

## Voluntary Termination Benefits for Educational Support Personnel

### Section A - Introduction

It shall be the policy of the Board of Education to recognize services of its full-time educational support personnel, who have provided long and effective service to the youth of our community through a program of voluntary termination benefits.

### Section B - Eligibility

Employees who satisfy the following requirements, may apply for voluntary termination benefits under this policy as “Eligible Former Employees”:

1. Have been full-time employees of District 225 for a minimum of ten (10) years immediately preceding their voluntary termination or for an aggregate minimum of fifteen (15) years, of which a minimum of five (5) consecutive years are immediately preceding their voluntary termination; and
  - a. A “year” is considered to be the employee’s regularly scheduled work year. A newly hired employee must have worked no less than 50% of their scheduled workdays from July 1 to the following June 30 in their first year of employment in order for that work year to count toward the requirement in this Section 1.
2. Will meet one of the following eligibility criteria:
  - a. If classified as “Tier 1” under the IMRF system, must be at least 55 years of age on the effective date of voluntary termination and eligible to retire in the IMRF system (note: a Tier 1 staff member who will attain age 55 on or before December 31 during the calendar year of retirement, shall be deemed to attain age 55 on the preceding June 30th); or
  - b. If classified as “Tier 2” under the IMRF system, must be at least 62 years of age on the effective date of voluntary termination and eligible to retire in the IMRF system (note: a Tier 2 staff member who will attain age 62 on or before December 31 during the calendar year of retirement, shall be deemed to attain age 62 on the preceding June 30th).
3. For a Tier 2 staff member whose IMRF and District 225 10-year eligibility align within the same school year, the Tier 2 staff member may work a maximum of 15 additional days the following school year as a district substitute (role to be determined by the district which must be an IMRF position) in order complete the 10-year IMRF eligibility requirement.
4. Are not represented by GESSA, GESPA, or any other bargaining unit; and
5. Have not retired, nor are receiving retirement benefits, under any other District 225 retirement plan; and
6. Have requested to retire on either June 30 or December 31 of any given year.

### Section C - Health Benefits Available to Eligible Former Employees

1. The Board of Education shall provide the Eligible Former Employees with individual medical insurance coverage under the district retiree health plan(s), as selected by the Eligible Former

Employee, for up to five (5) years after retirement or age 65, whichever occurs first. The Board shall pay an amount equal to 95% of the single premium amount; the Eligible Former Employee shall be responsible for the remaining premium. In the event that the plan selected by the Eligible Former Employee is no longer an option, the Eligible Former Employee may select coverage under one of the remaining plans.

2. Eligible Former Employees, who elect to waive continued participation in the district insurance plan upon voluntary termination will receive an annual employer-funded health reimbursement arrangement (HRA) contribution for a period of ten (10) years following voluntary termination or until age 65, whichever is sooner. The amount of the HRA contribution will be equal to 95% of the average retiree HMO and PPO single premium amount at the time of voluntary termination. Eligible Former Employees receiving these contributions will be subject to premium costs increases or decreases which may occur as a result of future changes in the cost of the noted premiums in the district plan used as the basis for calculating this benefit. Such payment shall be made as follows:
  - a. For an employee assigned a 239 or 260-day work calendar employee retiring in June, they will receive a prorated contribution for the months of July through December, on or before July 31 of their first year as a retiree. Eligible Former Employees will subsequently receive their annual contribution on or before January 31, deposited into their district-established HRA account.
  - b. For an employee assigned a 203-day or less work calendar retiring in June, they will receive a prorated contribution for the months of September through December, on or before September 30 of their first year as a retiree. (Participation in the district's health plan(s) will continue through August 31, as the premiums for these months would be prepaid during their final year). Eligible Former Employees will subsequently receive their annual contribution on or before January 31, deposited into their district-established HRA account.
  - c. Those employees retiring in December, will receive their first annual contribution, and subsequent annual contributions on or before January 31, deposited into their district-established HRA account.
  - d. In the year that the retiree reaches age 65, they will receive a prorated contribution for the months they are under 65 (e.g., if an Eligible Former Employee turns 65 on April 15, they will receive a prorated contribution for the months of January through April), deposited into their district-established HRA account.
3. Eligible Former Employees, who elect those insurance allowance benefits contained in paragraph 1 of this Section C, shall be allowed to maintain family medical insurance coverage under one of the district health care plans accessible to retirees as selected by the Eligible Former Employee, (provided they had family coverage on the effective date of their retirement). Eligible Former Employees shall be responsible for the full premium, therefore, less the Board's contribution referred to in paragraph 1 of this section.

#### Section D - Additional Health and Insurance Benefits Available to Eligible Former Employees

1. In addition to the benefits provided in Section C, the Board of Education shall contribute \$2,500, annually, to an employer-funded HRA account, on behalf of the Eligible Former Employee, for a period of five (5) years after the effective date of retirement. Such payment shall be made on or before January 31, deposited into their district-established HRA account.
2. Eligible Former Employees who elect to continue coverage, past Medicare eligibility must enroll in a health insurance policy coordinated with Medicare if one exists. Such policy may also provide for a reduction in benefits and premiums. Eligible Former Employees shall be responsible for the full premium of these plans.
3. The Board of Education shall allow Eligible Former Employees to maintain the dental and vision coverage they had in effect at the time of retirement, or as such plan may be amended from time to time for current district employees, until age 65 or until the Eligible Former Employee is eligible for Medicare, whichever occurs first. Eligible Former Employees shall be responsible for the full premium of these plans.
4. The Board of Education shall provide Eligible Former Employees with \$10,000 of term life insurance until the Eligible Former Employees reach age 65 or the age of Medicare eligibility, whichever shall occur first. The term life insurance shall be provided by the Board at no cost to the Eligible Former Employee.
5. The Eligible Former Employees shall be allowed to convert any term life insurance, bought or provided for by the Board of Education and in effect on their last date of employment, to any alternative policy approved by the insurance carrier. After such conversion, Eligible Former Employees shall be responsible for full payment of any premium.
6. Eligible Former Employees shall be allowed to continue to participate, at no cost, in the Employee Assistance Program provided by the Board for regularly employed employees.

#### Section E - Salary Benefits Available to Eligible Former Employees

1. Educational support personnel submitting their notice of intent to retire will be entitled up to a maximum of three (3) salary increases of six percent (6%) for each year prior to the effective date of retirement.
2. The 6% increase described in Paragraph 1 of this section shall be in lieu of any salary increase, which the employee would otherwise receive.
3. Salary payments described in paragraph 1 of this section shall be defined as contractual salaries paid for the performance of duties as an employee. The salaries shall not include any stipends or any other payment of any type whatsoever.
4. During the employee's last four years of employment, they shall not receive any new stipends or other extra duty payments, of any type, (not previously performed in prior years) that would

result in exceeding the State maximum salary increase of 6%. Any employee who incurs a State maximum salary penalty shall be ineligible for any benefits contained in this policy.

5. All requests for participation under this section must be submitted in writing to the most Senior Human Resources administrator no earlier than September 1 and no later than April 1 during the school year in advance of the first year for which the employee is seeking the salary enhancement described in paragraph 1 of this section. The request shall include a copy of the employee’s latest statement from the IMRF system indicating the employee’s service credit information if that information is necessary to qualify the employee for this plan.
  
6. Participation in the benefits of this policy is dependent upon unconditional and irrevocable resignation from employment, effective at the end of the school year identified in the employee’s notice. Any employee who does not fulfill their agreement’s timeline, for whatever reason, shall be ineligible for any of the benefits contained in this policy, unless otherwise determined by the superintendent to be in the best interest of the district and is subject to Board approval.

Section F - Unused Vacation Benefits

In addition to those benefits contained in Section D, Eligible Former Employees who were employed by the district on a full-time, twelve-month basis, may choose to have the Board of Education directly contribute to an employer-funded HRA account, the value of up to ten (10) days of unused vacation days, at their then-current annual base salary per diem rate for the first year of retirement. Any other vacation days accrued and earned, must be used or they will convert to sick leave on the Eligible Former Employee’s last day of work. Such payment shall be made within 60 days of retirement, deposited into their district-established HRA account.

Section G - Miscellaneous Provisions

1. For purposes of this Policy, the school year shall begin on July 1 and end on June 30.
  
2. If an employee, who has been approved for participation in one of the plans in this Policy, dies prior to their declared retirement date, the employee’s prorated salary shall be calculated utilizing the 106% salary rates, in lieu of any benefits otherwise provided under this policy.
  
3. If changes occur in the operation of IMRF or for any other reason the Board determines appropriate, the Board may revise this Policy.

- Revised: September 16, 1996
- Revised: September 25, 2000
- Revised: December 6, 2000
- Revised: February 13, 2006
- Revised: September 10, 2007
- Revised: July 30, 2012
- Revised: June 22, 2015
- Revised: March 16, 2020
- Revised: April 25, 2022
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