

## DISTRICT ISSUE #5—ARTICLE 27--SEVERANCE

The District proposes to revise the existing Article 27 provision regarding severance through the changes shown in redline and strikethrough below. The District’s proposal seeks to clarify the definition and mutual understanding of the term “retire” to mean permanent retirement as synonymous with qualifying for a superannuated or disability benefit under PSERS, and to ensure that “retirement” benefits aren’t being paid to employees who are retirement-age but who obtain other employment. By proposing to eliminate the “full time” limitation from the expiring CBA, the District’s proposal would permit retiring part-time employees to receive severance benefits.

### **ARTICLE 27 – Leave of Absence**

#### G. Severance:

Upon termination of employment by **permanent** retirement, the District will compensate ~~full time~~ employees at fifty percent (50%) of that employee’s current rate for each unused accumulated sick, personal/emergency days or \$100.00 times the number of years of service, whichever is greater, with a cap of \$12,500. An appropriate tax-free vehicle for these funds (**i.e. e.g.** 401(a), 403(b) or their successors or replacements) will be set up via a mutual agreement between the District and the Federation Paraprofessionals/Aides Unit president or **his/her** ~~her~~ designee. All employees who retire after the effective date of this Agreement and receiving payment as set forth above must participate in the agreed upon plan. **The term “permanent retirement” means superannuation or disability under the provisions of the Public School Employees’ Retirement Act.**

Should an employee die while in active service, **she or he** ~~she~~ will be considered a retiree for computing severance pay and such severance payment shall be made to **her or his** beneficiary or estate.

Continuing through the life of this Agreement, the School District shall permit retired bargaining unit employees to maintain the same ACSHIC benefits as active bargaining unit employees by paying one hundred percent (100%) of the premium rate charged by ACSHIC for that retired employee’s participation plus an additional two percent (2%) as authorized by Section 5-513(b.1)(3) of the School Code, 24 P.S. 5-513(b.1)(3). As provided in Section 5-513(b.1) of the School Code, the retiree may continue to purchase coverage until age 65 or until they are covered by another plan. A retiree who is eligible to be covered as an employee or dependent by any other employer-provided health plan shall not be eligible for coverage. Such payments must be received by the School District or the District’s agent or designee ten (10) days prior to the commencement of each insurance month. The School District shall permit such participation so long as it not determined to be in conflict with the master certificate. ~~The ACSHIC Out-of-Area PPO will also be available.~~