

**Memorandum of Understanding
Between
Hillsboro Education Association
and
Hillsboro School District**

LICENSED RETIREMENT/SEPARATION INCENTIVE PROGRAM

The District is facing significant challenges as we plan and develop our budget and staffing needs for the 2026-

2027 school year. Due to continuing enrollment decline and increasing costs, we may be faced with potential staffing reductions. It is the District's desire to keep potential Reductions in Force (RIF) to a minimum through attrition by means of retirements and resignations.

Qualified employees who submit their intent to retire or separate from the Hillsboro School District effective June 30, 2026, by April 10, 2026, shall receive a one-time payment of \$23,000 or equivalent insurance payment in accordance with the following conditions:

- In order to qualify for the benefit the employee must have completed ten (10) years of consecutive licensed service at the end of the 2025-26 school year with the Hillsboro School District and are currently placed at Step O on Column IV, V, VI or Step N on Column VI on the Licensed Salary Schedule;
- At the time of retirement, the employee will designate how the benefit is to be paid. Options are:
 - 1) one lump sum payment;
 - 2) applied to payment of insurance premium;
 - The one time payment for the Early Retirement/Separation Benefit will be equal to a one-time, taxable payment of \$23,000. This is subject to all required payroll withholdings.
 - Payments to health insurance premiums shall not be taxable.
- Health Insurance: Enrollment in a group health insurance plan (medical, dental, and vision) equivalent to their current coverage in the 2025-26 school year. Enrollment would be effective through September 30, 2027.
- Early Retirement/Separation Benefit will be prorated based on employee's regular FTE at the time of their retirement; and will be applied in the same manner as Article 16 Section 3 of the Collective bargaining Agreement, (Example: Part time employees from 0.375 to 0.59 FTE will receive 50% of the Early Retirement/Separation benefit, part time employees from 0.6 - 0.79 shall receive 75% of the Early Retirement/Separation benefit and 0.8 FTE or more will receive 100% of the benefit.)
- Payment will occur on July 20, 2026. In order to be eligible for payment, the employee must complete the 2025-26 contract year in good standing.
- Retirees/Resignees who received this incentive will not be eligible to be rehired by the Hillsboro School District for 2026-27, 2027-28, and 2028-29-school years.
- Any qualifying unit member who has already submitted their retirement/resignation for the end of the 2025-26 school year will be notified that they may opt-in to this agreement.
- Submissions of signed Notices of Retirement/Separation must be submitted in the application window that opens on March 16, 2026 at 8:00 am and closes at 4:00 pm on April 10, 2026.
- This offer will be capped at the first 60 licensed eligible employees who submit their retirement or separation using the electronic form provided via your Hillsboro School District email.
- The District has the discretion to increase the cap by no more than 10 additional eligible employees.

- If more than 60 unit members volunteer, they will be prioritized by those who have the most seniority. Seniority and ties shall be determined by Article 13.A.2 of the Collective Bargaining Agreement.
- Any disputes regarding an alleged violation or the interpretation or application of this MOU shall be resolved pursuant to the grievance procedure in the CBA between the parties.

This is a one-time offer and shall not be considered evidence of past practice.

For the Association:




[Mary Kay Babcock \(Mar 5, 2026 12:17:06 PST\)](#)

Mary Kay Babcock, President, Hillsboro Education Association

02/24/2026

Date

For the District:



[Kona LewWilliams \(Mar 5, 2026 13:15:42 PST\)](#)

Kona Lew-Williams, District Human Resources Officer

02/24/2026

Date










Licensed Retirement Separation Incentive Program MOU - 2025-26

Final Audit Report

2026-03-05

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