

## PENSION FUND THOUGHTS

Statutory interpretation lays out two uses for this fund:

Early Retirement	4500 – 150 or 210
State Retirement	Various Functions – 220 object

One further outflow of resources relates to the transfer out of interest earned - 8110-690

1. Whenever the Pension fund is used for early retirement, it should be coded to 4500 – 150....do not code to respective functions such as instruction.
2. Several schools coded costs to the function 4800 Pension Payments.....that function was created to handle payments by SDRS type pension plans maintained by individual districts.....I doubt if there are any out there, so this function should not be used. (I should actually delete the function)
3. Several districts use 270 annuities. I have seen legal clarification for early retirement and SDRS payments.....but I have not seen legal clearance to use this fund for annuities. Seek legal guidance for continued use in this area.
4. A handful of districts use unallowable objects such as 190 Other Salaries, 110 Regular Salaries and 230 Group Health, Life and Dental Insurance.

### Questionable Pension Fund Expenditures - Statewide Totals

FY	Fund	Function	Function Description	Object	Object Description	Amount
2012	24	1111	Elem Regular Term	110	Regular Salaries	\$44,553.50
2012	24	1111	Elem Regular Term	150	Early Retirement Payment	\$95,418.65
2012	24	1111	Elem Regular Term	230	Group Health/Life/Dental Ins	\$71,424.39
2012	24	1131	HS Regular Term	110	Regular Salaries	\$25,136.00
2012	24	1131	HS Regular Term	150	Early Retirement Payment	\$20,000.00
2012	24	2410	Office of the Principal Services	230	Group Health/Life/Dental Ins	\$12,388.58
2012	24	4500	Early Retirement Payment	110	Regular Salaries	\$431,540.46
2012	24	4500	Early Retirement Payment	190	Other Salaries	\$2,004,074.21
2012	24	4500	Early Retirement Payment	220	Employees Retirement System	\$89,355.26
2012	24	4500	Early Retirement Payment	230	Group Health/Life/Dental Ins	\$42,670.87
2012	24	4500	Early Retirement Payment	270	Annuities	\$913,233.73
2012	24	4500	Early Retirement Payment	690	Miscellaneous Objects	\$45.00
2012	24	4800	Pension Payments	110	Regular Salaries	\$695,314.86
2012	24	4800	Pension Payments	690	Miscellaneous Objects	\$1,700.00
						<b>\$4,446,855.51</b>