

# What Employees Should Know about Their Benefits and Employment

School Personnel Support Section  
North Carolina Department of Public Instruction  
July 2007

# State Benefits Eligibility

- Only permanent full-time & part-time employees are eligible for NC benefits
- Permanent defined
  - ◆ In a position that will be permanent if present needs and funds continue, OR
  - ◆ Employed for 6 consecutive monthly pay periods
  - ◆ Must work at least 20 hours per week

# Permanent Employee

- Employed with the expectation of permanent employment to fill a position that is to be permanent if present needs and funds continue (e.g., a new position or a position vacated by resignation, dismissal, end of contract, etc.), OR
- Employed for at least six full consecutive monthly pay periods within one contract to replace one or more employees who are on leave of absence without pay.

# Permanent Employee (continued)

- May be full-time or part-time.
- Does not lose permanent status if employed in a temporary or interim position in the summer in the same school system.

# Full-time Employee

- Works the same number of hours as other full-time employees in the same class of work (i.e., custodian, bus driver, secretary, teacher assistant, cafeteria worker, etc.).
- Must be at least 30 hours per week.
- If permanent & employed at least 30 hours per week, earns retirement and paid health insurance for self, even if 30 hrs is not full-time for the class of work.
- If permanent, earns leave benefits.

# Part-time Employee

- Works at least 20 hours per week, but less than 30 hours per week.
- Cannot enroll in the retirement system.
- Can purchase health insurance.
- Earns pro rata sick leave, vacation, paid holidays, etc.

# Temporary Employee

## NO STATE BENEFITS FOR TEMPORARY EMPLOYEES

- Employed < 20 hours per week, OR
- Employed in an interim position for < 6 full consecutive monthly pay periods.
- Does not earn any State benefits.
- Cannot use any previously earned benefits (e.g., sick leave).

# Interim Employee

- Employed to replace an employee on leave.
- Can be full-time or part-time.
- Can be permanent or temporary.
- Does not earn benefits if less than 6 months.
- Cannot use any benefits accumulated during earlier employment if less than 6 months or less than 20 hours per week.

# Reemployed Retiree

## Subject to the Earning Cap

- 6 month break required
- Must not exceed earnings cap
- Must be temporary or permanent part-time (< 30 hours per week)
- May be interim, substitute, or temporary status
- Must NOT be permanent full-time status
- LEA NOT required to contribute 11.7% to the Retirement System

# Voluntary Shared Leave

- Can share vacation with any employee in same LEA
- Can share sick leave with immediate family member in same or another LEA or state agency.
- Can share vacation leave with employees of state agencies (DOT, DOC, DHR University, etc.) if they have a family member in the LEA.

# Full State Retirement Benefit

- Age 65 with 5 years service
- Age 60 with 25 years (“rule of 85”)
- Any age with 30 years service

# Early Retirement (Reduced)

- Age 50 with 20 years service
- Age 60 with 5 years service
- Amount of reduction varies with age and total years of service
- You do not have to be working for the state when you retire to get a retirement benefit!
- Qualify for state-paid health insurance at retirement. (Unless 1<sup>st</sup> hired on or after October 1, 2006)

# Retirement (continued)

- Based on average of highest 48 consecutive months of state employment.
- Try to have 30 days vacation accumulated.
- Save sick leave for retirement service credit (20 days sick leave = 1 month).
- Buy back any service ASAP (usually).
- Handbook and Contact information:  
<http://www.treasurer.state.nc.us/dsthome/RetirementSystems>

# Retirement (continued)

- Creditable Service at retirement is based on the time you have contributed to the System.
- In addition, you can purchase, based on actuarial costs, periods of military service, out-of-state public service, government service, certain leave without pay, etc.
- 2001 General Assembly (SB 1005 Sect 32.32) repurchase of withdrawn NC Creditable Service at 6.5% per year from withdrawal plus handling fee.

# FMLA: Basic Employee Eligibility

## Employee MUST -

- Be employed by the employer for at least 12 months (not necessarily consecutive)
- Worked at Least 1,250 Hours during the 12-month period immediately preceding the commencement of the leave, and
- Be employed at a work site where 50 or more employees are employed by the employer within 75 miles of other schools under the jurisdiction of the same employer.

# FMLA: Eligible Circumstances

- Birth and care of a newborn child
- Placement of child for adoption or foster care
- Care of employee's spouse, son, daughter, or parent with a serious health condition
- Employee's Own serious health condition

# FMLA: Paid Leave under FMLA

- Employer may require or employee may choose the substitution of eligible paid leave for any or all employee FMLA qualified leave
- No limitations may be placed by the employer on substitution of paid vacation or personal leave

# Designation of FMLA Leave

Under all circumstances, employer responsibility to designate leave, paid or unpaid as FMLA-qualifying and give proper notice to employee oral or written within 2 business days.

# Description of FMLA Benefits

During the 12 week period approved for FMLA:

- If employee is in pay status, regular benefits will continue.
- If employee is not in pay status, the state will continue to pay health insurance premium as usual. Employee will be responsible for paying the dependent coverage amount each month to payroll office.

# Description of FMLA Benefits

- At the end of the 12 weeks of approved FMLA you will return to your same position or one with the same pay, benefits and other conditions

# Family Medical Leave Act (FMLA)

- When in doubt of guidelines, more information is available at:

<http://www.dol.gov/esa/whd/fmla/>

# Longevity

- Permanent full-time or permanent part-time
- At least 20 hours per week or more
- At least 10 years of total qualifying state service

# Longevity

The percentage is determined by the length of total state service as follows

<b>Years of State Service</b>	<b>Longevity Pay Rate</b>
10 but less than 15 years	1.50 percent
15 but less than 20 years	2.25 percent
20 but less than 25 years	3.25 percent
25 or more years	4.50 percent

# Other Important Benefits...

- Death Benefit, one year's salary

  - ◆ min = \$25,000

  - ◆ max = \$50,000

- Disability

  - ◆ Short term 50% of salary

  - ◆ Long term 65% of salary

# Health Plan

- The State Health Plan has changed w/ increased deductibles and co-payments
- Information will be on-line at:

<http://statehealthplan.state.nc.us/>

**and**

[http://www.bcbsnc.com/html/contacts\\_cmmstate.htm](http://www.bcbsnc.com/html/contacts_cmmstate.htm)

# Fair Labor Standards Act (FLSA)

- Most non-certified employees are “non-exempt” (subject to FLSA).
- Overtime pay or comp. time if they work more than 40 hours in a workweek.
- No “use or lose” with comp time.
- Minimum wage (\$5.15 effective 9/97).
- Compensable work.

# Fair Labor Standards Act (continued)

- Recordkeeping, includes:
  - ◆ Employee name and SSN
  - ◆ Hours WORKED each day
  - ◆ Total hours WORKED each week
  - ◆ Straight time earnings
  - ◆ OT earnings

# Employees Exempt from FLSA

- The Fair Labor Standards Act applies to most employees.
- Some are exempt because they qualify as Executive, Administrative, Computer Programmers, or Professional employees.
- For more information, <http://www.dol.gov/>  
<http://www.dol.gov/elaws/faq/esa/flsa/toc.htm>

# For More Information on Benefits and Employment Policies

- Check the internet sites noted in this PowerPoint.
- The Benefits and Employment Policy Manual is on-line at:  
<http://www.ncpublicschools.org/benemanual>

# NEW LEGISLATION

- See DPI Legislative Updates at:  
<http://www.ncpublicschools.org/legislative/index?view=legislature>
- See Text of Bills and Action on Bills at:  
<http://www.ncga.state.nc.us/>

# ADDRESSES FOR USE

- Larry Simmons (919)-807-3364 or email [lsimmons@dpi.state.nc.us](mailto:lsimmons@dpi.state.nc.us)
- Joe Parry-Hill (919)-807-3368 or email [jparry@dpi.state.nc.us](mailto:jparry@dpi.state.nc.us)
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