b. Mandatory Retirement

Classified employees reaching the age of seventy (70) may elect to retire at that time or request a year-to-year extension beyond age seventy (70) in compliance with the requirements of the retirement system to which they belong.

c. Ineligibility for Enrollment

Substitutes, temporary employees—less than three (3) months employment—lunchroom aides, and student learners are ineligible for enrollment in either system

2. Retirement Systems

a. Maryland State Retirement System

All permanent classified employees whose work week exceeds eighteen (18) hours and who are assigned to Bargaining Unit Number 1 (Clerical/Aides) are required as a condition of employment to enroll in the Maryland State Retirement Systems. See Policy 4119-Separation-for-procedures relative to retirement at age seventy (70).

b. Employees Retirement System of Baltimore County

All permanent classified employees who are in:

Bargaining Unit Number 1 (Clerical/Aides) and assigned at least ten (10) hours per week but less than eighteen (18) per week;

Bargaining Unit Number 2 (Maintenance and Operation) and assigned at least ten (10) hours per week;

Bargaining Unit 3 (Supervisory and Technical) and assigned at least ten (10) hours per weeks; or

That group of employees paid on the professional salary schedule who are ineligible for participation in the Maryland State Retirement Systems are upon the satisfactory completion of a physical examination, eligible to enroll in the Employees Retirement System of Baltimore County. After two (2) years of continuous employment, all qualified employees (who have not previously enrolled) must enroll as a condition of employment.

c. Exceptions from Change

Active members in either system need not alter their membership status because of reassignment to a different bargaining unit or because of a change in their work week.

d. Continuation of Employee Benefits

a. Health Insurance

Retirees may continue membership in the health plan available to active employees with funding in accordance with the following schedule:

<u>Years of Service (Since Adjusted Service Date)</u>	<u>Employee Contribution</u>	<u>Board Contribution</u>
0 through 9	100%	0%
10 through 19	50%	50%
20 through 29	25%	75%
30 or more	10%	90%

b. Life Insurance

Eligible retirees may continue their basic life insurance coverage.

Should the retiree have ten (10) or more years of service, basic life insurance coverage may be continued with the Board of Education sharing in one half the cost of premium. On the date of retirement, the face value of the basic life insurance then in effect will be reduced by ten percent (10%). On each of the first four (4) anniversaries following retirement, the insurance will be reduced a like amount until the coverage is reduced to fifty percent (50%) of the original face value.

Premiums will be reduced in accordance with the amount of insurance in effect.

Eligible retirees have the privilege of converting all or a portion of their insurance from term to ordinary life insurance at the prevailing rate established by the insurance carrier at the time such conversion occurs. The Board of Education does not participate in funding once a conversion has been effected.]

LEGAL REFERENCE: *ANNOTATED CODE OF MARYLAND*, EDUCATION  
ARTICLE §5-203, §6-201  
BALTIMORE COUNTY CODE ARTICLE 5, TITLE 1  
COMAR 13A.07.02.01B

RELATED POLICIES: BOARD OF EDUCATION POLICY 3141, *PENSIONS*

Policy

Board of Education of Baltimore County

Adopted: 12/11/75

Revised: 9/8/77

Revised: 5/28/81

Revised: 5/27/82

Edited: 8/20/82

REVISED: \_\_\_\_\_