

EARLY RETIREMENT INCENTIVE PROGRAM

To be eligible for the Early Retirement Incentive Program (ERIP) the following requirements must be met:

A. PLAN

1. On or before November 1st of each school year, the Board of Education may, in its sole discretion, elect to provide or decline to provide for ERIP to be available to teachers who agree to voluntarily terminate employment with the district at the end of the school year for which the Program or Plan is offered.

Modifications shall not affect employees currently participating in the plan.

2. The Board of Education, in the year selected by the Board, shall pay the entire cost of the Plan.

3. The Plan shall be administered by the Superintendent with approval by the Board of Education.

4. For purposes of this Program, a school year is defined as commencing September 1 of one year and terminating August 31 of the following year.

B. QUALIFICATIONS

1. Age of 55 - 65 years.

2. 20 years of continuous service to the Yutan School District. An authorized leave of absence without compensation, will not be counted toward service time but will not constitute a break in continuous service.

3. Limitation on Number of Participants: The Board of Education reserves the right to limit the number of participants based on financial requirements. The Board of Education shall allow up to three (3) eligible employees each fiscal year unless a different number is established by the Board prior to November 1st

a. Criteria for Selection:

First priority is for those individual(s) who applied previously for the ERIP and were not selected.

Second is granted to the individual with the highest scheduled salary.

Third priority shall be granted to the individual having the greatest number of years of service to the Yutan Public Schools.

C. BENEFITS - to be applied to a 403(b) annuity plan

All eligible salaried employees shall receive benefits according to the following schedule with a —maximum benefit equal \$20,000.00:

\$600.00 x Years of Service

1. Salary means final school years schedule salary but shall not include extra duty or extended contract pay.
2. Years - means consecutive years of full-time service.
3. Annual payment is the total benefit divided by the number of annual payments
4. Monthly payment is the total benefit divided by the number of monthly payments
5. An annual or a monthly payment schedule will be agreed upon between the employee and the superintendent.

D. OTHER CONDITIONS

1. If the employee dies before the payments have been made, but after approval of application for ERIP, the scheduled payments of the benefits due to the teacher will continue. The monthly payments shall be paid to the estate of the teacher or such beneficiary as the teacher shall designate. Any deviation of the payment plan must be approved by the Board of Education.

2. Upon ERIP, the departing teacher will be reimbursed for each leave day accumulated as prescribed in the negotiated agreement.

3. Following ERIP, participants may be eligible to continue their health, dental, and life insurance coverage; provided, however, the former employee pays the premiums and follows the rules set forth by the under writer and complies with the provision of COBRA or other applicable law.

E. PROCEDURE

1. When a teacher elects to participate in the Plan, an application shall be submitted to the Superintendent on or between November 1st and December 31st of the School Year at the end of which the teacher is originally eligible and elects to resign.

2. The application form to be submitted by the teacher shall be provided by the Superintendent.

3. The application shall include a written resignation in which the teacher resigns from the staff under the teacher's current contract at the end of the School Year.

4. The application and the resignation must be submitted to the Superintendent for approval. If the application and resignation are approved by the superintendent, both shall be submitted to the Board of Education for acceptance and authorization of the payment.

5. A teacher is not eligible to submit an application for the ERIP and receive payment if the teacher has received written notice of possible termination for reasons other than a reduction in force or has received written notice of possible cancellation of the teacher's contract; provided, however, the teacher shall be eligible if the teacher's contract is not canceled or terminated by the Board of Education or any decision of the Board of Education canceling or terminating the teacher's contract is subsequently set aside or otherwise reversed.

Adopted on: 9 - 2012
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