

Important Announcement: PEHP Plan Changes!

Dear PEHP Plan Participant,

Several years ago the Cedar Rapids Education Association and the Cedar Rapids School District implemented a funded plan that allowed employees to pay for medical insurance premiums and other medical-related expenses tax-free upon separation of service. In response to concerns regarding service, investment performance and fees, we are pleased to announce an improvement in the plan by changing the plan administrator and investment offerings.

The district and teacher's association, with the assistance from our UniServ Unit, have selected the following new partners:

NIS (National Insurance Services) will be the "face" of the plan, providing onsite service and support. NIS will also coordinate the activities of the following organizations:

- MidAmerica (MidAmerica Administrative & Retirement Solutions, Inc.), the plan administrator
- AUL (American United Life), the investment provider

We chose these new partners because we believe that the service NIS will provide to the district and our employees will be superior to what we are currently receiving. It is our intention to provide ongoing, onsite communication focusing on the benefits of the plan and participant investment options. Additionally, the overall administration fees charged by MidAmerica are less than what we are currently paying, and the current rate of return on the fixed interest account is considerably higher.

For those employees utilizing variable investments, a peer review and analysis was performed by an independent agency to select funds that will be similar to your current selection. Mapping from the existing funds to the new funds went beyond "best match" investment category to "best in class" category. *Please see the attached investment sheet for details.*

The movement of all funds is scheduled to take place on June 1, 2010. ***There will be a "blackout" period from May 21 – June 4, 2010, during which time your account will be frozen and you will not be allowed to make investment changes nor account deposits. Also, reimbursements will not be made for non-active employees or retirees that have access to funds.*** This "blackout" period is typical and necessary for the orderly transfer of funds to the new plan administrator. The current plan administrator (Nationwide) has agreed to forward requests that cannot be processed prior to May 21 to MidAmerica to be processed after June 4th.

More plan and transition detail will be communicated to active employees, non-active employees, and retirees in a number of ways including direct mail, e-mail and the district's web page. **However, no communication method will be more important than attending a group meeting.** Please see the attached schedule for meeting times. The meetings will not exceed 30 minutes. The formal presentation portion of the meeting will be less than 20 minutes with group questions the remainder of the time. The presenters will remain for individual questions, and will be available throughout the transition via phone or e-mail.

Thank you.

PEHSP, Post Employment Health Savings Plan Information Sheet

Administrative Fees

The \$30 per year participant administration fee has been modified. It is replaced with a \$20 annual administrative fee. This fee ceases when a participant leaves employment or retires.

Participants eligible to access funds for reimbursement of eligible medical expenses and premiums will be charged a \$5 per reimbursement claim fee up to a maximum of \$30 a year. To reduce fees and maximize interest, one claim can be made for the entire year for only \$5.

Fixed Interest Investment and Asset Based Fees

The new AUL Fixed Account will automatically replace the Nationwide Fixed Account. The .50% (one-half of one percent) annual asset-based fee that was taken out of the fixed-interest investment account balance **has been eliminated**. This will improve the net rate of return on the fixed investment, currently set at no less than 3.50%* for 2010.

New Investment Options

Please refer to the attached fund-mapping schedule to see the new investment line-up. Your existing funds will move from Nationwide to the corresponding AUL fund. You can change your investments with Nationwide up until the blackout period of May 21, 2010. A prospectus for all available new investments is available at www.midamerica.biz/agents-and-alliance-partners: click on *AUL Prospectus* in the middle left side of the page. No investment changes will be processed during the blackout period from May 22 through June 4.

Thereafter, investment changes can be processed through MidAmerica. You may visit their website at www.midamerica.biz to acquire an investment change form or contact their customer service department at 800-430-7999. You must log on as a Participant to make investment selection changes or to generate an Investment Change and Transfer Form that has been customized for Cedar Rapids Community Schools (refer to Forms and Account Information Online). NIS will also be conducting meetings this fall that focus on the investment opportunities available to you. Changes can be made at that time as well.

Claims Submissions (only applies to non-active employees and retirees)

Automated claims payments that were processed by Nationwide will continue with MidAmerica beginning in June with no action necessary on your part. For all other claims, the cut-off for sending claims to Nationwide is May 21. Thereafter, all claims should be submitted to MidAmerica. A claims submission form is available through our secure website at www.midamerica.biz, or by calling our customer service department at (800) 430-7999.

After the Transition

On or about June 15, 2010, you will receive a packet of information from MidAmerica. It will consist of an account balance statement, plan highlights sheet, contact information and instructions on how to access your account via their web site. Thereafter, Mid America will mail you quarterly statements.

*Fixed interest accounts are not FDIC insured and are based on the claims paying ability of the investment provider.

Forms and Account Information Online

After the blackout period you can access additional information about your account balance, print custom statements, make investment changes and access forms via MidAmerica's website www.midamerica.biz

General information about your PEHSP, also referred to as a HRA

Left click on the upper center "Participants"

Left click on the lower right "HRA, Health Reimbursement Arrangement"

Left click in the middle "Download Forms (and information)"

Specific account Information about your PEHSP, also referred to as a HRA

Home page "Employer/Participant Log In"

Your Social Security (SS) number is your temporary user name.

The last 4 digits of your SS number is your temporary password.

You will be asked to change your temporary user name and password.

Once logged on, you will be able to view account balance information and specific plan information. You may make investment selection changes directly on the site or print an Investment Change and Transfer form located under "Forms."

If you experience any problems contact customer service at:



MidAmerica

Administrative & Retirement Solutions, Inc.

211 E. Main St., Ste. 100

Lakeland, FL 33801

(800) 430 - 7999

(863) 688 - 4200 fax

Prior to June 1, 2010 for general information and for individual investment support thereafter, please contact Steve Ott at NIS, sott@nisbenefits.com or 800-597-2341.

Investment Options / Mapping Schedule



| Nationwide Predecessor Funds | Morningstar Category | New AUL Replacement Funds | Morningstar Category |
|-----------------------------------|-------------------------|---|-------------------------|
| NW Fixed Account | Fixed Interest | AUL Fixed Account | Fixed Interest |
| NW Money Market Prime | Cash | OneAmerica Money Market (AB) | Cash |
| | | | |
| PIMCO Total Return | Intermediate-Term Bond | PIMCO Total Return (O4) | Intermediate-Term Bond |
| | | | |
| NW Inv Dest Aggressive | Large Blend | American Century Strategic Allocation - Aggressive (MK) | Large Growth |
| NW Inv Dest Moderate Aggressive | Large Blend | OneAmerica Asset Director (A9) | Moderate Allocation |
| NW Inv Dest Moderate | Moderate Allocation | American Century Strategic Allocation - Moderate (MM) | Moderate Allocation |
| NW Inv Dest Moderate Conservative | Conservative Allocation | Russell Lifepoints Conservative Strategy (Y1) | Conservative Allocation |
| NW Inv Dest Conservative | Conservative Allocation | Russell Lifepoints Conservative Strategy (Y1) | Conservative Allocation |
| | | | |
| Van Kampen Growth & Income | Large Value | American Century Equity Income (MD) | Large Value |
| NW Fund D | Large Blend | American Funds Fundamental Investors (8C) | Large Blend |
| NW S&P 500 Index | Large Blend | State Street Equity 500 Index (X3) | Large Blend |
| American Century Ultra | Large Growth | Alger Capital Appreciation (R6) | Large Growth |
| | | | |
| Goldman Sachs Mid Cap Value | Mid-Cap Value | Goldman Sachs Mid Cap Value (94) | Mid-Cap Value |
| NW MidCap Market Index | Mid-Cap Blend | State Street MidCap 400 Index (X4) | Mid-Cap Blend |
| American Century Vista | Mid-Cap Growth | American Century Heritage (ME) | Mid-Cap Growth |
| | | | |
| Dreyfus Small Cap Value | Small Value | American Century Small Cap Value (MJ) | Small Value |
| NW Small Cap Index | Small Blend | State Street Russell 2000 Index Strategy (X5) | Small Blend |
| Fidelity Adv Small Cap | Small Growth | Fidelity Advisors Small Cap (EE) | Small Growth |
| | | | |
| JP Morgan International Equity | Foreign Large Blend | American Funds Europacific Growth (82) | Foreign Large Blend |
| Oppenheimer Global | World Stock | Oppenheimer Global (64) | World Stock |
| | | | |

Post Employment Health Savings Plan Employee Meeting Schedule

Note: Your administrative office will announce the exact time and location within your school building for the following meetings.

Elementary Schools

| Date | Time | School |
|----------------|----------------|----------------|
| 5/10 Monday | 3:45 - 4:15 pm | Arthur (E) |
| 4/21 Wednesday | 8:10 - 8:40 am | Cleveland (E) |
| 4/21 Wednesday | 8:10 - 8:40 am | Coolidge (E) |
| 4/20 Tuesday | 8:10 - 8:40 am | Erskine (E) |
| 5/5 Wednesday | 8:10 - 8:40 am | Garfield (E) |
| 5/11 Tuesday | 8:10 - 8:40 am | Gibson (E) |
| 4/20 Tuesday | 3:00 - 3:30 pm | Grant (E) |
| 4/27 Tuesday | 8:10 - 8:40 am | Grant Wood (E) |
| 4/27 Tuesday | 8:10 - 8:40 am | Harrison (E) |
| 4/21 Wednesday | 8:10 - 8:40 am | Hiawatha (E) |
| 4/28 Wednesday | 8:10 - 8:40 am | Hoover (E) |
| 5/7 Friday | 8:10 - 8:40 am | Jackson (E) |
| 5/10 Monday | 8:10 - 8:40 am | Johnson (E) |
| 5/1 Friday | 8:10 - 8:40 am | Kenwood (E) |
| 4/26 Monday | 8:10 - 8:40 am | Madison (E) |
| 5/4 Tuesday | 8:10 - 8:40 am | Monroe (E) |
| 5/5 Wednesday | 8:10 - 8:40 am | Nixon (E) |
| 4/29 Thursday | 8:10 - 8:40 am | Pierce (E) |
| 5/14 Friday | 8:10 - 8:40 am | Polk (E) |
| 5/13 Thursday | 8:10 - 8:40 am | Taylor (E) |
| 5/11 Tuesday | 8:10 - 8:40 am | Truman (E) |
| 5/4 Tuesday | 8:10 - 8:40 am | Van Buren (E) |
| 5/7 Friday | 8:10 - 8:40 am | Wright (E) |
| 5/12 Wednesday | 8:10 - 8:40 am | Wright (E) |

Middle Schools

| Date | Time | School |
|----------------|----------------|----------------|
| 4/20 Tuesday | 7:30 - 8:00 am | Franklin (MS) |
| 4/20 Tuesday | 3:00 - 3:30 pm | Franklin (MS) |
| 4/26 Monday | 3:00 - 3:30 pm | Harding (MS) |
| 4/28 Wednesday | 3:00-3:30pm | Harding (MS) |
| 5/11 Tuesday | 3:00 - 3:30 pm | McKinley (MS) |
| 5/13 Thursday | 3:00 - 3:30 pm | McKinley (MS) |
| 5/13 Thursday | 7:30 - 8:00 am | Roosevelt (MS) |
| 5/13 Thursday | 3:00 - 3:30 pm | Roosevelt (MS) |
| 5/4 Tuesday | 3:00 - 3:30 pm | Taft (MS) |
| 5/6 Thursday | 3:00 - 3:30 pm | Taft (MS) |
| 5/3 Monday | 3:00 - 3:30pm | Wilson (MS) |
| 5/5 Wednesday | 3:00 - 3:30 pm | Wilson (MS) |

Post Employment Health Savings Plan Employee Meeting Schedule

High Schools

| Date | Time | School |
|----------------|----------------|-----------------|
| 4/27 Tuesday | 3:05 - 3:30 pm | Jefferson (HS) |
| 5/6 Thursday | 7:15 - 7:45 am | Jefferson (HS) |
| 5/11 Tuesday | 7:30 - 7:55 am | Kennedy (HS) |
| 5/11 Tuesday | 2:55 - 3:25 pm | Kennedy (HS) |
| 5/12 Wednesday | 7:30 - 7:55 am | Washington (HS) |
| 5/12 Wednesday | 2:55 - 3:25 pm | Washington (HS) |

Other

| Date | Time | School |
|----------------|-----------------|---|
| 4/20 Tuesday | To be announced | AEC Blair's Ferry |
| 5/4 Tuesday | To be announced | Bertram-Four Oaks |
| 4/20 Tuesday | To be announced | CEC 1 st Ave |
| 4/26 Monday | To be announced | CITI- River Ridge Dr NE |
| 5/4 Tuesday | 3:00 - 3:30 pm | ESC |
| 5/10 Monday | 3:00 - 3:30 pm | ESC |
| 4/27 Tuesday | To be announced | Linn County Child Dev- 11 th St NW |
| 5/7 Friday | 1:00 - 1:30 pm | Metro (Alt. HS) |
| 4/27 Tuesday | To be announced | Phase program-D St SW |
| 4/21 Wednesday | 1:00 - 1:30 pm | <i>Retired Educators - Longbranch</i> |
| 4/26 Monday | 3:00 - 3:30 pm | St. Luke's Hosp (3:00) |
| 4/28 Wednesday | To be announced | Tanager Place-C Ave |
| 4/27 Tuesday | To be announced | Transition Center |

Please note: Dates and times were current at the time of printing, and are subject to change. Please see your administrator for announcements of exact times and location within your school building.