

**North Santiam
School District**

Code: **CNB**
Adopted: 7/01/96
Readopted: 8/21/97

PERS Pick-Up for Certificated Administrators/Supervisory/Confidential Employees

Beginning with the September 1994 payroll, the district shall not pay the employee's contribution towards PERS (referred to as the PERS pick-up).

Effective January 1, 1995, for the limited purposes of Internal Revenue Code Section 414(h)(2) and related tax statutes, the employee's contribution to PERS, although paid by the employee, will be deemed picked up by the District as a pre-tax contribution as the term "picks up" is used in the Internal Revenue Code.

However, if this agreement is determined to be unlawful, ineffective or unenforceable by a final order of a court or agency of competent jurisdiction, and if such order requires any payment, by the district or repayment to District by one or more members of the District board or any officer or employee of district as a result of such determination, except for any amounts related to the employer taxes such as FICA and Medicare Contribution, and FUTA, SUTA and Workers Compensation, the District Employees shall defend, hold harmless and indemnify the District for such payment or reimbursement, including any ordered interest and penalties.

END OF POLICY

Legal Reference(s):