

Financial Services
Richard H. Hinds, Chief Financial Officer

SUBJECT: RETIREMENT INCENTIVE/SABBATICAL LEAVE

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

LINK TO DISTRICT STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES

At the Board meetings of November 18, 2008 and January 14, 2009, the Board authorized the creation of a strategic Retirement Incentive/Sabbatical Leave Program in order to create District savings. There were a total of 93 employees who elected one of the two programs with 47 employees electing the Early Retirement Program and 46 employees electing the Sabbatical Leave Program.

Due to ongoing budget constraints, including the District's Capital Budget, as well as a ongoing reduction in enrolled students for school year 2009-2010, staff believes that it is in the best interest of the District to offer another round of Early Retirement/Sabbatical Leave incentives.

The eligibility and benefits of each of the two programs has been created in conjunction with employee unions and associations as was done in the prior incentive. An overview of the programs which are being recommended are as follows:

RETIREMENT INCENTIVE – ELIGIBILITY

Full-time employees in the groups listed below and in an active pay status on July 1, 2009:

- Instructional Personnel on step 20, 21, or 22 of the AO/CO salary schedule
- Paraprofessionals/School Support Personnel on step 15 of the U1 salary schedule
- Office employees on step 14 of the UO salary schedule
- Confidential Exempt Personnel (CEP) on step 13-14 of the XO salary schedule
- MEP, DCSAA, and DCSMEC represented employees with 25 years or more of MDCPS service; or presently in the third to the fifth year of the DROP program, or eligible for normal retirement as defined by the Florida Retirement System (FRS)

RETIREMENT INCENTIVE – BENEFITS

- Board-paid health insurance consisting of the lowest cost Board-paid program, not including flex benefits or dependent subsidies, not to exceed 36 months with benefits ceasing at the earliest date of 36 months or upon reaching Medicare eligibility.
 - ▶ *12 month employees will terminate July 31, 2009. If an employee who has signed up for the incentive chooses not to work past July 1, 2009, the 21 work days in this period can be covered by the employee's available vacation or personal days or be reported Leave Without Pay (Authorized). The three-day service incentive payment will occur prior to December 31, 2009.*
 - ▶ *10 month employees will terminate effective August 31, 2009. The six work days in this period from August 24, 2009 through August 31, 2009 will be covered by the employee's available personal days or Leave Without Pay (Authorized). The two-day service incentive payment will occur prior to December 31, 2009.*
 - ▶ *The lowest cost Board-paid health insurance benefits begin in August, 2009 for the 12 month employees and in September, 2009 for 10 month employees.*

SABBATICAL LEAVE – ELIGIBILITY

Full-time employees in the groups listed below, in an active pay status on July 1, 2009, and not on a Board-approved leave of absence during any part of June, 2009:

- Instructional Personnel on step 17-22 of the AO/CO salary schedule
- Paraprofessionals/School Support Personnel on step 15 of the U1 salary schedule
- Office employees on step 14 of the UO salary schedule
- Employees will be placed on Sabbatical Leave status as follows:
 - ▶ *12 month employees – July 2, 2009 through June 20, 2010*
 - ▶ *10 month clerical employees – August 13-20, 2009 through June 18, 2010*
 - ▶ *10 month Instructional Staff, Paraprofessionals and Support Personnel – August 20-24, 2009 through June 11, 2010*

SABBATICAL LEAVE – BENEFITS

This Sabbatical Leave will be provided for personal and professional growth activities that will be beneficial to the District. In exchange for this consideration, employees will receive Board-paid benefits and be paid \$100/month. The School Board will pay the Florida Retirement System (FRS) contributions on this monthly payment, so the employee will receive retirement credit while on Sabbatical Leave. Employees choosing to return from Sabbatical Leave would be guaranteed a position of like status in the system at salary levels in force at the time of return from leave.

RETIREMENT INCENTIVE/SABBATICAL LEAVE – ADDITIONAL GUIDELINES

- Full-time employees, if eligible, may join DROP while on Sabbatical Leave
- Employee's whose DROP eligibility ends during Sabbatical Leave will cease to receive further Sabbatical Benefits
- Employees who do not provide FRS with the necessary documents to finalize their retirement application and be placed on the retiree payroll, are still bound by the terms of this incentive
- Employees may work part or full-time anywhere outside the District during the course of their Sabbatical Leave.
- Employees may pay out of pocket to enroll in a higher cost health insurance program
- Employees on Sabbatical Leave must indicate by May 15, 2010 in writing of their intent to return, retire, resign, or if eligible, extend their leave.

RECOMMENDED: That The School Board of Miami-Dade County, Florida authorize the creation of the 2009-2010 Retirement Incentive Program and Sabbatical Leave Program as follows:

1. RETIREMENT INCENTIVE – ELIGIBILITY

Full-time employees in the groups listed below and in an active pay status on July 1, 2009:

- Instructional Personnel on step 20, 21, or 22 of the AO/CO salary schedule
- Paraprofessionals/School Support Personnel on step 15 of the U1 salary schedule
- Office employees on step 14 of the UO salary schedule
- Confidential Exempt Personnel (CEP) on step 13-14 of the XO salary schedule
- MEP, DCSAA, and DCSMEC represented employees with 25 years or more of MDCPS service; or presently in the third to the fifth year of the DROP program, or eligible for normal retirement as defined by the Florida Retirement System (FRS)

RETIREMENT INCENTIVE – BENEFITS

- Board-paid health insurance consisting of the lowest cost Board-paid program, not including flex benefits or dependent subsidies, not to exceed 36 months with benefits ceasing at the earliest date of 36 months or upon reaching Medicare eligibility.

▶ 12 month employees will terminate July 31, 2009. If an employee who has signed up for the incentive chooses not to work past July 1, 2009, the 21 work days in this period can be covered by the employee's available vacation or personal days or be reported Leave Without Pay (Authorized). The three-day service incentive payment will occur prior to December 31, 2009.

▶ 10 month employees will terminate effective August 31, 2009. The six work days in this period from August 24, 2009 through August 31, 2009 will be covered by the employee's available personal days or Leave Without Pay (Authorized). The two-day service incentive payment will occur prior to December 31, 2009.

▶ The lowest cost Board-paid health insurance benefits begin in August, 2009 for the 12 month employees and in September, 2009 for 10 month employees; and

2. SABBATICAL LEAVE – ELIGIBILITY

Full-time employees in the groups listed below, in an active pay status on July 1, 2009, and not on a Board-approved leave of absence during any part of June, 2009:

- Instructional Personnel on step 17-22 of the AO/CO salary schedule
- Paraprofessionals/School Support Personnel on step 15 of the U1 salary schedule
- Office employees on step 14 of the UO salary schedule
- Employees will be placed on Sabbatical Leave status as follows:
 - ▶ 12 month employees – July 2, 2009 through June 20, 2010
 - ▶ 10 month clerical employees – August 13-20, 2009 through June 18, 2010
 - ▶ 10 month Instructional Staff, Paraprofessionals and Support Personnel – August 20-24, 2009 through June 11, 2010

SABBATICAL LEAVE – BENEFITS

This Sabbatical Leave will be provided for personal and professional growth activities that will be beneficial to the District. In exchange for this consideration, employees will receive Board-paid benefits and be paid \$100/month. The School Board will pay the Florida Retirement System (FRS) contributions on this monthly payment, so the employee will receive retirement credit while on Sabbatical Leave. Employees choosing to return from Sabbatical Leave would be guaranteed a position of like status in the system at salary levels in force at the time of return from leave.

3. authorize execution of Memoranda of Understanding (MOU) outlining the terms of the Retirement Incentive/Sabbatical Leave Program with United Teachers of Dade (UTD), Dade County Schools Administrators' Association (DCSAA) and Dade County Maintenance Employees Committee (DCSMEC).

RHH:sbc