

## Voluntary Longevity Incentive Program

The Board of Education has determined that it is a significant benefit to school employees to offer a longevity incentive program.

Eligible employees who elect to participate in the voluntary program shall be awarded a longevity incentive in accordance with the terms and conditions of this policy.

### Eligibility requirements

1. The employee must be actively employed by the district on a full-time basis at the time of electing to participate in the voluntary program.
2. The employee must have a minimum of fifteen (15) years of full-time service in the district, the last ten (10) years must be consecutive and uninterrupted service to the district. Approved leaves of absences are not an interruption of service.
3. Years of service shall be calculated as "school years" during which the employee was employed on a full-time, continuous basis.

### Incentive disbursement

An employee who has a letter of resignation and letter of application to participate in the voluntary program on file by March 1 and meets all the requirements for participation in the voluntary program shall be entitled to an incentive disbursement based upon the following schedule:

| <u>Years of Service</u> | <u>Percentage of the Individual's Current Base Salary</u> |
|-------------------------|---|
| 15 to 19                | 30  |
| 20 to 24                | 40  |
| 25 and over             | 50  |

1. The incentive disbursement shall be paid during the month of January in the year following the year of resignation and approved longevity incentive.
2. The incentive disbursement will be based upon the base salary listed or computed from the appropriate salary schedule or contracted annual rate of the employee and shall not include pay for extra performance, overtime, activities, special assignment pay, stipend payment, etc., or any other employee benefits.
3. The incentive disbursement will be a payment of the full amount of the incentive. No deductions will be made for taxes or any other withholding with the exception of

Medicare. The employee will be responsible for the payment of all taxes, which accrue by reason of the incentive disbursement.

4. No payment of benefits shall be made by the district in the event of the death of an active employee prior to the actual resignation date. In the event of an employee's death prior to having received full payment, the employee's beneficiary will receive 100 percent of the remaining benefit. Any remaining payments shall be made in accordance with the incentive disbursement schedule.

### **General Conditions**

1. Application shall be made in writing and filed with the Superintendent or designee no later than March 1 of the school year in which participation in the voluntary program is being requested.
2. An application shall be effective on July 1 of the year in which application is made.
3. The applicant must continue in the employment of the district through the school year of the year in which application is made. Failure to remain employed through the entire school year shall negate the application and the applicant shall receive no benefits under this longevity incentive program.
4. Participation in the voluntary program shall become effective upon approval by the Board and acceptance of the employee's resignation. The superintendent or designee shall review all requests for participation in the longevity incentive program.
5. Approved requests for the incentive disbursement shall be irreversible as of the effective date of the employee's resignation.
6. This policy shall not be applicable to any employee terminated for cause.
7. Any changes in the benefits provided by this voluntary program made by the Board shall not apply retroactively to individuals already receiving longevity incentive benefits unless specifically provided for in the revision of the longevity incentive program made by the Board.
8. Any change in employee benefits as may be deemed appropriate by the Board shall not apply to any employee currently receiving the longevity incentive benefits.
9. The decision of the Board shall be final in interpreting this policy.
10. The Board reserves the right to review the feasibility and cost effectiveness of this policy and program on an annual basis. Any change in the policy, program, or

incentive disbursement schedule shall be made by December 1 to be effective for the next calendar year.

**Program Terminable**

This longevity incentive program shall be terminable at any time by the Board. No vested rights shall accrue hereunder save and except as to all employees who have filed an application for the longevity disbursement prior to the revocation, repeal, or modification of the program by the Board. The fact that the program was in place for a period of time does not obligate the district to continue the program thereafter.

Adopted: July 13, 1999

Re-Adopted: October 14, 2003

Suspended: February 10, 2004

Reinstated: November 14, 2006

Revised: March 13, 2007

Revised: December 9, 2008

Suspended: February 9, 2010

Reinstated: April 10, 2012

Revised: January 22, 2019

Revised: January 18, 2022

LEGAL REFS.: 29 U.S.C. 623 (f)(2) (*Age Discrimination in Employment Act*)  
29 C.F.R. 1625.9 (*prohibition of involuntary retirement*)