EMPLOYEE RETIREMENT

Regular Retirement

Retirement shall be at the discretion of the employee. Full-time permanent employees of the Albemarle County School Board who qualify are eligible for the benefits of the Virginia Retirement System. Part time permanent employees, i.e. those who work at least 50% time, are eligible for an annuity plan administered by the Board upon completion of five years of continuous service with Albemarle County. Employees who retire from the school division after four (4) or more years of continuous service, and who were participants in the Board's group health insurance plan on the day prior to retirement, are eligible for continuous participation in the group health insurance plan until eligible for Medicare coverage. For Virginia Retirement System ("VRS") retirees, VRS regulations prohibit retireees from being rehired by the division for a period of at least 30 days following the date of retirement.

Voluntary Early Retirement

The Board acknowledges the desire for many employees to retire early from regular employment. However, such retirement usually entails a reduction in benefits from the Virginia Retirement system or the part-time annuity program. The Board has established a Voluntary Early Retirement Incentive Program (VERIP) for employees who meet the early retirement eligibility of the Virginia Retirement System.

Adopted: July 1, 1993
Amended: December 8, 1997

Legal Ref.: Age Discrimination in Employment Act P.L. 95-256 (1987)

Cross Ref.: GCPCB, Recognition of Service Upon Retirement/Death

VOLUNTARY EARLY RETIREMENT INCENTIVE PLAN (VERIP)

A. Eligibility

Participants in the VERIP must be permanent full-time or permanent part-time employees eligible for benefits, and meet the following requirements:

1. Be eligible for early or full retirement under the provisions of the Virginia Retirement System (VRS). Part-time employees must meet the same criteria as if covered under VRS.

2. Have been employed by the Board for 10 of the last 13 years prior to retirement, and meet the following VRS requirements:

   a. Be at least fifty (50) years of age with at least ten (10) years of continuous permanent employment with the school division and/or the county government; or,

   b. Be at least fifty-five (55) years of age with at least five (5) years of continuous permanent employment with the school division and/or the county government.

3. Employees retiring under the disability provisions of VRS and/or Social Security shall not be eligible for the VERIP.

4. VERIP benefits will cease if the retiree returns to work in a permanent full-time or permanent part-time position with Albemarle County.

5. VERIP benefits will continue if the retiree returns to work in a temporary part-time or temporary full-time position with Albemarle County.

B. Benefits

1. VERIP benefits shall be paid monthly for a period of five years after retirement or until age 65, whichever comes first.

2. Benefits under VERIP will be calculated as follows:

   a. Compute the annual VRS benefit. This computation shall include any reductions for early VRS retirement if appropriate.

b. Recompute the annual VRS benefit with the addition of five more years of service or the number of additional years needed to reach age 65, whichever is the lesser.

c. The difference between these two calculations shall be the annual VERIP benefit to be paid on a monthly basis.

3. The Superintendent will recommend to the Board an annual adjustment to the early retirement benefit after having been apprised of the VRS adjustment for retirees.

4. By July 30 of each year, the Board will pay the employee the amount of the Board's annual contribution toward an employee's health insurance as long as the employee is covered by VERIP benefits.

C. Application

Applications for VERIP must be made to the Superintendent prior to December 1st of the year preceding the school year the VERIP takes effect. Applications received after December 1 may be approved based on the needs of the school division.

D. Approval

The School Board, on the recommendation of the Superintendent, must approve all those who will participate in the VERIP.

E. Duration

1. Once an employee has been approved for VERIP, the benefits will continue without interruption as outlined in this policy subject to annual appropriation by the Board of Supervisors. Subsequent alterations or deletion of this policy shall not affect the benefits of those who have retired under these provisions.

2. The policy automatically continues unless the Board acts to discontinue the policy for another year.

F. Additional Benefits

1. Current employees who apply for VERIP by February 27, 2009 and who meet the eligibility standards identified below shall be entitled to receive, at their election, one of the following:

a. Two additional years of Board contributions, calculated at the FY 2009-10 rate, toward health insurance beyond the duration established by Section B, paid on a monthly basis. Employees who retire at 65 years of age or older and otherwise meet VERIP service eligibility requirements as stated in section A of this policy, shall receive two years of contributions toward health insurance.

b. The cash equivalent of two additional years of Board contributions toward health insurance, calculated at the FY 2009-10 annual rate and paid in one or more installments.

2. To be eligible for the additional benefits in this section, employees must:

a. Submit VERIP applications by February 27, 2009;

b. Submit a letter by April 1, 2009 establishing a retirement date no later than June 30, 2009; and

c. Retire after the effective adoption date of this subsection (F) but no later than June 30, 2009.

3. Notwithstanding the eligibility requirements of section 2 above, the Superintendent/Designee may extend the June 30, 2009 retirement deadline to no later than December 30, 2009 for an employee who would be ineligible for either VERIP or full VRS benefits if he or she retired on June 30, 2009, but would be eligible for such benefits if retiring after June 30, but no later than December 30, 2009. Employees receiving such an extension must satisfy all other requirements of this policy.

Adopted: July 1, 1993
Amended: April 3, 1995; December 8, 1997; January 8, 2009