Appendix 9

BOE Agenda Item Executive Summary
Date: December 11, 2023

Topic: Second Review: Proposed Updates to Board of Education Policies

Current Policy	Proposed	Title	Notes
P3714	NA	Voluntary Early Retirement Program	Comply with industry and current practices.

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P3714 VOLUNTARY EARLY RETIREMENT PROGRAM

BOARD POLICY:

The Board shall provide a voluntary early retirement program for all employee groups with the procedures and substance, and any changes thereto, of the program to be determined by the Board.

Administrative Implemental Procedures:

1. Continued participation in the early retirement program by employees in any employee group shall be contingent upon that group's continued willingness to allocate from within its salary/benefit package its share of the cost of the program as determined by the administration.

2. Any part of the early retirement program or any action pursuant thereto which is contrary to law shall be null and void, but the remainder of the program shall remain in full force and effect.

3. In the event that there is any dispute concerning the proper interpretation or application of any part of the early retirement program to any employee or group of employees the decision of the Board of Education shall be final and binding.

4. Any Early Retirement Bridge retiree shall be ineligible for employment by the school district in any capacity during the period of time that payments under the Early Retirement Program are being made to the retiree. A Pre-Early Retirement Bridge eligible retiree, not currently receiving payments under the Early Retirement Program and not receiving KPERS benefits, may be rehired in any job until such time as the retiree begins receiving bridge and/or KPERS payments.

5. A Pre-Early Retirement Bridge eligible retiree who is drawing KPERS, but not receiving bridge payments shall be ineligible for employment by the school district in any capacity other than as a substitute employee. Any exception to this policy concerning the employment of an Early Retirement Bridge eligible retiree will be subject to approval by the Superintendent of Schools.

6. Conditions which must be met in order to participate in the early retirement program:
   a. The employee must be a member of an employee group, which has elected to participate in the early retirement program.
   b. The employee must be a vested member of the Kansas Public Employees Retirement System. No payments pursuant to this Early Retirement Program shall be made prior to retirement under the provisions of the Kansas Public Employees Retirement System (KPERS). Any exception must be approved both by the school district and the Kansas Public Employees Retirement System.
   c. The employee must not have an attained age of 65 years or more.
   d. Unless otherwise provided in the Agreement Between the Board of Education and United Teachers of Wichita, the employee must have been in the employment of Unified School District 259 with an effective hire date prior to July 1, 1996, and for 15 or more years in any position which was permanent and was at least half-time or required a work schedule of 20 or more hours per week. Employees hired by the district prior to July 1, 1996, who heretofore or hereafter leave employment with the district and who heretofore or hereafter return to the district on or after July 1, 1996, shall not be eligible to participate in the Early

Retirement Program unless they met or meet the conditions set forth in this AIP6 that qualified or qualifies them to participate in the Early Retirement Program at the time they left or leave employment with the district (when the break in service starts).

e. The employee must voluntarily elect to participate in the early retirement program.
f. The employee must participate in retirement counseling conducted by the school district.
g. Employees younger than the age of 60 who chose to retire shall be eligible to receive their first early retirement benefit the month following their attaining age 60. An employee who elects Early Retirement at age 60 through age 64 shall receive their first early retirement benefit payment in the month following the month in which the effective date of the Early Retirement falls, or if later, within 30 days following the date the plan Administrator receives the Employee's Final Average salary determination from the administrator of the Kansas Public Employees Retirement System.
h. The employee must have made application for participation in the early retirement program not less than six (6) months in advance of their first bridge payment or other date established by **HR.** The six-month notice requirement will be waived for eligible employees impacted by a RIF.

1. The district will enter into a written agreement with any employee who meets the above eligibility criteria, who is at least age 50, who resigns within the time limits allowed by statute, who is not involuntarily terminated, and who gives notice of resignation on or before a deadline established annually by the district. Such agreement will guarantee that the employee will be permitted to participate in the Voluntary Early Retirement Plan when the employee reaches age 60 as though the employee were still employed by the district at that time. The agreement will also permit the employee to retain membership in the Board provided health coverage plan provided the employee pays the full cost thereof and the district shall make no contribution, and the employee will continue to receive life coverage in an amount equal to the coverage currently provided to them by the Board, the premium to be paid by the district.

7. Persons employed by USD 259 on June 30, 2004, who transferred employment to the Wichita Area Technical College on July 1, 2004, and who are reemployed by USD 259 prior to July 1, 2010, shall be eligible to participate in the early retirement program upon meeting the following conditions:
   a. The person is continuously employed by Wichita Area Technical College between July 1, 2004, and the date of re-employment with USD 259.
   b. The person meets the conditions set forth in AIP 6a through AIP 6i herein; provided, however, the period of time while the person was employed by Wichita Area Technical College shall not be counted toward meeting the 15 or more years condition set forth in AIP 6d and such period of employment with Wichita Area Technical College shall not be counted as a break in service that makes the person ineligible to participate in the early retirement program.
   c. The person is not eligible to participate in the Wichita Area Technical College's early retirement program.

8. Early Retirement Benefits. Benefits and conditions of receiving benefits shall include the following:
   a. The school district shall pay the retiree not more than 60 monthly payments with the computation of such payment based on the retiree's Final Average Salary used by the Kansas Public Employees Retirement System (KPERS), a 1.4% multiplier for all years of participating service credit with KPERS, and the total number of years of credited KPERS service, excluding purchased or repurchased KPERS service credit, and shall be calculated as if the employee were eligible for an unreduced benefit at the time of retirement.
   b. The school district shall pay the retiree until age 62 with at least 20 years of qualified service to the school district not more than 24 monthly payments with each payment equal to the amount of the social security benefit the retiree would have been eligible to receive if the employee were age 62. This benefit will be reduced by five percent for each year by which the employee's years of qualified service are less than 20. The number of years of qualified service will not be rounded up. This benefit shall not be applicable if the applicant for the early retirement program has already reached an attained age of 62 years.
   c. The retiree if otherwise eligible will be permitted to remain a member of the appropriate Board health insurance plan upon the retiree paying the total premium for such membership. Retiree district health insurance, if not already terminated by the retiree or by death, will continue through the end of the month prior to the retiree turning age 65, in preparation for the end of the bridge benefit and shifting to Medicare eligibility.
   d. The retiree shall continue to receive district life insurance coverage in an amount equal to the district life insurance coverage provided to members of the last employee group of which the retiree was a member. Such district life insurance premium shall be paid by the Board of Education. District life insurance will continue through the last day the retiree is 64 years old in compliance with the district's life insurance policy and industry norms. ~~All benefits provided the retiree under the provisions of the early retirement program shall be terminated the last day of the month in which the retiree dies or attains age 65~~The early retirement benefits specified in this plan are independent of any other retirement benefits for which the employee may be eligible from sources other than the school district.
   e. The retiree will receive no employment benefits or other benefits from the school district under the early retirement program except those expressly set forth herein. The early retirement payment shall be reduced by any workers' compensation total disability payments received by the retiree.
   f. The benefits specified herein for any retiree shall not be affected by any change which may be implemented from time to time by either the Kansas Public Employees Retirement System and/or the Social Security Administration.
   1. All payments due any retiree under the provisions set forth herein shall be subject to all applicable deductions and made in accordance with procedures established by the Financial Services.
   J. A separation from employment as a result of a reduction in force will not be considered a break in employment that eliminates participation in the early retirement program if the employee returns to employment with the district within two years of the reduction in force. However, the time the employee is off work due to the reduction in force will not be counted as years of service for any calculation under this policy.

Administrative Responsibility: Human Resources - Employee Benefits & Insurance Management

Latest Revision Date: ~~January 2020~~ **December 2023**
Previous Revision Date: ~~May 2019~~ **January 2020** P3714

Updated administratively for alignment purposes: December 2020