



Memorandum

Assistant Superintendent for Business Services

TO: Brian Harris

FROM: Tim Neubauer

DATE: May 28, 2015

RE: The History of TRS Penalties

Over the years, the district has incurred TRS penalties for three primary reasons: employees leaving the district under the Early Retirement Option (ERO), retiring suddenly without progressing through the districts service retirement benefit program (SRB), and teachers whose unused personal days convert to twice as many sick days, per the BEA contract (Excess Sick Days).

The attached spreadsheet, "TRS Penalties-Historical Perspective," lists, by fiscal year, the TRS penalties paid since 2005. The penalties are categorized as "Excess Sick Days," "Unavoidable Excess Salary," and "Avoidable Excess Salary." Footnotes have been added to further explain the reason for excess salary payments. The data source was TRS's *Billed Transaction Reports*.

As you can see, over the last ten years, the district has paid a total of \$39,623.00 in excess sick penalties, \$1,381,152 in unavoidable excess salary penalties, and \$121,169.36 in avoidable excess salary penalties paid in the 2010 fiscal year. Most of the unavoidable excess salary penalties are the result of teachers obtaining salary increases in excess of six percent (due to base salary, step increases, lane changes, extra duty, and stipend pay, etc.) in years leading up to the year in which they retired, without enlisting in the district's SRB program. Therefore, there was no mechanism to prevent them from earning in excess of six percent, and, as a result, none of these penalties were avoidable.

Please contact me if you have any questions.

PAID FY 2007

DATE	NAME	SRB (YES/NO)	EXCESS SICK	UNAVOIDABLE EXCESS SALARY	AVOIDABLE EXCESS SALARY	FOOTNOTE
8/14/06	J. Mascolino	NO	\$7,304.56			
3/6/07	C. Evans	NO		\$78,157.86		5
8/17/06	L. Rubens	NO		\$48,128.62		5
8/1/06	B. Russo	NO		\$16,343.46		5
FY Total			<u>\$7,304.56</u>	<u>\$142,629.94</u>	<u>\$0.00</u>	

PENALTIES LISTED IN THE MAY 24, 2015 CHICAGO TRIBUNE ARTICLE

PAID FY 2008

DATE	NAME	SRB (YES/NO)	EXCESS SICK	UNAVOIDABLE EXCESS SALARY	AVOIDABLE EXCESS SALARY	FOOTNOTE
7/12/07	L. Petrie	NO		\$44,938.47		2
9/21/07	C. Evans	NO		\$120.78		5
7/30/07	B. Leng	NO		\$4,173.85		5
7/30/07	L. Mitchell	NO		\$42,924.80		5
7/19/07	L. Potter	NO		\$63,265.12		5
7/13/07	M. Voigt	NO		\$105,260.74		5
12/17/07	M. Voigt	NO		\$7,777.32		5
7/12/07	N. Locke	NO	\$178.82			
7/19/07	L. Potter	NO	\$246.07			
FY Total			<u>\$424.89</u>	<u>\$268,461.08</u>	<u>\$0.00</u>	

\$44,938.47

PAID FY 2009

DATE	NAME	SRB (YES/NO)	EXCESS SICK	UNAVOIDABLE EXCESS SALARY	AVOIDABLE EXCESS SALARY	FOOTNOTE
7/21/08	B. Brouse	NO		\$53,040.71		5
7/15/08	T. Dunn	NO		\$61,400.61		2
7/15/08	S. Murray	NO		\$3,096.39		2
7/15/08	S. Newman	NO		\$4,310.95		2
7/14/08	S. Newman	NO		\$18,091.21		5
7/7/08	R. Nicholus	NO		\$51,742.07		5
FY Total			<u>\$0.00</u>	<u>\$191,681.94</u>	<u>\$0.00</u>	

\$61,400.61

\$3,096.39

\$4,310.95

PAID FY 2010

DATE	NAME	SRB (YES/NO)	EXCESS SICK	UNAVOIDABLE EXCESS SALARY	AVOIDABLE EXCESS SALARY	FOOTNOTE
8/27/09	D. Alexander	NO		\$21,965.25		2
8/27/09	D. Alexander	NO		\$43,968.32		5
8/21/09	J. Anderson	NO		\$397.53		2
8/21/09	J. Anderson	NO	\$775.27			
8/12/09	J. Andruss	NO		\$57.53		2
8/12/09	J. Andruss	NO		\$69,393.49		5
8/12/09	J. Andruss	NO	\$772.45			
8/13/09	D. Cross	NO			\$51,053.27	1
8/19/09	C. Ezell	NO		\$1,077.64		2
8/12/09	J. Groat	NO	\$262.51			
8/18/09	K. Kelly	NO		\$39.00		2
8/18/09	K. Kelly	NO	\$130.26			
9/18/09	M. Kolb	NO		\$4,376.85		2
9/18/09	M. Kolb	NO		\$123,168.23		5
9/18/09	M. Kolb	NO	\$261.06			
8/12/09	A. Kolman-Laube	NO			\$70,116.09	1
8/12/09	A. Kolman-Laube	NO	\$2,707.93			
8/14/09	C. Marsh	NO		\$1,296.37		2
8/14/09	C. Marsh	NO	\$747.09			
8/12/09	S. Maylahn	NO		\$393.18		
8/12/09	R. Michalek	NO	\$434.92			
8/20/09	J. Petersen	NO		\$1,991.41		2
8/20/09	J. Petersen	NO		\$78,383.55		5
8/20/09	J. Petersen	NO	\$570.72			
9/21/09	R. Rankhorn	NO	\$1,186.32			
8/12/09	K. Schwowchow	NO		\$58.57		2
8/12/09	K. Schwowchow	NO	\$383.00			
8/12/09	J. Spurgeon	NO		\$508.79		2
8/12/09	J. Spurgeon	NO	\$281.18			
FY Total			<u>\$8,905.89</u>	<u>\$346,682.53</u>	<u>\$121,169.36</u>	

\$21,965.25

\$397.53

\$57.53

\$51,053.27

\$1,077.64

\$39.00

\$4,376.85

\$70,116.09

\$1,296.37

\$39.00

\$4,376.85

\$1,991.41

\$58.57

\$508.79

PAID FY 2011

DATE	NAME	SRB (YES/NO)	EXCESS SICK	UNAVOIDABLE EXCESS SALARY	AVOIDABLE EXCESS SALARY	FOOTNOTE
7/21/10	J. Armstrong	NO		\$59.34		3
7/21/10	J. Armstrong	NO	\$458.70			
7/21/10	M. Crawford	NO		\$24,347.28		2
7/21/10	M. Crawford	NO	\$873.91			
7/23/10	M. Gilmore	NO		\$2,127.46		3
8/5/10	M. Gries	NO		\$8,954.20		3
8/5/10	M. Gries	NO	\$1,261.38			
7/23/10	J. Littwin	NO		\$103.56		3
7/23/10	J. Littwin	NO	\$539.76			
4/14/11	D. Matthews	NO		\$5,058.38		2
8/12/10	P. Meloy	NO		\$48,692.31		5
8/12/10	P. Meloy	NO		\$8,018.32		3
8/12/10	P. Meloy	NO	\$1,108.30			
7/23/10	M. Moony	NO		\$14,885.43		3
7/23/10	M. Moony	NO	\$802.41			
8/11/10	N. Zamor	NO		\$21,630.32		3
8/11/10	N. Zamor	NO	\$882.05			

\$59.34

\$24,347.28

\$2,127.46

\$8,954.20

\$103.56

\$5,058.38

\$8,018.32

\$14,885.43

\$21,630.32

FY Total \$5,926.51 \$133,876.60 \$0.00

PAID FY 2012

DATE	NAME	SRB (YES/NO)	EXCESS SICK	UNAVOIDABLE EXCESS SALARY	AVOIDABLE EXCESS SALARY	FOOTNOTE	
8/2/11	C. Benton	NO		\$6,872.08		3	\$6,872.08
3/2/12	M. Gall	NO	\$323.71				
8/4/11	P. Grant	NO	\$488.69				
8/4/11	P. Grant	NO		\$2,096.03		3	\$2,096.03
8/4/11	D. Groat	NO	\$657.72				
8/4/11	K. James	NO		\$489.23		2	\$489.23
8/4/11	K. James	NO	\$804.63				
8/1/11	M. Kalland	NO		\$78.40		2	\$78.40
8/1/11	M. Kalland	NO	\$684.70				
8/17/11	M. Kern	NO	\$504.34				
7/27/11	C. Miller	NO		\$1,922.54		2	\$1,922.54
7/27/11	C. Miller	NO	\$308.13				
8/5/11	M. Miller	NO		\$14,503.19		2	
8/5/11	M. Miller	NO	\$303.61				
8/22/11	P. Olszewski	NO		\$239.91		3	\$239.91
8/2/11	V. Pientka	NO		\$9,193.60		3	\$9,193.60
8/2/11	V. Pientka	NO	\$606.18				
8/19/11	L. Robb	NO		\$3,608.48		2	\$3,608.48
8/22/11	M. Roselli	NO		\$12,038.11		2	\$12,038.11
8/22/11	M. Roselli	NO	\$318.69				
7/27/11	B. Stimpfl	NO		\$5,826.98		2	\$5,826.98
7/27/11	B. Stimpfl	NO	\$420.58				
5/8/12	K. Uttilie	NO		\$3,436.64		2	\$3,436.64
8/3/11	D. Webb	NO		\$902.87		3	\$902.87
8/3/11	D. Webb	NO	\$706.59				
FY Total			<u>\$6,127.57</u>	<u>\$61,208.06</u>	<u>\$0.00</u>		

PAID FY 2013

DATE	NAME	SRB (YES/NO)	EXCESS SICK	UNAVOIDABLE EXCESS SALARY	AVOIDABLE EXCESS SALARY	FOOTNOTE	
8/3/12	L. Beacom	NO		\$8,003.18		2	\$8,003.18
8/3/12	L. Beacom	NO	\$1,468.80				
8/8/12	B. Berger	NO	\$967.39				
8/7/12	J. Carsella	NO	\$406.44				
8/7/12	J. Carsella	NO		\$96,117.28		5	
7/31/12	M. Coffman	NO	\$1,311.85				
9/19/12	P. Gorman-Ladd	NO	\$829.70				
5/16/13	K. Krug	NO	\$78.17				
5/16/13	K. Krug	NO		\$1,893.49		2	\$1,893.49
8/6/12	L. Lasik	NO		\$10,349.74		2	\$10,349.74
8/6/12	L. Lasik	NO	\$860.54				
12/17/12	L. Lewandowski	YES		\$9,671.83		4	\$16,009.44 *
7/30/12	J. Lynn	NO	\$623.91				
7/20/12	K. Metcalf	NO	\$1,081.45				
7/17/12	T. O'Toole	NO	\$302.08				
7/20/12	K. Rankhorn	NO	\$1,324.98				\$919.71
7/17/12	C. Redig	NO		\$4,028.83		2	\$4,028.83
7/17/12	C. Redig	NO	\$678.17				
7/27/12	C. Scheid	NO	\$298.75				
7/20/12	H. Welborn	NO	\$701.35				
FY Total			<u>\$10,933.58</u>	<u>\$130,064.35</u>	<u>\$0.00</u>		

PAID FY 2014

DATE	NAME	SRB (YES/NO)	EXCESS SICK	UNAVOIDABLE EXCESS SALARY	AVOIDABLE EXCESS SALARY	FOOTNOTE	
8/19/13	K. Christian	NO		\$6,182.75		2	\$6,182.75
8/21/13	M. Collins	NO		\$6,604.03		5	
8/29/13	C. Darlington	NO		\$68,626.08		5	
8/29/13	C. Darlington	NO		\$8,759.07		2	\$8,759.07
9/5/13	K. Freeman	NO		\$4,301.45		2	\$4,301.45
FY Total			<u>\$0.00</u>	<u>\$94,473.38</u>	<u>\$0.00</u>		

PAID FY 2015

DATE	NAME	SRB (YES/NO)	EXCESS SICK	UNAVOIDABLE EXCESS SALARY	AVOIDABLE EXCESS SALARY	FOOTNOTE	
7/15/14	R. Martell	NO		\$1,633.79		2	\$1,633.79
7/29/14	M. Oberg	NO		\$1,425.20		2	\$1,425.20
8/5/14	J. Schmidt	NO		\$1,098.72		2	\$1,098.72
8/7/14	C. Sesso	NO		\$7,917.29		2	\$7,917.29
FY Total			<u>\$0.00</u>	<u>\$12,075.00</u>	<u>\$0.00</u>		

Grand Total \$39,623.00 \$1,381,152.88 \$121,169.36 \$1,541,945.24

1. Administrator's vacation payout, paid pre-retirement date due to clerical error in violation of Board policy (TRS refused to correct mistake) (Total: \$121,169.36)
2. At time of retirement, employee was not in the SRB Program (Total: \$272,418.10)
3. This penalty was unavoidable due to the Collective Bargaining Agreement in place at the time the employee retired (Total: \$75,083.12)
4. Employee was in the SRB Program but retired early due to critical illness (Total: \$9,671.83)
5. Employee retired under the Early Retirement Option (Total: \$1,023,979.83)