

## **Incentive Retirement**

The Board of Education has determined that it may be financially advantageous to the school district and a significant benefit to school employees to offer an incentive retirement program as follows:

### **Eligibility requirements**

The employee must be actively employed by the District on full assignment during the calendar year of electing incentive retirement. Full assignment is defined in each specific job and may be verified through the human resource department.

The employee must have a minimum of twenty years of full assignments in the District, the last ten years of which must be uninterrupted service to the District. Leaves approved by the Board are not an interruption of service.

### **Incentive retirement bonus**

An employee who has a letter of resignation on file by February 1 and meets all the requirements for participation in the incentive retirement plan shall be entitled to a severance bonus equal to one year's annual salary, based on the teacher's final contract with the District.

The severance bonus shall be paid by the District to the employee in sixty equal monthly installments, without interest, commencing in September following the date of retirement.

### **General conditions**

1. Participation in the incentive retirement plan shall become effective only upon approval by the superintendent and the board's acceptance of the employee's resignation.
2. Notice of intent to retire and to participate in the incentive retirement plan must be filed in writing with the superintendent on or before February 1 in order to qualify. Applications will be given priority by date and time received. For good cause, the Superintendent may waive this requirement and permit the filing of a notice of intent to retire and participate in the incentive retirement plan later than February 1.
3. The district will allow up to three certified and three support staff per year for this benefit.
4. If an applicant qualifies and applies for the incentive retirement but is denied because the amount of requests exceeds availability, then that person may

rescind their retirement, and may request that their name be placed on a waiting list for the next year. In this case, the person on the waiting list will be given first priority in the following year.

5. Approved requests for incentive retirement shall be irrevocable as of the effective date of the employee's resignation. An employee participating in the incentive retirement program waives all potential continued employment by the district; however, for good cause the Superintendent may waive this requirement and permit continued employment by the district.
6. This policy shall not be applicable to any employee whose employment with the district is terminated for cause.
7. No payment of benefits shall be made by the district in the event of the death of an active employee prior to applying for voluntary incentive retirement.
8. Any changes in the benefits provided by this plan shall not apply retroactively to individuals already receiving incentive retirement benefits from the district, unless otherwise specifically provided for in a subsequent amendment to this plan.
9. In the event of the retired employee's death prior to having received full payment of the incentive retirement severance bonus described in this plan, the retired employee's designated beneficiary, or the retired employee's estate, will receive 100 percent of the remaining benefit. Any remaining payments shall be made in accordance with this plan.
8. Incentive retirement benefits shall be based upon salary listed or computed from the salary schedule or contracted annual rate at the time of the incentive retirement, and shall not include pay for extra performance, overtime, activities, special assignment pay, stipend payment, PERA benefits, etc., or any other employee benefits.
9. Payment of all applicable taxes shall be the employee's responsibility.
10. Years of service shall be calculated as school years during which the employee was employed on a full assignment in a continuous basis.
11. PERA benefits will not apply to incentive retirement.
12. By December 31<sup>st</sup> of each year, the district will determine the number of allowed incentive retirements for that academic year

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

**[Revised June 2009]**

Lake County School District R-1, Leadville, Colorado