

SALT LAKE COMMUNITY COLLEGE EARLY RETIREMENT AGREEMENT

This Agreement between Salt Lake Community College (herein "College") _____ (Herein "Employee") embodies the terms and conditions upon which Employee shall begin the Early Retirement Program of Salt Lake Community College.

SECTION I: MUTUAL UNDERSTANDINGS

There are several relationships and situations which presently exist which both parties understand and which form the basis for this Agreement. These understandings include the following:

- A. Employee is currently employed by the College in good standing and has the right to continued employment under the policies of the College.
- B. The College does not have in place any policy or practice requiring the Employee to terminate this employment relationship or in any way diminish the terms and conditions of employment based on the age of the Employee.
- C. At present the College has in effect a voluntary early retirement program whereby employees meeting certain standards may voluntarily elect to terminate the employment relationship and receive special consideration, benefits and payments as part of the incentive for the employee to take early retirement. The College's voluntary early retirement policy is found in Policies & Procedures Manual, Section 4.02.
- D. The Board of Trustees reserves the right to recommend changes in the Early Retirement Program at any time, but no change shall reduce benefits to any participant who has already retired under its provision.
- E. The terms and conditions of employment, termination of employment and retirement are regulated by law. Specifically, early retirement programs such as that covered by the policies of the College and this agreement are regulated by the Age Discrimination in Employment Act of 1967 (29 U.S.C. S62 et. Seq.) As amended by the Older Workers Benefit Protection Act (Public Law 101-433—October 15, 1990).

SECTION II: ELIGIBILITY REQUIREMENTS

Candidates must have accumulated a minimum of 75 points based upon the sum of chronological age and years of full time, regular salaried service at the College or related Utah System of Higher Education service. This includes a minimum of 15 years at Salt Lake Community College or related employment with the Utah System of Higher Education and be at least 57.

Only College or related Utah System of Higher Education service at 75% FTE or more will qualify for credit. Hourly service will not be credited.

SECTION III: STIPEND PAYMENTS FOR VOLUNTARY EARLY RETIREMENT

A. Definition of Stipend Base

Stipend payments shall be paid in installments provided to all full-time employees and end at full retirement age as a bridge to future Social Security benefits. The early retiree shall be paid a stipend based on a percent of the employee's current annual salary or the estimated single social security benefit available to the individual at full retirement age, whichever is less, as follows:

Stipend Period	Stipend
Up to 5 years	20.5% per year
5 – 7 years	Pro rated: Stipend amount for 5 years divided by number of months employee selects to be paid.
7 years	14.3% per year

Early retirement stipend payments will discontinue at the end of the month in which early retirees reach full retirement age (see definition of full retirement age). Stipends may not exceed 20.5% per year. Under no circumstances will the stipend be allowed to exceed 7 years.

The stipend shall be adjusted annually at a rate determined by the College administration. This annual adjustment will normally be at the same base increase as that given to faculty or staff, whichever employee group the early retiree worked under. The early retirement stipend may never exceed the estimated single Social Security benefit available to the individual at full retirement age.

The following shall determine the salary period for faculty (either nine or 12 months) upon which the employee's base salary will be calculated for the duration of the agreement.

- a. If the employee worked on a 12-month appointment (or a combination of nine and three month appointments) for at least half of his/her total years of service, the 12-month salary will be used to calculate the base salary.
- b. If the employee worked on a nine-month appointment for more than half of his/her total years of service, the nine-month appointment will be used to calculate the base salary.

B. Deductions; Entitlements

Employee understands that the College will deduct from each gross incentive payment, federal withholding taxes and other deductions the College is required bylaw to make from wage payments to employees. Employee further understand that this amount is all the employee is entitled to receive from the College except for those benefits covered in Section IV of this policy and pension or other retirement benefits to which Employee may be entitled under the College's standard retirement program. Employee will receive no further wages, vacation or other similar payments except as provided by College policy for all retiring employees.

SECTION IV: BENEFITS FOR VOLUNTARY EARLY RETIREMENT

Continued coverage in the group medical and dental insurance programs at the same level provided all full-time personnel, as follows:

Benefit Period	College Pays	Early Retiree Pays
Up to 5 years	100% of premium	0% of premium + current payroll deduction
Up to 5 ½ years	90.9% of premium	9.10% of premium + current payroll deduction
Up to 6 years	83.3% of premium	16.7% of premium + current payroll deduction
Up to 6 ½ years	76.9% of premium	23.1% of premium + current payroll deduction

Up to 7 years	71.4% of premium	29.6% of premium + current payroll deduction
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Benefits discontinue at the end of the month in which the early retiree turns 65. This would be when the early retiree would qualify for Medicare coverage. Early retirees should contact the Social Security Administration for information regarding Medicare. Under no circumstances will the benefits be allowed to exceed 7 years.

Accrued annual leave will be paid to the maximum allowed by College policy at the time of retirement.

B. Exclusions:

1. Employee is not eligible for College disability benefits, life insurance, or any other benefit not contained in this Agreement.
2. No further contributions will be made by the College to the Employee's TIAA/CREF or State Retirement accounts.

SECTION V: COMPLETE RELEASE

Employee states clearly and without any reservation that his/her entering into this early retirement agreement is done voluntarily and for the purpose of taking advantage of the early retirement program offered by the employer.

Employee further acknowledges that no person, organization, employee, officer or agent of the employer has suggested or otherwise attempted to cause force or coerce the employee to involuntarily take advantage of the early retirement program and to terminate the employee's employment with the employer.

Employee agrees to release the College and the employees and trustees from all claims or demands Employees may have based on Employee's employment with the College or the termination of that employment. This includes, but is not limited to, a release of any right or claims Employee may have under the Age Discrimination in Employment Act, or The Older Workers Benefit Protection Act; both of which prohibit age discrimination in employment; Title VII of the Civil Rights Act of 1964, which prohibits discrimination in employment based on race, color, national origin, religion or sex; the Equal Pay Act, which prohibits paying men and women unequal pay for work; or any other federal, state or local laws or regulations prohibiting employment discrimination. This also includes a release by Employee of any claims for wrongful discharge. This release covers both claims that Employee knows about and those he/she may not know about. If an interpretation by the EEOC or a court of law determines, subsequent to the effective date of this agreement, that the employee had or may have had (prior to the date of this agreement) rights greater or different than those provided through the employment relationship or this early retirement agreement such claims are forever waived by the employee.

This release does not include, however, a release of Employee's right, if any, to pension, retiree health or similar benefits under the College's standard retirement program.

SECTION VI: NO FUTURE LAWSUITS

Employee agrees to not file a lawsuit asserting any claims that are released in Section V, and waives any cause of action or claim for liability, if any, which are not expressly reserved. By making this Agreement, the College does not admit that it has done anything wrong, and does not admit any liability for claims not expressed in this agreement.

SECTION VII: NON-RELEASE OF FUTURE CLAIMS

This Agreement does not waive or release any rights or claims that Employee may have which arise after the date the Employee signs this Agreement.

SECTION VIII: PERIOD FOR REVIEW AND CONSIDERATION OF AGREEMENT

Employee understands that Employee has been given a period of 21 calendar days to review and consider this Agreement before signing it. Employee further understands that Employee may use as much of the 21-day period as Employee wishes prior to signing.

SECTION IX: ENCOURAGEMENT TO CONSULT WITH ATTORNEY

Employee is strongly encouraged to consult with an attorney, financial advisors, retirement companies, insurance carriers, and other governmental agencies, etc. before signing this Agreement. Employee understands that whether or not to do so is Employee's decision.

SECTION X: EMPLOYEE'S RIGHT TO REVOKE AGREEMENT

Employee may revoke this Agreement within seven business days of Employee's signing it. Revocation can be made by delivering a written notice of revocation to the Director of Human Resources. For this revocation to be effective, written notice must be received by the Director of Human Resources no later than the close of business on the seventh business day after Employee signs this Agreement. If Employee revokes this Agreement, it shall not be effective or enforceable and Employee will not receive the benefits described herein.

SECTION XI: TERMINATION OF EMPLOYMENT

It understood by the parties that all obligations of the College under this agreement will terminate thirty days after the death of Employee. The surviving spouse and/or dependents may continue medical and dental insurance benefits under the College COBRA provision by paying the premiums out-of-pocket.

SECTION XII: EFFECTIVE DATE; CALCULATIONS

- A. Effective date of early retirement and this agreement _____
- B. Employee's age at early retirement _____
 Eligible years of service _____
 Total – age plus years of service _____
- C. Cost estimates obtained from the Human Resources Office _____
- D. Employee's Full Retirement Age _____
- E. Estimated annual single social security payment at age FRA _____
- F. Number of months the employee chooses to take the stipend _____
- G. Length of time employee chooses to take benefits _____

SECTION XIII: GOVERNING LAW

Any disputes concerning this agreement will be governed by the laws of the State of Utah and of the United States and will be heard in the courts in the State of Utah.

SECTION XIV: ENTIRE AGREEMENT

This is the entire Agreement between Employee and College. The College has made no promises to Employee other than those in this Agreement.

SECTION XV: RECEIPT OF AGREEMENT

EMPLOYEE ACKNOWLEDGES RECEIPT OF THIS AGREEMENT ON THIS ____ DAY OF _____, _____.

SIGNATURE

SECTION XVI: SIGNATURE AND APPROVALS

EMPLOYEE ACKNOWLEDGES THAT HE/SHE HAS READ THIS AGREEMENT, UNDERSTANDS IT AND IS VOLUNTARILY ENTERING INTO IT.

PLEASE READ THIS AGREEMENT CAREFULLY. IT CONTAINS A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

Employee Signature

Date

College Approvals:

Director of Human Resources

Date

Director of Budget

Date

President

Date