

## VOLUNTARY EARLY RETIREMENT PROGRAM

### A. Purpose

The Gilbert Community School District offers a voluntary early retirement plan to its employees that provides an incentive which allows an orderly means of attrition of employees and provides an estimated cost savings to the District. It also recognizes employees for service to the District.

### B. Eligibility

The voluntary early retirement plan applies to all employees employed on regular (not substitute) contracts. Requirements for application and provisions of this policy are as follows:

- The employee must submit a written letter of resignation effective at the end of the contract year,
- The employee must be at least fifty-five (55) years of age on June 30 of the year in which the employee wishes to retire, and
- The employee has been employed with the Gilbert Community School District for at least twelve (12) consecutive years immediately prior to June 30 of the year in which the employee wishes to retire. (Employees whose initial contract begins on or after July 1, 2006 must be employed for at least fifteen (15) years to be eligible for the early retirement plan). Time on extended unpaid leave is not counted towards the required years of service, but will not break years of service. If an employee previously received voluntary early retirement payments from the District and then was rehired, the employee is not eligible to again receive payments under this plan. An employee who has been on extended unpaid leave of absence for more than the calendar year immediately prior to retirement shall not be eligible for benefits.
- Effective with the 2010-2011 school year, a maximum of five employees will be approved for early retirement. Applications will be accepted on a first come, first serve basis, with the date and time of each request recorded upon receipt. In the event that two or more applications are received at the same time and those applications exceed the number of applications allowed, the advantage will be given to the employee with the greatest seniority in the district.

### C. Application and Resignation

An eligible employee must make application for early retirement benefits no earlier than October 1, and no later than January 15, immediately prior to the date of retirement, to be considered for the voluntary early retirement plan. The application shall be made on a form provided by the District and shall be submitted to the Superintendent. The Board of Directors reserves the right to determine the number of early retirement requests to be approved. The Board of Directors shall have the discretion to approve or disapprove any and all applications for early retirement benefits.

The eligible employee shall submit a resignation from all contracts with the Gilbert Community School District effective at the end of the contract year, which resignation may be contingent upon the Board approving the application for early retirement benefits. Approval of the request for early retirement benefits will be considered acceptance of the employee's resignation and will constitute a voluntary termination of all of the employee's contracts with the District.

#### D. Voluntary Early Retirement Benefits

An employee granted voluntary early retirement benefits will receive Special Pay 403b payment of forty-eight percent (48%) of the employee's regular contracted salary (Schedule A for teachers) from the last year of employment, exclusive of extended contract pay, Teacher Salary Supplement pay, supplemental pay, teacher quality pay, over-time pay, and other such salary or wages. Benefit will be distributed in the month of July following the commencement of retirement.

In the event of the death of the employee prior to receipt of benefits from the District, but after the employee's retirement has begun, the benefit will be paid to the employee's estate. The District shall not distribute benefit if the employee dies before the date of the employee's effective date of resignation even though the early retirement may have been approved.

An employee covered by a District health and dental insurance plan on the last day of employment prior to retirement may continue his/her participation in the district's health and dental insurance program at their own cost until age of Medicare eligibility.

Payments by the District towards health and dental insurance shall cease upon the earliest of (1) the employee fails to make payment for the balance of any premium costs for coverage; or (2) the employee dies; or (3) the employee becomes eligible for Medicare due to his/her age, disability, or other reason (even if he/she does not apply for Medicare).

The District may change carriers, deductibles, maximum out of pocket expenses and other features at its discretion at any time following the employee's retirement.

#### E. No Vesting

The adoption of this voluntary early retirement plan shall not vest any right in any employee whether or not the employee is currently eligible for early retirement. The Board shall have the complete discretion to amend or repeal this program at any time and shall not be obligated to provide any benefits to any employee after the date of such amendment or repeal, except to those employees whose early retirement pursuant to this program has commenced prior to the amendment or repeal.

Legal Reference: 29 U.S.C. §§ 621 *et seq.* (2012).  
Iowa Code §§ 97B; 216; 279.46; 509A.13 (2013).  
1978 Op. Att'y Gen. 247.  
1974 Op. Att'y Gen. 11, 322.

Cross Reference: 407.3 Licensed Employee Retirement  
413.2 Classified Employee Retirement

Approved: July 1, 1993  
Revised: December 14, 1998  
Revised: June 9, 2004  
Revised: June 20, 2006  
Revised: November 9, 2009  
Reviewed: August 9, 2010  
Revised: July 21, 2014  
Reviewed: January 11, 2016  
Reviewed: July 9, 2018