

EARLY RETIREMENT INCENTIVE PROGRAM- ADMINISTRATIVE PERSONNEL

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An early retirement incentive program is to serve the needs of the district as they may be related to productivity, salary expenditures, staff reductions and affirmative action opportunities. The decision to implement this policy will be made by the Board of Education. If this policy is not implemented by the Board of Education in any year, administrators have the option to retire under the early retirement incentive program made available to either UCTA or USPA employees if either are approved by the Board of Education.

While it is recognized that many long-term employees may be deserving of severance benefits, it is not possible to single out such individuals. Benefits that may come to an eligible employee are, in fact, incidental to the overall purpose of the program.

The provisions of this Early Retirement Incentive (ERI) program which are herein outlined are therefore purposely restrictive and intended to favor the needs of the district rather than the prospective retiree. Therefore, this policy will be implemented only for those years in which the Board of Education determines that the district's economic status would benefit from the program.

CONDITIONS FOR PARTICIPATION

- A. Applicants between the ages of 54 and 68 must be active employees with a minimum of 15 years creditable service under the Teachers Retirement System (TRS), with the last ten years of consecutive service as an employee of the Union Public Schools.
- B. The request to participate in the program must be received by the Human Resources Department not later than the first Monday in December. It is the employee's responsibility to confirm request was received by Human Resources by the first Monday in December. Contingent upon any necessary Board approval prior to the end of the fiscal year, the Superintendent may waive the provisions of this section if it is determined to be in the best interest of the district.
- C. The participant will be required to sign an ERI agreement outlining the terms and conditions of the ERI program. After signing the ERI agreement, the participant will have seven days in which to revoke the ERI agreement by submitting his/her intent to revoke, in writing, to the Human Resources Department (no later than seven days after signing the agreement). Once the seven days (after signing the agreement) have passed, the agreement to participate in the early retirement program is not revocable unless approved by the Superintendent for extenuating circumstances.
- D. Early retirement benefits are not retroactive, and this program's benefits will be subject to Board of Education approval for those employees who qualify and apply prior to the deadline. All applications submitted after the deadline will be considered on an individual basis.
- E. When deemed in the best interest of continued operations of the district, the Superintendent may extend/delay a participant's ERI start date and retirement date into the next fiscal year.
- F. In the event of death prior to the end of the maximum benefit period, all benefits will immediately cease, except payment of life insurance if such policy exists.
- G. All benefits will permanently and immediately cease if the retiree accepts employment in Oklahoma as an administrator or teacher in a public, private, or charter school serving any or all of grades pre-K through 12.
- H. In the event a participant becomes employed in a position that does not violate Section G above, where health insurance is provided as a benefit, the Union Public Schools' health care program will become the secondary carrier of health care benefits. Failure to notify the Union Public Schools' benefits office of health insurance provided by other employers will result in the revocation of all health care benefits provided by this program.
- I. In order to receive benefits under this policy, the participant must retire under TRS. All of these qualifications must be met by June 30 of the fiscal year in which the Administrator is requesting participation in the ERI program.

MINIMUM BENEFITS

- A. Insurance:
 1. District group health coverage for the retiree, up to the cost of the single PPO premium.
 2. District group dental coverage for the retiree.
 3. District group vision (exam only) coverage for the retiree.

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4. District group life insurance for the retiree.
5. The retiree shall have the option to continue dependent health, dental and vision insurance coverage that exists at the time of retirement. The cost of dependent coverage shall be the responsibility of the retiree.
6. The benefit package and premium for retiree and dependent coverage are subject to change annually but will reflect coverage that is available to all eligible employees of the school district.
7. Continuation of voluntary life insurance for the retiree and/or dependents will be offered as allowed by district insurance vendors.
8. At the point in time when an ERI participant/member qualifies for Medicare A and/or B, even if the member is still on ERI, district insurance will pay claims as secondary payer to Medicare Part A and Part B. Even if the member fails to enroll in Medicare Part A and Part B when he/she is eligible, the district's plan will pay only the portion of the claims it would owe as the secondary insurer.

Failure to sign up with the Social Security Administration for Medicare Part B when a member is eligible may result in a significant, lifetime Part B premium penalty imposed by Medicare regulations.

Although it is the responsibility of the member to investigate through the Social Security Administration the appropriate timing/forms/processes for signing up for the sections of Medicare available to the member, the district makes information available to any member who contacts the Human Resources Department for a referral to an appropriate Medicare advisor. As a general guideline, advice should be sought 60 to 90 days prior to turning age 65.

B. Monthly payments:

During the benefit period, a monthly payment of the greater of \$600 or 13% of the last year's base salary divided monthly will be made to the individual. All benefits terminate at the end of five years, upon the death of the retiree (see F above), or upon employment that violates Section G above, whichever comes first.

C. Other information:

In the year an administrator retires, his/her unused personal leave will be cancelled and lost as of the close of business on June 30.

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