

Agreement on retirement incentive

(Changes from current contract are in **bold**. Note that some language is deleted as part of the revision of this proposal).

(12) Early Retirement.

(a) **The benefit described below in section (b), for Employees age 55 through 59, shall not be available after November 15, 2007, except that Employees who would have been eligible and who wish to take advantage of this benefit during the life of this Agreement must give notice of their intention to use this option by November 15, 2007. Such Employees may use the option at any time during the life of this Agreement when they are eligible, whether or not they meet the eligibility requirements as of November 15, 2007. If circumstances change, the Employee may withdraw his/her application on or before March 15 of the Academic Year prior to the Academic Year in which s/he had planned to retire. In this case the Employee will not be permitted to apply again for the early retirement benefit.**

(b) Age 55 Through 59:

(1) Eligibility: Any Employee who is between age 55 and 59 inclusive and whose age and years of service add up to 70 or more shall be eligible for early retirement as described below. For the purposes of this Article, the age attained during the Employee's last appointment year shall govern.

(2) Stipend: An Employee retiring between ages 55 and 59 inclusive shall be entitled to an early retirement severance payment equal to one (1) year of salary at his/her last appointment year's rate plus any regularly scheduled increase for the first year of his/her retirement. This stipend shall be retained by the College to pay the Employee's medical insurance as provided in Article XIII, A.(5) until the end of the appointment year in which the Employee attains age 60. If the stipend is insufficient to pay medical benefits for this period (to age 60, as aforesaid), the Employee shall be responsible for any difference. If there is an excess, it shall be paid to the Employee at the end of the appointment year in which age 60 is attained. At the end of the appointment year in which age 60 is attained, fringe benefits in effect during the last year worked will remain in effect through the last day of the appointment year in which the Employee attains age 65.

(3) Waiver of benefits: Notwithstanding the above, in the event the Employee wishes to waive such medical benefits, s/he can do so (in such manner and form as the Board requires); and, in the event, s/he shall receive the balance then remaining of severance payment immediately; but s/he shall relinquish all future rights to College paid medical benefits under the Agreement at any age (pre or-post retirement).

(c) Retirement Incentive

(1) Any Employee **sixty-two (62)** years old or more who has completed at least fifteen (15) years of full-time service (as full-time faculty member, visiting lecturer, or as classified, confidential, or administrative employee),

including years on unpaid leave or on long-term disability, and whose age and years of service add to at least eighty (80) shall, during the **first two academic years (September 1 through August 31)** s/he first becomes eligible and at no other time, be permitted to apply for and receive a retirement incentive as described below. **In addition, through August 31, 2008, Employees may elect this incentive at age 60 through 62.**

(2) All Employees shall be notified of their eligibility for the retirement incentive at the beginning of **each** academic year during which they **are eligible. There shall be a two-year eligibility period during which Employees may elect this incentive.** Academic year Employees may retire on 8/31 or 12/31; calendar year Employees may retire at any time, with three (3) months' notice and the agreement of the supervisor. An eligible Employee wishing to receive the retirement incentive must apply for it on or prior to 11/15 **of the academic year before which they plan to retire.** To apply, an Employee must send a letter to the Department Head, with a copy to the Human Resources Office, giving notice of the intent to retire on a stated date in conformity with the requirements of this paragraph. The Employee shall be allowed to withdraw his/her application for the retirement incentive on or before the following 3/15; in this case, however, the Employee will not be permitted to apply again for the retirement incentive. If an eligible Employee applies for the retirement incentive and does not withdraw his/her application, the Employee has thereby irrevocably agreed to retire effective the following September 1 or January 1 for academic year faculty; provided, however, that the President may, at his/her discretion, permit the Employee to rescind this agreement because of changed circumstances.

(3) The College may request a postponement of an Employee's retirement under the terms of this Section XIII.A(12)(b) for up to one (1) year if the retirement would unreasonably interfere with a specific College program.

(4) The Board shall not be required to grant the retirement incentive to more than twenty (20%) percent of those eligible; provided, however, that the Board shall grant the retirement incentive to at least four (4) Employees if four (4) or more Employees request it. If more than twenty (20%) percent of those eligible apply for the retirement incentive, the decision as to which Employees receive the retirement incentive shall be made on the basis of full-time seniority based on service in the five categories listed in (1), above.

(5) If more than twenty (20%) of those eligible apply for the retirement incentive, the Employees not selected on the basis of seniority to receive the incentive shall be considered most senior to receive the incentive in later year(s). Such Employees shall be allowed, at their discretion, to continue in the service of the College until they receive the retirement incentive or to retire. In the latter case, the retirement incentive remains payable when the Employees have sufficient seniority to be granted it.

(6) The retirement incentive shall be as follows:

<u>Years of Service</u>	<u>Percent of One (1) Year's Salary</u>
15	60
16	64
17	68
18	72
19	76
20	80
21	84
22	88
23	92
24	96
25 or more	100

In the calculation of the retirement incentive, any regular increases for the first year of the Employee's retirement shall be included; in addition, for those on the Pre-Retirement Workload Option, the full-time equivalent salary shall be used.

(7) The retirement incentive shall be paid in four (4) installments, over four (4) years, with each installment being paid at the beginning of the appropriate year. As an alternative, an Employee may choose to have the incentive paid in two (2) installments over two (2) years. Employees who would normally have received payment of the incentive during a particular academic year may, at their option, choose to have payments deferred for one year.

(8) The following exceptions shall be made for Employees who meet or exceed the three (3) eligibility requirements of (1), above, and in addition have 30 or more years of service by the end of the **2006-2007** academic year: (a) such Employee may give notice by **6/1/2007** to retire as of **8/31/2007**, by **10/1/2007** to retire as of **12/31/2007**, or **11/15/07** to retire as of **8/31/2008**; (b) the Board agrees to pay the retirement incentive to all such Employees; and (c) until **8/31/2007**, a letter of intent to retire early may be withdrawn without penalty. The incentive will be 25% of one year's salary.

If the number of Employees requesting this incentive exceeds 20% of those eligible for a given academic year, the College may request Employees, in reverse seniority order, to defer this option for one semester.