

4160.00 VOLUNTARY EARLY RETIREMENT INCENTIVE PROGRAM OF THE SOUTH CENTRAL NEBRASKA #5 UNIFIED SCHOOL DISTRICT

QUALIFICATIONS

- A. To be eligible to participate a person must be employed by South Central Nebraska Unified School District #5 as a certified teacher or administrator.
- B. Full time and part time certified employees may participate in the Voluntary Early Retirement Incentive Program. Part time certified employees must be employed half time or more to be eligible and credited with service.
- C. In order for a certified employee to be eligible for the Voluntary Early Retirement Incentive Program they must: (1) be fifty five (55) years of age on or before August 1st of the calendar year the application deadline of December 7 is to be meant; and have completed at least twenty (20) years of credited service to the South Central Nebraska Unified School District #5, including credited service to Clay Center, Guide Rock, Lawrence, Nelson, Sandy Creek, and Superior Public Schools. Certified employees who submit a resignation that is to be effective before the end of their last year of employment will not be eligible for the Program. Credited service shall be calculated on the yearly full time equivalency (F.T.E.).

ENROLLMENT REQUIREMENTS

- A. Participants in the Voluntary Early Retirement Incentive Program shall resign from their certified position with the South Central Nebraska Unified School District #5 effective for the end of the current contract year. The resignation and application for the Voluntary Early Retirement Incentive Program must be made by December 7 for the following year. The resignation shall be contingent upon the acceptance of the application for the Voluntary Early Retirement Incentive Program.
- B. The Superintendent shall deliver to all qualifying certified employees a copy of the Voluntary Early Retirement Incentive Program along with the Application and Agreement on or before December 1st preceding the February 1st application deadline. The Application and Agreement is attached hereto as Exhibit "A" and is incorporated herein by this reference.
- C. If the person participating in the Voluntary Early Retirement Incentive Program is reemployed by the South Central Nebraska Unified School District #5 as a certified employee to a position of .5 F.T.E. or greater within four (4) years of September 1st of the year in which said resignation is effective, said employee's payments will be frozen and maintained in the Employee Benefit Fund until said employee resigns from the District. The remaining payment schedule will then be implement under the former pay out schedule. This provision shall not apply to the person if serving as a substitute teacher for the school district on a per diem basis.

APPLICATION

Any certified employee who meets the qualifications set forth above shall be eligible to participate in the Voluntary Early Retirement Incentive Program. Each qualifying employee has until February 1st to submit a signed Application and Agreement along with a letter of resignation effective at the conclusion of the current contract year to the Board of Education via the Superintendent office. The Superintendent shall review the Application and Agreement to verify the employee's record to determine eligibility for the program. If eligible, the Board of Education of South Central Nebraska Unified School District #5 shall approve or disprove the Application and Agreement at the March Board Meeting. If the Board of Education believes that the number of requests for the Early Retirement Incentive Program exceeds the funds available to pay the requested and currently in effect Voluntary Early Retirement Incentive Program's separation benefits, the Board of Education shall, in its own discretion, determine the number of applications to be approved. If the Board of Education receives more applications for the program than it approves, the Board of Education shall approve the applications on the basis of the credited years of service of the applicants with the applicant having the greatest credited years of service receiving approval in preference to those with lesser credited years of service. If the affected certified employees have equal service, then the applicant who first submitted their application shall be given priority.

ELIGIBILITY OF EMPLOYEES RECEIVING NOTICE OF CHANGE IN CONTRACT, TERMINATION, CANCELLATION, OR REDUCTION IN FORCE

A certified employee who receives notice of possible contract termination or contract modification because of reduction in force, shall be eligible to participate in the Voluntary Early Retirement Incentive Program if: 1) the certified employee is otherwise eligible to participate in the Voluntary Early Retirement Incentive Program; 2) the certified employee submits to the Superintendent an application within seven (7) days after receiving notice of possible termination or modification of contract due to reduction in force; 3) the certified employee resigns their employment with the school district effective for the end of the current contract year; 4) the certified employee expressly waives their right to a hearing before the Board of Education concerning the possible termination or modification of contract due to reduction in force; 5) the certified employee waives any and all other rights they may have concerning the reduction in force, including, but not limited to, any and all recall rights.

If a decision by the Board of Education to terminate or cancel a certified employee's contract is subsequently set aside by a court of law, the certified employee shall be permitted to participate in the program if: 1) the Voluntary Early Retirement Incentive Program is not at a financial obligation capacity; 2) the certified employee is otherwise eligible to participate in the Voluntary Early Retirement Incentive Program; 3) the certified employee enters into an agreement in a form which is satisfactory to the school district, whereby the certified employee agrees to waive any claim to back pay or damages arising out of wrongful termination and/or cancellation of the certified employee's contract.

BENEFITS

A qualified certified employee shall receive a monetary benefit equal to \$1040.00 per year of service to the South Central Nebraska Unified School District #5 up to a maximum of \$26,000.00 (25 years).

The amount of the benefit to be paid to the qualified certified employee shall be paid in four equal payments. Those four equal payments will be made on September 15 of the first year, September 15 of the second year, September 15 of the third year, and September 15 of the fourth year.

The South Central Nebraska Unified School District #5 shall fund the entire cost of the Voluntary Early Retirement Incentive Program. The Board of Education shall, through the Superintendent, administrate the Voluntary Early Retirement Incentive Program.

The certified employee shall name a beneficiary on the application before the application is considered complete. If, upon the death of the certified employee and prior to the full yearly benefit payout, the beneficiary shall receive the remaining benefits as scheduled each of the remaining years.

The Voluntary Early Retirement Incentive Program has been determined to be taxable income for state and federal income tax purposes, and will be treated as such. To provide a tax deferred program the South Central Nebraska Unified School District #5 has selected Waddell & Reed as the fiscal agent for all retirees of this program. Each retiree will select a tax deferred account at Waddell & Reed. All benefit payments will be made to the retiree via their account at Waddell & Reed.

A retired employee will have the opportunity to continue participation in the school District's group health insurance benefit plan pursuant to the provisions of COBRA (Comprehensive Omnibus Budget Reconciliation Act) following retirement upon payment by the employee of the monthly insurance premiums or by becoming life members in their professional organization and participating in the retiree EHA health/dental plan.

MODIFICATION OR ELIMINATION OF THE PROGRAM

The Board of Education of the South Central Nebraska Unified School District #5 may choose to modify or eliminate the provisions of the program upon majority vote of the board at a Regular or Special Board Meeting.

VOLUNTARY EARLY RETIREMENT INCENTIVE PROGRAM APPLICATION AND AGREEMENT

This Agreement made this _____ day of _____, 20__ , between

South Central Nebraska Unified School District #5 (hereinafter referred to as "School District") and

_____ (hereinafter referred to as "Teacher").

RECITALS

A. The School District has established a Voluntary Early Retirement Incentive program (hereinafter referred to as the "Program") for the purpose of encouraging eligible certificated employees who are considering an early leaving decision to accelerate their retirement plans;

B. The Teacher is desirous of voluntarily participating in the Program sponsored by the School District; and

C. The Teacher is fifty five (55) years of age by August 1st of the calendar year the application deadline of December 7; the Teacher has completed at least 20 years of credited service to the School District; and the Teacher has been continuously employed by the School District with an F.T.E. of a least .5 preceding the date on which this application is submitted.

TERMS OF AGREEMENT

The parties to this agreement, in consideration of the mutual covenants and stipulations set forth above, hereby agree as follows:

1. INCORPORATION OF BOARD POLICY: This agreement is made pursuant to the policy of the Board of Education dealing with the Voluntary Early Retirement Incentive Program, a true and correct copy of which is attached hereto. The provisions of that policy are incorporated by this reference and made part of this agreement.

2. TEACHER RESIGNATION: The Teacher hereby voluntarily, unconditionally, and irrevocably (1) resigns their teaching position with the School District effective at the end of the current school year; (2) waives any and all further notice of action by the Board of Education to terminate the Teacher's continuing contract; and (3) waives any and all rights the Teacher may have under NEB. REV. STAT. 79-817 to 79-849, as those statutes now exist or as they may be amended. The Teacher further authorizes the Board of Education to advertise for and contract with a replacement certificated employee for the Teacher's position for the next school year, if appropriate. The School District hereby unconditionally and irrevocably accepts such resignation.

3. EARLY RETIREMENT BENEFITS: In consideration for the Teacher's resignation set forth in Paragraph 1 above, the Teacher shall receive the following benefits, to wit:

(a) COMPUTATION OF BENEFITS: The Teacher's retirement benefit sum will be \$ _____, which was calculated based on the following formula, to wit:

(b) PAYMENT OF BENEFITS: The benefits to be paid shall be paid in four equal payments beginning on September 15, 20____, and continuing on September 15 of each year thereafter for an additional three years.

4. LIMITATIONS ON PARTICIPATION: The teacher understands that the Board of Education reserves the right to limit participation in the Program. If the Board believes that the number of requests for early retirement exceeds the funds available to pay the requested early retirement separation benefits, the Board shall, in its own discretion, determine the number set forth in the Board policy dealing with the Voluntary Early Retirement Incentive Program.

5. BENEFICIARY DESIGNATION: The Teacher hereby designates

_____, whose address is

Social Security Number is _____, to be the Teacher's beneficiary in case of the Teacher's death. In the event of the Teacher's death, any sum of money otherwise due to the Teacher under the terms of this agreement will be paid to the designated beneficiary pursuant to the provisions of this agreement.

6. TAX CONSEQUENCES: The Voluntary Early Retirement Incentive Program has been determined to be taxable income for state and federal income tax purposes, and will be treated as such. To provide a tax deferred program the South Central Nebraska Unified School District #5 has selected Plan Services as the fiscal agent for all retirees of this program. Each retiree will select a tax deferred account at Plan Services. All benefit payments will be made to the retiree via their account at Plan Services.

7. TEACHER'S VOLUNTARY ACT: The Teacher acknowledges that the Teacher's participation in said program is voluntary; and that the Teacher was not coerced in any manner to participate in the Program sponsored by the School District.

8. WAIVER AND RELEASE OF CLAIMS: By entering into this Agreement, the Teacher hereby waives the Teacher's rights under the Age Discrimination in Employment Act (ADEA), the Older Workers Benefit Protector Act (OWBPA), 29 U.S.C. 621-634, the Act Prohibiting Unjust Discrimination in Employment Because of Age, NEB. REV. STAT. 48-1001 et seq., and all other state and federal constitutions, statutes and regulations that relate to the validity of the Program, or any rights or claims arising there under. Such waiver and release of claims does not cover rights or claims arising after the date of the execution of this contract. This waiver and release is given in exchange for consideration in addition to what the Teacher is already entitled to receive from the School District. The Teacher acknowledges that they have been advised to consult with an attorney before signing this Voluntary Early Retirement Incentive Program Agreement. The Teacher further acknowledges that the Teacher has had sufficient time to decide whether or not to execute this Agreement, including the waiver and release of claims arising under the ADEA and the Act Prohibiting Discrimination in Employment Because of Age.

9. REVOCATION AND CANCELLATION OF AGREEMENT: The Teacher and the School District acknowledge that the Teacher may cancel this contract at any time on or before December 7 of the current school year. In order to cancel the agreement, the Teacher must submit a written statement in writing to the Superintendent of Schools indicating that they are exercising their right to cancel the Agreement.

Dated: _____

Teacher _____

Dated: _____

Board President _____
South Central Nebraska Unified School District #5

POLICY ADOPTED: August 2000
POLICY REVISED: December 2001, November 2007, March 2008, April 2010,
October 2010, November 2012
POLICY RESCINDED: March 2020