

EAST PENN SCHOOL DISTRICT

SECTION: ADMINISTRATIVE
EMPLOYEES

TITLE: RETENTION INCENTIVE
PROGRAM

ADOPTED: August 9, 2004

REVISED:

<p>1. Purpose</p> <p>2. Guidelines</p>	<p style="text-align: center;">350.1. RETENTION INCENTIVE PROGRAM</p> <p>The Board recognizes the value of retaining administrative employees. In recognition of these interests, the Board makes the following Retention Incentive Program available to administrative employees on a voluntary basis.</p> <p><u>Qualifications</u></p> <ol style="list-style-type: none"> 1. The employee must be a member of the administrative staff at the time of the request and an employee in the district for at least five (5) years. 2. The employee must qualify for retirement under provisions of the Public School Employees' Retirement System (PSERS). <p><u>Procedures</u></p> <ol style="list-style-type: none"> 1. A letter of resignation, application to PSERS for benefits, and a formal letter requesting Board Policy 350.1 must be received in the Superintendent's Office at least ninety (90) days prior to the date of retirement. Employees are encouraged to indicate their intention to retire one (1) year prior to their intended retirement date. 2. The Board will act upon the application for the Retention Incentive Program contract within thirty (30) days following receipt of the items enumerated above. Said contract will be invalidated if the employee does not meet PSERS eligibility requirements and those set forth herein. <p><u>Insurance Coverage</u></p> <ol style="list-style-type: none"> 1. The district will pay, for those employees electing the Retention Incentive Program, the premium for the retiring employee (individual coverage only) in an early retirees' hospitalization/medical plan. Such coverage will continue until the employee becomes eligible for government sponsored hospitalization or
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reaches age sixty-five (65). Such insurance plan will be substantially equivalent to the plan offered to regular employees, including co-payments for medical coverage, twenty percent (20%) prescription co-insurance but with no out-of-pocket limit for major medical.

2. The retiring employee may, at his/her own expense, maintain coverage for all dependents covered under the program at the time of request for the Retention Incentive Program.
3. The carrier will determine eligibility for dependents in the event of the death of the employee.

Financial Incentive

Upon receipt of the items in Procedures 1, the district will pay to the employee a total payment equal to his/her final base salary, at the time of application for the Retention Incentive Program, multiplied by the percentage appearing in the following chart:

- A. EPSD years less than 50 years of age - 1% of salary for each year of service.
- B. EPSD years between 50 and 54 years of age - 2% of salary for each year of service.
- C. EPSD years greater than 54 years of age - 3% of salary for each year of service.

<u>Age</u>	<u>% of Base Salary</u>	<u>EP Years of Service</u>
49 and below	1%	A
50 to 54	2%	B
55 and over	3%	C

The following chart can be used to calculate the total financial incentive:

Years of Service in East Penn to 49 years	x 1% = _____ %
Years of Service in East Penn between 50-54 yrs.	x 2% = _____ %
Years of Service in East Penn 55+	x 3% = _____ %
	Total = _____ %

The total percent multiplied by the salary at the date of retirement equals the total financial incentive.

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The payment will be made during the first calendar year of the Retention Incentive Program at a time stipulated, in writing, by the retiree. The employee may opt to receive these monies in either one (1) or two (2) installments.

Election of this policy will waive the reimbursement for sick leave days.