

Longevity Recognition Payment

This longevity recognition plan is designed to recognize the commitment an employee has made to the Fargo School District in the form of years of service. It is intended to provide a payment to the employee at the time employment with the school district is terminated. Employees will be eligible for this payment only one time and the payment will be made in one installment to a District selected 403b provider. Participation in the plan is fully voluntary and no employee will be required or coerced in any manner to terminate employment and take the payment. The School Board will approve any or all requests depending on the availability of funds, the number of applicants and such factors as the Board at its sole discretion may deem important.

The School Board will annually review continuation of this policy on or before the second meeting in October. Contracted employees are obligated to fulfill the contract they signed for the school term. All certified employees choosing to exercise their option under this longevity recognition must give notice by the first day of the second semester. Hourly or salaried, non-certified employees must give 90 days' notice prior to retirement to qualify. Due to extenuating circumstances that are brought to his/her attention that would affect the payment, this time frame may be waived by the Superintendent.

ELIGIBILITY CRITERIA

This plan is available to full time employees, or part time benefited employees who can satisfy the same requirements with equivalent years of service, who have met the following criteria:

1. The employee will be eligible to participate in this plan after 15 years of service to the Fargo Public School District in a benefited position. 15 years of service must be continuous in that the break in service is only through participation in an approved leave of absence plan. Those years an employee is on leave, however, will not count toward satisfying the years of service criteria, but the time the employee was absent from work will not be deemed to break the continuous years of service criteria. The Superintendent or their designee reserves the right to review and make exceptions for extenuating circumstances which may affect the continuous service criteria. The decision of the Superintendent will be final.
2. The employee has been determined eligible for normal retirement benefits as defined by either PERS or TFFR. The employee will be required to provide written verification of this eligibility under the retirement plan. To participate in this program, all of the eligibility provisions of the plan must have been met on or before the effective date of termination of employment with the Fargo Public Schools. All employees who elect to avail themselves of this longevity recognition will be personally responsible for determining what effect this payment will have on their coverage under any retirement program, Social Security, insurance program, and the tax implications of this payment to the individual.

CALCULATION OF PAYMENT

The payment will be computed based on the employee's number of accumulated legacy sick leave days at the time of termination of employment in the following manner:

1. At 15 years of service, assuming all eligibility criteria have been met, the employee will receive 80% of this payment.
2. For each subsequent year the payment will increase by 2% through the 25th year of service, at which time the employee would receive 100% of this payment.

3. Payment will be made no later than sixty (60) days from the termination of employment. The timing of payment and limitation(s) regarding IRS rules and regulations will apply.
4. Beginning in 2016 all payments will be calculated based on \$50.00/day. At 15 years of service, the employee will receive 80% of this payment. For each subsequent year the payment will increase by 2% through the 25th year of service, at which time the employee would receive 100% of this payment.
5. The specific rate amounts for the coming five years will be structured as indicated below and will be based upon years of service as described above.

2013-14	\$200/day
2014-15	\$150/day
2015-16	\$100/day
2016-beyond	\$50/day
6. Grandfather clause: Any benefitted employee who is eligible for normal retirement benefits as defined by either NDPERS or TFFR as of 07/1/2013 will have payments calculated at the 2013-14 level of \$200/day upon retirement from the district. At 15 years of service, the employee will receive 80% of this payment. For each subsequent year the payment will increase by 2% through the 25th year of service, at which time the employee would receive 100% of this payment.
7. Employees that leave the District due to cause, nonrenewal or discharge will not be eligible for a longevity recognition payment.

Policy is referenced in Board-FEA Contract

Adopted 1/23/01
 Reviewed 12/01/02
 Revised 12/1/03
 Revised 6/14/05
 Revised 5/9/06
 Revised 11/10/2009
 Revised 6/30/2011
 Revised 10/19/2011
 Revised 11/21/2011
 Revised 6/26/2012
 Revised 12/11/2012
 Clarified regarding legacy days 2/1/13
 Revised 11/4/13
 Revised 11/12/13
 Revised 10/28/14
 Revised 8/2017
 Reviewed 7/2022

FARGO PUBLIC SCHOOLS
LONGEVITY RECOGNITION APPLICATION

Name: _____ Employee ID Number: _____

Street address upon retirement: _____

City/State/Zip: _____

Years of service: _____ Date of birth: _____ *

* Rule of 85 date (Attach confirmation): _____

Legacy sick leave balance upon retirement: _____ (hours/days) Retirement Date: _____

Upon my signature of this agreement, I resign my position with the District as of _____ and waive my continuing contract and non-renewal rights.

In consideration of this agreement, I hereby agree to and warrant the following:

- A. On the effective date of retirement I am no longer entitled to benefits and/or privileges provided employees of the District. All fringe benefits are discontinued at the conclusion of my employment (All COBRA regulations apply).
- B. I am personally responsible for determining the effects of the Longevity Recognition Payment upon any programs for which I may be eligible (such as TFFR, PERS, Social Security). I understand the District assumes no liability for decisions made by me in regard to these programs.
- C. I may be allowed to convert group fringe benefit programs to individual plans if the District’s carriers agree to such participation.
- D. I understand I have the right to revoke this agreement within seven (7) days of signing this agreement.
- E. All deposits of longevity payments are made to a District 403(b) employer plan and taxes are deferred until withdrawal.
- F. I will not be eligible for rehire in a benefited position.

I have read, understand, and agree to the terms of this contract.

Applicant’s Signature	Date
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I hereby verify that the above listed information is correct according to the records of the Human Resources Office.

Human Resources Director	Date
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The Fargo Board of Education hereby approves this application and offers to provide the benefits as outlined in AP 5452 upon the effective resignation of this applicant.

Board President	Date
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