



Professional Fund Questions & Answers

Here's everything you need to know about the Professional Fund!

Soon you'll be receiving a form from the district asking you to let them know how you'd like your Professional Fund distributed. We thought we'd take this time to answer the most commonly asked questions about the fund. It's important for you to read and save this sheet for future reference.

Q. What is the Professional Fund?

A. Each full-time employee covered under the LWEA contract receives \$2,000 per year to use at their discretion for professional purposes.

Q. What uses of the fund qualify for these purposes?

A. The fund can be used for anything that is professionally related to your job. Some examples are:

- Tuition, clock hours, workshop/conference fees and materials (no subs, hotel, or travel)
- Home DSL/high speed internet service/cell data
- Memberships to professional organizations
- Subscriptions to professional publications
- Classroom materials
- Repayment of student loans incurred after employment
- Other items that are related to your current or potential assignment

Q. Can I take the money as salary?

A. Yes. You can choose salary in increments of \$250 for a half-day of work you perform outside of the contractual work day. This work can be performed at any place, any time, and in any increment of time.

Q. How about a combination of salary and non-salary?

A. That's possible, too. You can split the fund between salary and non-salary items, as long as you do so in \$250 increments.

Q. What's the benefit of taking it as non-salary?

A. Whatever amount you take as non-salary is tax-free. Therefore, you get the full amount of money without any deductions.

Q. Can you give me an example of this?

A. Sure. Let's say you're charged \$35 per month for high-speed internet. That amounts to \$420 per year. If you spend another \$80 on classroom materials, that adds up to \$500. If you take that \$500 from your Professional Fund as non-salary, you'll get the full \$500. If you take it as salary, though, you'll only get about \$350 after taxes are taken out. So, you can see how it makes a lot of sense to take whatever you can in tax-free dollars.

Q. Is there any time when it's better to take it as salary?

A. Two occasions come to mind. If you're close to retirement and you think this year might be a year that'll be used to calculate your retirement benefit, then you absolutely should take your entire fund in salary. The other time would be if you don't think you'll spend all the money on materials and other items. You should only select the amount of non-salary money that you're sure you're going to spend on professional expenses.



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Q. What if I select money for materials and I don't spend all of it?

A. You will have to either spend the money on professional items, or return the unspent money to the district. So, it's really important to select an amount you know you're going to spend.

Q. Can I change my mind later in the year once I make my selection?

A. No. You need to make a final decision by October 13 as to how you want your fund paid to you.

Q. If I purchase instructional materials, who owns them?

A. The District. Otherwise, the IRS would tax you on their value. You can take the items with you to another building in the district as long as they are not permanently affixed, or are part of a bigger whole that would cause a hardship if your piece was removed. (This would be in situations when teachers pool their money to make a large purchase.)

Q. What about using the fund to buy tech equipment, such as a laptop?

A. You definitely can do this. The items must be from the district's approved list, however, and will be owned by the district. You can use the items at home and keep them for as long as you're employed by the district, but you'll need to leave them behind if you leave the district.

Q. Do I have to save receipts for purchases?

A. Yes. Also, the state auditor prohibits personal items from being on the same receipts as those you turn in

for your Professional Fund. When you are shopping, make sure you get separate receipts for your personal and professional purchases. You'll be asked to turn in all your receipts once you've spent all the money, but no later than May 31, 2018.

Q. How do I get receipts for high-speed internet when it's on my phone or cable bill?

A. Save the part of the bill each month that shows the amount for internet or if you have a bundled plan, divide the total amount by 2 or 3 (depending on the number of services you have bundled), highlight those sections, and send the monthly statements in with your receipts by May 31, 2018.

Q. When can I start spending money on materials and other items?

A. Any expenses incurred from June 1, 2017 through May 31, 2018 qualify for the fund.

Q. What if I have further questions?

A. As always, feel free to e-mail or call us in the LWEA office. We'll be happy to help!



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