

EMPLOYEE RETIREMENT

Regular Retirement

Retirement shall be at the discretion of the employee. Full-time regular employees of the Albemarle County School Board who qualify are eligible for the benefits of the Virginia Retirement System (“VRS”). Part-time regular 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. Board employees retiring under VRS are eligible for continuous participation in the Board’s group medical and dental insurance plans until reaching eligibility for Medicare coverage if they were participants in the Board’s medical and dental insurance plans on the day prior to retirement. The age and service criteria for VRS are as follows: 50 years of age with 10 or more years of continuous regular employment by a VRS-participating employer; or 55 years of age with 5 or more years of continuous regular employment by a VRS-participating employer. Any retirees or Board members who participated in the Board’s group medical and/or dental insurance plans as of December 1, 2009 shall continue to be eligible to participate, at their own cost, until they are eligible for Medicare coverage.

For VRS retirees, VRS regulations prohibit retirees from being rehired by the division for a period of at least 30 days following the date of retirement.

Voluntary Early Retirement

The Board has established a Voluntary Early Retirement Incentive Program (VERIP) for employees who meet either the early or full retirement eligibility requirements of the Virginia Retirement System.

Adopted:	July 1, 1993
Amended:	December 8, 1997; February 26, 2009

Legal Ref.:	Age Discrimination in Employment Act P.L. 95-256 (1987)
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Cross Ref.:	GCPCB, Recognition of Service Upon Retirement/Death
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VOLUNTARY EARLY RETIREMENT INCENTIVE PLAN (VERIP)

A. Eligibility

Participants in the VERIP must be regular full-time or regular part-time employees eligible for benefits, as defined in Policy GCA, Personnel Definitions, and meet the following additional requirements:

1. Full-time employees must be eligible for early or full retirement under the provisions of the Virginia Retirement System (VRS). Part-time employees must meet the same age and service criteria as if they were full-time employees covered under VRS.
2. Have been employed by the Board for 10 of the last 13 years prior to retirement, and meet the following requirements:
 - a. Be at least fifty (50) years of age with at least ten (10) years of continuous regular 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 regular 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 regular full-time or regular part-time position with the school division and/or the County government.
5. VERIP benefits will continue if the retiree returns to work in a temporary part-time or temporary full-time position with the school division and/or the County government.

B. Benefits

1. VERIP benefits shall be paid monthly for a period of five years after retirement or until age 65, whichever comes first. The VERIP benefits consist of a stipend calculated in accordance with Section B.2 ("stipend") and an annual monetary contribution in the amount of the Board's current contribution to the Board's employees for health insurance ("medical contribution").
2. Stipends 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 is the annual VERIP stipend ("Stipend Value") to be paid on a monthly basis.
3. The Superintendent will recommend to the Board an annual adjustment to the VERIP stipend after having been apprised of the VRS adjustment for retirees.
4. 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 remains eligible to receive VERIP benefits.
5. Effective December 2, 2009, the VERIP stipend shall continue to be calculated in the manner provided in this Section B.2, but the stipend amount shall be modified in accordance with the following schedule:
 - a. Retirements on or after July 1, 2012 but before July 1, 2013: 80% of the Stipend Value.
 - b. Retirements on or after July 1, 2013 but before July 1, 2014: 60% of the Stipend Value.
 - c. Retirements on or after July 1, 2014 but before July 1, 2015: 40% of the Stipend Value.
 - d. Retirements on or after July 1, 2015 but before July 1, 2016: 20% of the Stipend Value.
 - e. Retirements on or after July 1, 2016: No VERIP Stipend.

The stipend amounts described above will apply for the duration of the employee's participation in VERIP, subject to any annual adjustments recommended by the Superintendent as provided in Section B.3.

C. Application

Applications for VERIP must be made to the Superintendent prior to December 1st of the year preceding the fiscal year the employee's participation in 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 the resignations of all those who will participate in the VERIP.

E. Duration

The School Board reserves the right to modify this policy in its discretion, and all benefits described in this policy shall be subject to future modifications and annual appropriations by the Board of Supervisors.

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.

G. Targeted Retirement Incentives for Classified Employees

1. Current classified employees holding positions in paygrades 16 and higher whose retirement is determined by the Superintendent to not impair the essential functions of the department, who apply for VERIP by March 15, 2010, and who meet the eligibility standards identified below shall be entitled to receive, at their election, **one** of the following:
 - a. A lump sum payment equivalent to 20% of the employee's current salary. "Salary," for non-exempt employees receiving benefits pursuant to this section, shall mean the employee's current annualized pay based on his/her regular hourly rate and regularly scheduled work hours.
 - b. Monthly payments, the total of which is equivalent to one week of pay for every full year of service with the division for up to 20% of the employee's salary. The number of monthly payments will be determined by the division, however, it shall not exceed sixty (60) monthly payments.
 - c. Continued full Board contributions toward the employee's health insurance for an additional 3 years beyond the contributions specified in Section B of this policy, or until the age of 65, whichever comes first.
2. To be eligible for the additional benefits in this section, employees must:
 - a. Submit VERIP applications by March 15, 2010;
 - b. Submit a letter by April 1, 2010 establishing a retirement date no later than June 30, 2010; **and**
 - c. Retire after the effective date of this Section G but no later than June 30, 2010.
3. The Superintendent/Designee may extend for up to 6 months the June 30, 2010 retirement date required by G.2.b and G.2.c for an employee who is otherwise eligible for the benefits in this Section G upon a finding that such employee's retirement serves the interest of the division.
4. **The provisions of this Section G shall be void and without effect if the Albemarle County Board of Supervisors fails to appropriate the necessary funds.**

H. Targeted Retirement Incentive for Teachers

1. Current teachers whose retirement is determined by the Superintendent to not impair the essential functions of the division, who apply for VERIP by March 15, 2010, and

who meet the eligibility standards identified below shall be entitled to receive a lump sum payment of \$7,500.

2. To be eligible for the additional benefits in this section, employees must:
 - a. Submit VERIP applications by March 15, 2010;
 - b. Submit a letter by April 1, 2010 establishing a retirement date no later than June 30, 2010; and
 - c. Retire after the effective date of this Section H but no later than June 30, 2010.
3. The Superintendent/Designee may extend for up to 6 months the June 30, 2010 retirement date required by H.2.b and H.2.c for an employee who is otherwise eligible for the benefits in this subsection H upon a finding that such employee's retirement serves the interest of the division.
4. **The provisions of this Section H shall be void and without effect if the Albemarle County Board of Supervisors fails to appropriate the necessary funds.**

Adopted: July 1, 1993

Amended: April 3, 1995; December 8, 1997; January 8, 2009; February 26, 2009
