

CHAPTER 294

TEACHERS

Referred to in [§12B.10](#), [12B.10A](#), [12B.10B](#), [12B.10C](#), [97B.42C](#), [274.3](#), [279.46](#), [284A.8](#)

	SUBCHAPTER I	294.9	Fund.
	GENERAL PROVISIONS	294.10	Management.
294.1	Qualifications — compensation prohibited.	294.10A	Pickup of teacher assessments.
294.2	Reserved.	294.10B	Rights not transferable or subject to legal process — exceptions.
294.3	State aid and tuition.	294.11	Termination resolution adopted.
294.4	Daily register.	294.12	Pension fund held for survivors upon termination.
294.5	Reports.	294.13	General fund replacements.
294.6	and 294.7 Reserved.	294.14	Estimate of funds needed — levy.
		294.15	Retirement allowance — teachers who retired before July 4, 1953. Repealed by 96 Acts, ch 1215, §59.
	SUBCHAPTER II		
	PENSION AND ANNUITY RETIREMENT SYSTEM		
294.8	Pension system.	294.16	Investment contracts.

SUBCHAPTER I

GENERAL PROVISIONS

294.1 Qualifications — compensation prohibited.

1. A person shall not be employed as a teacher in a public or accredited nonpublic school without having a certificate issued by some officer duly authorized by law.

2. Compensation shall not be recovered by a teacher for services rendered while without such certificate.

[R60, §2062; C73, §1758; C97, §2788; C24, 27, 31, 35, 39, §**4336**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §294.1]

[2018 Acts, ch 1026, §105](#)

294.2 Reserved.

294.3 State aid and tuition.

A school shall not be deprived of its right to be approved for state aid or approved for tuition by reason of the employment of any practitioner as authorized under [section 256.153](#).

[C24, 27, 31, 35, 39, §**4338**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §294.3]

[89 Acts, ch 265, §37](#)

294.4 Daily register.

Each teacher shall keep a daily register which shall correctly exhibit the name or number of the school, the district and county in which it is located, the day of the week, month, year, and the name, age, and attendance of each scholar, and the branches taught; and when scholars reside in different districts separate registers shall be kept for each district, and a certified copy of the register shall, immediately at the close of the school, be filed by the teacher in the office of the secretary of the board.

[R60, §2062; C73, §1759, 1760; C97, §2789; C24, 27, 31, 35, 39, §**4339**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §294.4]

294.5 Reports.

The teacher shall file with the school superintendent and the director of the department of education such reports and in such manner as may be required.

[C97, §2789; C24, 27, 31, 35, 39, §**4340**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §294.5]

[85 Acts, ch 212, §21](#)

294.6 and 294.7 Reserved.

SUBCHAPTER II

PENSION AND ANNUITY RETIREMENT SYSTEM

294.8 Pension system.

A school district located in whole or in part within a city having a population of twenty-five thousand one hundred or more may establish a pension and annuity retirement system for the public school teachers of such district. However, in cities having a population less than seventy-five thousand, establishment of the system shall be ratified by a vote of the people at a regular school election.

[C24, 27, 31, 35, 39, §4345; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §294.8]

[2009 Acts, ch 57, §79](#)

Referred to in [§294.11](#), [294.12](#)

294.9 Fund.

The fund for such retirement system shall be created from the following sources:

1. From the proceeds of an assessment of teachers in the school district not exceeding one percent of their salaries in a given school year, or such greater percentage as the board of directors of such school district may authorize and a majority of such teachers shall, at the time of such authorization by the board, agree to pay.

2. From the proceeds of an annual tax levy.

3. From the interest on any permanent fund which may be created by gift, bequest, or otherwise.

[C24, 27, 31, 35, 39, §4346; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §294.9]

Referred to in [§294.10A](#), [294.11](#)

294.10 Management.

The board of directors of the school district shall constitute the board of trustees and shall formulate the plan of the retirement; and shall make all necessary rules and regulations for the operation of said retirement system.

[C24, 27, 31, 35, 39, §4347; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §294.10]

Referred to in [§294.11](#)

294.10A Pickup of teacher assessments.

1. Notwithstanding [section 294.9](#) or other provisions of [this chapter](#), for federal income tax purposes beginning January 1 following the submission by a board of trustees of an application to the federal internal revenue service requesting qualification of a plan in accordance with the requirements of the Internal Revenue Code, as defined in [section 422.3](#), and for state income tax purposes beginning January 1, 1999, or January 1 following an application for qualification, whichever is later, teacher assessments required under [section 294.9](#) which are picked up by an employing school district shall be considered employer contributions for federal and state income tax purposes, and each employing school district establishing a pension and annuity retirement system pursuant to [this chapter](#) shall pick up the teacher assessments to be made under [section 294.9](#) by its employees commencing on the applicable date on which the assessments shall be considered employer contributions for income tax purposes under [this subsection](#). Each employing school district shall pick up these teacher assessments by reducing the salary of each of the teachers covered by [this chapter](#) by the amount which each teacher is required to contribute through assessments under [section 294.9](#) and shall pay to the board of trustees the amount picked up in lieu of the teacher assessments for recording and deposit in the fund.

2. Teacher assessments picked up by each employing school district under [subsection 1](#) shall be treated as employer contributions for federal and state income tax purposes only and

for all other purposes of [this chapter](#) shall be treated as teacher assessments and deemed part of the teacher's wages or salary.

[94 Acts, ch 1183, §64](#); [95 Acts, ch 67, §22](#); [98 Acts, ch 1174, §3, 6](#)

294.10B Rights not transferable or subject to legal process — exceptions.

The right of any person to any future payment under a pension and annuity retirement system established in [this chapter](#) shall not be transferable or assignable, at law or in equity, and shall not be subject to execution, levy, attachment, garnishment, or other legal process, or to the operation of any bankruptcy or insolvency law, except for the purposes of enforcing child, spousal, or medical support obligations, or marital property orders. For the purposes of enforcing child, spousal, or medical support obligations, the garnishment or attachment of or the execution against benefits due a person under such a retirement system shall not exceed the amount specified in 15 U.S.C. §1673(b).

[96 Acts, ch 1187, §79](#)

294.11 Termination resolution adopted.

The board of directors of any school district which has in operation the pension and annuity retirement system created pursuant to [sections 294.8 through 294.10](#) may terminate the system by adopting a resolution declaring the system terminated as of a date specified in the resolution.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §294.11]

[2021 Acts, ch 80, §155](#)

Referred to in [§294.12](#)

294.12 Pension fund held for survivors upon termination.

1. In the event of such termination, all assessments of teachers shall cease upon such date of termination, or upon such earlier date as may be prescribed in such resolution, and no additional taxes shall be levied or assessed for the operation of such system, save as in [section 294.13](#). All undisposed of funds and accumulations derived from the operation of said system, including the proceeds, when collected, of any annual tax heretofore levied for the operation of said system, and including the proceeds of any annual tax levied hereafter pursuant to the provisions of [section 294.13](#), shall constitute a retirement liquidation fund. Such liquidation fund shall be held for the benefit of those surviving beneficiaries under such system as of said date of termination, and of members of such system as of the date of termination. There shall be set aside from such retirement liquidation fund an amount sufficient to provide for the payment of all surviving beneficiaries who shall be entitled to receive benefits under such system as of said date of termination, providing an actuarial computation has been made of the amount required to meet such benefit payments, providing the amount in the retirement liquidation fund is sufficient for this purpose, and the amount set aside shall be used for no other purpose than for the payment of claims to such beneficiaries. Any amount in excess of the actuarial equivalent of the sum required to pay such benefit payments shall be apportioned to persons who were as of the effective date of the termination of the system, members of such system, in proportion to the amount which the accumulated contribution of each such person bears to the total funds of such retirement system subject to such apportionment. Any member of such system as of the date of termination thereof, may, in lieu of receiving the cash refund of the member's share of the liquidation fund, elect to come under the coverage of any new pension and annuity retirement system established by the district, to which the member is eligible, with credits toward future benefits in consideration of the member's prior contributions and length of service, and may direct the transfer of the amount payable to the member to the assets of the new pension and annuity retirement system. In any case where the board of directors of a school district including a teachers retirement system established under the provisions of [section 294.8](#), whose members were not under coverage of the Iowa old-age and survivors' insurance system prior to May 1, 1953, the board of directors may authorize the payment from funds in excess of the actuarial amount estimated as required for the payment of benefits to persons entitled to them, and for the purpose of obtaining retroactive social security coverage from January 1, 1951, until the effective date of federal

coverage of Iowa public employees as provided by [chapter 97C](#). Each surviving beneficiary entitled to receive retirement benefits of the date of termination of the system will be entitled to receive retirement benefits at the time and in the amount in effect with respect to such beneficiary immediately prior to the date of termination.

2. In any school district which has pursuant to [section 294.11](#) terminated a previously existing pension and annuity retirement system and has after actuarial computation established a retirement reserve fund pursuant to [this section](#) in order to pay to surviving beneficiaries entitled to receive retirement benefits at the date of termination of said system in the amount in effect with respect to such beneficiaries immediately prior to the date of termination, the board of directors may authorize each and every payment to each surviving beneficiary falling due subsequent to June 30, 1971, to be increased by an amount to be determined by the board such increased payments to be paid from the retirement reserve fund according to an actuarial computation thereof plus such additional amounts transferred from the general fund as may be required. In order to provide the additional amounts required from the general fund for such increased payments, the board of directors may annually at the meeting at which it estimates the amount required for the general fund in accordance with [section 298.1](#) estimate such additional amount as an actuarial computation shall show is necessary from the general fund for the payment of such increased benefits for the current school year; provided the amount estimated and certified to be transferred from the general fund to the retirement reserve fund shall not exceed one and four-tenths cents per thousand dollars of the assessed valuation of the taxable property of the school corporation. The board of supervisors shall in accordance with the provisions of [section 298.8](#) levy the taxes necessary to raise the amount estimated by the board of directors as above provided and certified to the board of supervisors. Upon the death of the last beneficiary to survive, any balance remaining in said retirement reserve fund shall be transferred to the general fund of said school district.

3. Notwithstanding the provisions of [this section](#), the plan provisions of a pension and annuity retirement system of a school district established under [this chapter](#) regarding the determination and distribution of benefits upon termination of the retirement system shall be effective if the school district has received a favorable determination letter from the federal internal revenue service as to the qualified status of such retirement system under applicable provisions of the Internal Revenue Code.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §294.12]

[98 Acts, ch 1183, §109](#); [2017 Acts, ch 54, §76](#)

Referred to in [§294.14](#)

294.13 General fund replacements.

The board of directors of said district shall each year at the meeting at which it estimates the amount required for the general fund, in accordance with the provisions of [section 298.1](#), estimate the additional amount, if any, necessary to provide the required annual payments to surviving beneficiaries, which amount shall be levied by the board of supervisors in accordance with the provisions of [section 298.8](#). Upon the death of the last beneficiary to survive, any balance remaining in said fund, including any undisposed of accumulations, shall be transferred to the general fund of said school district.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §294.13]

Referred to in [§294.12](#)

294.14 Estimate of funds needed — levy.

The board of directors of said district shall annually, for a period of five years after the effective date of the termination of its pension system, at the meeting at which it estimates the amount required for the general fund, in accordance with the provisions of [section 298.1](#), estimate the additional amount if any necessary to pay to participants in the pension system who are not entitled to receive benefits under such system at the date of termination thereof, one-fifth of the amount paid into said pension fund by such participants therein, without interest, which amount shall be levied by the board of supervisors, in accordance with provisions of [section 298.8](#) and, in addition thereto, the board of directors of said district

shall each year at the meeting at which it estimates the amount required for the general fund, in accordance with the provisions of [section 298.1](#), estimate the additional amount, if any, necessary to provide the required annual payments to surviving beneficiaries of said pension system, as provided in [section 294.12](#), which amount shall be levied by the board of supervisors, in accordance with the provisions of [section 298.8](#). Upon the death of the last beneficiary to survive, any balance remaining in said fund, including any undisposed of accumulations, shall be transferred to the general fund of said school district.

[C54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §294.14]

[2017 Acts, ch 29, §84](#)

294.15 Retirement allowance — teachers who retired before July 4, 1953. Repealed by [96 Acts, ch 1215, §59](#).

294.16 Investment contracts.

1. The school district may establish a plan, in accordance with section 403(b) of the Internal Revenue Code, as defined in [section 422.3](#), for employees, which plan shall consist of one or more investment contracts, on a group or individual basis, acquired from a company, or a salesperson for that company, that is authorized to do business in this state.

2. The selection of investment contracts to be included within the plan established by the school district shall be made either pursuant to a competitive bidding process conducted by the school district, in coordination with employee organizations representing employees eligible to participate in the plan, or pursuant to an agreement with the department of administrative services to make available investment contracts included in a deferred compensation or similar plan established by the department pursuant to [section 8A.438](#), which plan meets the requirements of [this section](#). The determination of whether to select investment contracts for the plan pursuant to a competitive bidding process or by agreement with the department of administrative services shall be made by agreement between the school district and the employee organizations representing employees eligible to participate in the plan.

3. The school district may make elective deferrals in accordance with the plan as authorized by an eligible employee for the purpose of making contributions to the investment contract on behalf of the employee. The deferrals shall be made in the manner which will qualify contributions to the investment contract for the benefits under section 403(b) of the Internal Revenue Code, as defined in [section 422.3](#). In addition, the school district may make nonelective employer contributions to the plan.

4. As used in [this section](#), unless the context otherwise requires, “*investment contract*” shall mean a custodial account utilizing mutual funds or an annuity contract which meets the requirements of section 403(b) of the Internal Revenue Code, as defined in [section 422.3](#).

[C66, 71, 73, 75, 77, 79, 81, §294.16]

[86 Acts, ch 1213, §7](#); [88 Acts, ch 1112, §701](#); [94 Acts, ch 1183, §65](#); [2008 Acts, ch 1171, §65, 68](#)