

Financial Services
Richard H. Hinds, Chief Financial Officer

**SUBJECT: RETIREMENT INCENTIVE, SABBATICAL AND
TRANSITIONAL LEAVE PLANS**

COMMITTEE: SCHOOL SUPPORT ACCOUNTABILITY

**LINK TO STRATEGIC
FRAMEWORK: SCHOOL/DISTRICT LEADERSHIP**

Due to ongoing budget constraints, including the District's Capital Budget for school year 2010-2011, staff believes that it is in the best interest of the District to offer a Retirement Incentive, including, Sabbatical and Transition Leave Plans.

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

RETIREMENT INCENTIVE

Eligible employees: Full-time permanent employees in active pay status on July 1, 2010, in the following categories:

- Instructional Personnel on Steps 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 on Steps 15-16 of the XO salary schedule
- Managerial Exempt Personnel (MEP), Dade County Schools Administrators' Association (DCSAA), and Dade County Maintenance Employees Committee (DCSMEC) employees with 25 years or more of M-DCPS service; or who have participated in the DROP program for 48 months or less or are not in DROP and meet the definition of Normal Retirement as defined by the Florida Retirement System (FRS)
- Any employee, in the aforementioned categories, who has participated in the DROP program for more than 48 months, will receive a pro-rated retirement incentive benefit as outlined on page two.

RETIREMENT BENEFITS

- A Board-paid health insurance consisting of the lowest cost Board-paid program, not including flex benefits or dependent subsidies, not to exceed 36 months. Benefits cease at the earliest of the expiration of the 36 month period **or upon reaching Medicare eligible age**, except for employees only eligible for a pro-rated benefit.

- All employees will terminate at the close of business July 1, 2010.
- **Under the new FRS re-employment guidelines, employees retiring on or after July 1, 2010 may not be re-employed in any capacity with any FRS employer for six months, following the month of separation. (This restriction includes part-time employment)**
- The Retirement Incentive benefits will begin August 2010, for 11 and 12-month employees and on September 2010 for 10-month employees.

Pro rated benefits for employees in their 49th to 60th month of DROP are as follows:

Months in DROP as of July 2010 Duration of Retirement Incentive benefits

DROP ends July 2010.....	3 months
DROP ends August 2010.....	6 months
DROP ends September 2010	9 months
DROP ends October 2010	12 months
DROP ends November 2010	15 months
DROP ends December 2010	18 months
DROP ends January 2011	21 months
DROP ends February 2011.....	24 months
DROP ends March 2011.....	27 months
DROP ends April 2011.....	30 months
DROP ends May 2011	33 months

SABBATICAL LEAVE PLAN

Eligible employees: Full-time, permanent employees in the categories listed below, in active pay status on July 1, 2010 and not on a Board approved leave of absence during any part of April, May or June 2010:

- Instructional Personnel on Steps 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 on Sabbatical Leave must terminate at the conclusion of their five-year DROP participation period if it occurs during the Sabbatical Leave. The incentive benefits will also cease at termination.

SABBATICAL LEAVE BENEFITS

Employees will be placed on Sabbatical Leave status as follows:

- Eleven/Twelve-month employees - July 2, 2010 to June 30, 2011
- Ten-month employees - August 19, 2010 to June 10, 2011
- Ten-month clericals - August 12, 2010 to June 17, 2011
- Employees will receive Board paid benefits during the course of the leave not including flex benefits or dependent subsidies.
- Employees selecting OAP 10 will be billed for their cost share and all employee paid flex benefits.

Sabbatical Leave is provided for personal and professional growth activities that will be beneficial to the Miami-Dade County Public Schools. In exchange for this consideration employees will receive Board-paid benefits, not including flex benefits or dependent subsidies, and be paid \$100/month. The School Board will pay the FRS contributions on this monthly payment, so the employee will receive retirement credit while on leave. Employees considering this option should consult with the Florida Retirement System personnel to determine if there will be any impact on final retirement benefit calculations. Employees choosing to return from Sabbatical Leave would be **guaranteed an equivalent position** in the system at salary levels in force at the time of return from leave.

TRANSITION LEAVE PLAN

Eligible employees: Full-time, permanent employees in the categories listed below, in active pay status on July 1, 2010, and not on a Board approved leave of absence during any part of April, May or June 2010:

- MEP, DCSAA, and DCSMEC employees with 25 years or more of M-DCPS service or who are in the DROP program or eligible for Normal Retirement as defined by the Florida Retirement System.
- Confidential Exempt Personnel on Steps 15-16 of the XO salary schedule.
- Employees who are on Transition Leave must terminate by retirement or resignation at the earlier of the conclusion of the Transition Leave or their five-year DROP participation period.

TRANSITION LEAVE BENEFITS

Employees will be placed on Transitional Leave status as follows:

- Twelve-month employees - July 2, 2010 to June 30, 2011
- Ten-month administrators - August 12, 2010 to June 17, 2011
- Employees will receive Board paid benefits during the course of the leave not including flex benefits or dependent subsidies.

RETIREMENT, SABBATICAL AND TRANSITION LEAVE GUIDELINES

- Employees, if eligible, may join the DROP program while on Sabbatical or Transition Leave.
- Employees terminating during the course of the Sabbatical or Transition Leave because of the conclusion of their DROP participation period **will not receive any incentive benefits after their DROP end date.**
- Employees who resign prior to the conclusion of their Sabbatical or Transition Leave will not receive benefits beyond the month of separation.
- 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, or part-time for the District, during the course of their Sabbatical leave of absence.

- Employees may pay to upgrade their health insurance coverage to a higher-cost plan.
- **Employees on Sabbatical Leave will have to indicate by May 15, 2011, in writing, their decision to return, retire, resign or if eligible, extend the leave of absence.** Employees choosing to continue their employee-paid flex benefits will be billed by Fringe Benefits Management.

RECOMMENDED: That The School Board of Miami-Dade County, Florida authorize the creation of the 2010-2011 Retirement, Sabbatical and Transition Leave Plans as follows:

1. RETIREMENT INCENTIVE

Eligible employees: Full-time permanent employees in active pay status on July 1, 2010, in the following categories:

- Instructional Personnel on Steps 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 on Steps 15-16 of the XO salary schedule
- MEP, DCSAA, and DCSMEC employees with 25 years or more of M-DCPS service; or who have participated in the DROP program for 48 months or less or are not in DROP and meet the definition of Normal Retirement as defined by the Florida Retirement System
- Any employee, in the aforementioned categories, who has participated in the DROP program for more than 48 months, will receive a pro-rated retirement incentive benefit.

RETIREMENT BENEFITS

- A Board-paid health insurance consisting of the lowest cost Board-paid program, not including flex benefits or dependent subsidies, not to exceed 36 months. Benefits cease at the earliest of the expiration of the 36 month period or upon reaching Medicare eligible age, except for employees only eligible for a pro-rated benefit.
- All employees will terminate at the close of business July 1, 2010.
- Under the new FRS re-employment guidelines, employees retiring on or after July 1, 2010 may not be re-employed in any capacity with any FRS employer for six months, following the month of separation. *(This restriction includes part-time employment)*
- The Retirement Incentive benefits will begin August 2010, for 11 and 12-month employees and on September 2010 for 10-month employees.

Pro rated benefits for employees in their 49th to 60th month of DROP are as follows:

Months in DROP as of July 2010 and Duration of Retirement Incentive benefits

DROP ends July 2010	3 months
DROP ends August 2010	6 months
DROP ends September 2010	9 months
DROP ends October 2010	12 months
DROP ends November 2010	15 months
DROP ends December 2010	18 months
DROP ends January 2011	21 months
DROP ends February 2011	24 months
DROP ends March 2011	27 months
DROP ends April 2011	30 months
DROP ends May 2011	33 months

2. SABBATICAL LEAVE PLAN

Eligible employees: Full-time, permanent employees in the categories listed below, in active pay status on July 1, 2010, and not on a Board approved leave of absence during any part of April, May or June 2010:

- Instructional Personnel on Steps 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 on Sabbatical Leave must terminate at the conclusion of their five-year DROP participation period if it occurs during the Sabbatical Leave. The incentive benefits will also cease at termination.

SABBATICAL LEAVE BENEFITS

Employees will be placed on Sabbatical Leave status as follows:

- Eleven/Twelve-month employees - July 2, 2010 to June 30, 2011
- Ten-month employees - August 19, 2010 to June 10, 2011
- Ten-month clericals - August 12, 2010 to June 17, 2011
- Employees will receive Board paid benefits during the course of the leave not including flex benefits or dependent subsidies.
- Employees selecting OAP 10 will be billed for their cost share and all employee paid flex benefits.

Sabbatical Leave is provided for personal and professional growth activities that will be beneficial to the Miami-Dade County Public Schools. In exchange for this consideration employees will receive Board-paid benefits, not including flex benefits or dependent subsidies, and be paid \$100/month. The School Board will pay the FRS contributions on this monthly payment, so the employee will receive retirement credit while on leave. Employees considering this option should consult with the Florida Retirement System personnel to determine if there will be any impact on final retirement benefit calculations. Employees choosing to return from Sabbatical Leave would be guaranteed an equivalent position in the system at salary levels in force at the time of return from leave.

3. TRANSITION LEAVE PLAN

Eligible employees: Full-time, permanent employees in the categories listed below, in active pay status on July 1, 2010 and not on a Board approved leave of absence during any part of April, May or June 2010:

- MEP, DCSAA, and DCSMEC employees with 25 years or more of M-DCPS service or who are in the DROP program or eligible for Normal Retirement as defined by the Florida Retirement System
- Confidential Exempt Personnel on Steps 15-16 of the XO salary schedule

- Employees who are on Transition Leave must terminate by retirement or resignation at the earlier of the conclusion of the Transition Leave or their five-year DROP participation period.

TRANSITION LEAVE BENEFITS

Employees will be placed on Transition Leave status as follows:

- Twelve-month employees - July 2, 2010 to June 30, 2011
 - Ten-month administrators - August 12, 2010 to June 17, 2011
 - Employees will receive Board paid benefits during the course of the leave not including flex benefits or dependent subsidies.
4. Authorize execution of Memoranda of Understanding (MOU) outlining the terms of the Retirement Incentive, Sabbatical and Transition Leave Plan with United Teachers of Dade, Dade County Schools Administrators' Association, and Dade County Maintenance Employees Committee.