

**EARLY SEPARATION INCENTIVE PLAN (ESIP)  
(All Employees-Excluding Administrators)**

**Purpose**

The purpose of this Early Separation Incentive Plan (“ESIP” or “Plan”) is to provide a financial incentive to employees who elect early separation from the Parkway School District (“School District” or “District”).

**Eligibility Requirements**

This Plan is offered for the 2019-2020 year **only**. The following ESIP will be available to all employees who meet the following criteria and therefore are considered eligible:

- Eligibility:
  1. Ten (10) or More Years of Continuous Full-Time Service in Parkway
  2. This ESIP is available to eligible employees, as defined in this Plan, and shall include employees who are working full-time (30 hours or more per week) during the 2019-2020, even if they have been employed part-time during any of the nine preceding school years, so long as such service has been continuous and so long as such employee is qualified for retirement under one of the retirement criteria listed below
  3. The recipient must be eligible for retirement under one of the following Public School Retirement System (“PSRS”) or Public Education Employees Retirement System (“PEERS”) retirement categories:

PSRS/PEERS normal retirement, full benefit formula. To be eligible under this category, the employee must:

- a) have at least ten (10) years of creditable service (five (5) years as required by PSRS or PEERS, plus an additional five (5) years as required by this Plan) under PSRS or PEERS, and must be at least sixty (60) years of age; or
- b) have at least thirty (30) years of creditable service under PSRS or PEERS, at any age; or
- c) have any combination of age and creditable service that equals or exceeds the Rule of 80, as promulgated by PSRS or PEERS.

Early retirement – 25-and-Out – Employees who retire under the PSRS or PEERS early retirement, 25-and-out option must:

- a) be under age 55;
- b) have at least twenty-five (25) but fewer than thirty (30) years of creditable service under PSRS or PEERS; and
- c) not qualify for the Rule of 80, as promulgated by PSRS or PEERS

Early retirement – age reduction factor applied to full benefit formula: Employees who retire under the PSRS or PEERS full benefit formula, with the age reduction factor applied, must:

- a) have at least ten (10) years of creditable service (five (5) years as required by PSRS or PEERS, plus an additional five (5) years as required by this Plan) under PSRS or PEERS; and
  - b) be at least fifty-five (55) years of age; or
  - c) be of any age with at least twenty-five (25) years of service credit under PSRS or PEERS.
- Employees may choose any retirement category listed under “Eligibility” above.
  - If an eligible employee does not submit a signed Separation Agreement, including Exhibit A, by the date stated in this Plan, the employee waives the right to do so under this ESIP.
  - Employees who already qualify for retirement under any of the retirement categories identified above have automatic eligibility for the Plan; however, they are required to submit a signed Separation Agreement, including Exhibit A, as required by this Plan.

#### **Years of Service (for PSRS/PEERS retirement eligibility)**

The number of years of service credit shall be determined by the employee’s PSRS or PEERS retirement credit records.

#### **Retiring End of 2019-2020**

The District will remit a one-time, lump sum payment in the amount of \$9,300 (less taxes) to each eligible employee who has elected to participate in the ESIP. Such payment shall be remitted prior to July 31, 2020.

The Human Resource Office will generate a list of potentially eligible employees and based upon known information contact these employees. However, the District shall not be responsible for the omission of any potentially eligible employee from the list. Each employee is solely and entirely responsible for determining whether he or she may be eligible to participate in this Plan, and for submitting the required documents in accordance with the timelines established herein.

Potentially eligible employees who wish to retire at the end of the 2019-2020 school year must apply to the Human Resource Office for the ESIP benefit no later than January 31, 2020. The Human Resource Office will make a final eligibility determination and will notify all applicants whether they qualify for the ESIP benefit. Employees who do not qualify for the ESIP benefit will not be eligible to participate in this **one-time plan**. Only the names of eligible employees who have complied with all requirements under this Plan will be submitted to the Board of Education for approved participation in this ESIP.

#### **Final School Year of Employment**

“Final School Year of Employment” shall mean continuous full-time (30 hours or more per week) employment for the last full school year with the District and shall be designated as “Final School Year of Employment.”

### **Separation Agreement**

In return for the financial incentive provided under this Plan, the employee shall enter into a Separation Agreement with the District, releasing the District and its directors, officers, agents, and employees, and their attorneys and insurers from any and all claims or other causes of action the employee may have against them. The signed Separation Agreement shall be submitted to the office of Human Resource no later than **4:00 p.m. on January 31, 2020.**

### **Payment of Retirement Incentive**

The ESIP benefit will be payment of a one-time, lump sum in the amount of \$9,300 cash (less taxes) Said payment will be distributed in one lump sum prior to July 31, 2020.

### **Completion of the Final School Year of Employment**

To be eligible for the payment under this Plan, the employee must be compensated for every scheduled work day of the Final School Year of Employment, except as may be otherwise required by law. The ESIP benefit will be prorated for days not compensated or otherwise approved by the Board of Education during the Final School Year of Employment.

### **Survivorship**

All benefits provided under this ESIP will terminate upon the death of the individual employee. Therefore, the designation of beneficiaries is inapplicable to this ESIP.

### **Other Provisions**

- Eligible employees have five options for eligibility for the Early Separation Incentive Plan—10 years of creditable service (five (5) years as required by PSRS or PEERS, plus an additional five (5) years as required by this Plan) and at least 60 years of age; 30 years of creditable service; eligibility for retirement through the Rule of 80; early retirement – 25-and-out; or the early retirement – age reduction factor applied to full benefit formula.
- If an employee does not submit a written application and signed Separation Agreement by the dates required, the employee waives the right to do so under this Plan.
- The Early Separation Incentive Plan is available only to eligible employees who apply and submit a signed Separation Agreement no later than **4:00 PM on January 31, 2020.**

### **Buy Back Option**

- Employees who will become eligible for the Early Separation Incentive Plan only through buying back PSRS or PEERS service credit must complete the process for such buy back on or before **May 31, 2020.**

### **Withdrawal of Notice**

Once the employee has submitted his/her notice of intent to elect early separation, the employee will be permitted to withdraw such notice only in accordance with the terms of the Early Separation Agreement or in emergency situations, subject to approval of the Board of Education.

### **Advice of Counsel and Tax Preparer**

Participants in the Early Separation Incentive Plan should seek advice of counsel and their own tax preparer prior to signing the Separation Agreement. The law regarding treatment of separation payments is complex and changes from year to year. The District is not responsible for providing legal or tax advice to employees regarding the Early Separation Incentive Plan or the Separation Agreement. It is the employee's responsibility to obtain legal and/or tax advice in sufficient time to submit all applications and forms, as well as the signed Separation Agreement, in accordance with the deadlines established under this Plan.

**EARLY SEPARATION AGREEMENT  
(All Eligible Employees)**

THIS EARLY SEPARATION AGREEMENT (“Agreement”) is entered into on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between the Parkway School District (“District”), and \_\_\_\_\_ (“Employee”).

WHEREAS, Employee meets all of the requirements for early separation from employment with the District; and

WHEREAS, Employee has timely requested the benefits of early separation from employment with the District; and

WHEREAS, Employee intends to take early separation from employment and to relinquish Employee’s rights to future employment with the District, and the District intends to grant early separation from Employee’s employment with the District; provided, however, that this Agreement shall not prevent Employee from performing services in accordance with the Work After Retirement rules and regulations promulgated by the Missouri Public School Retirement System and the Public Education Employees Retirement System.

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties hereto agree as follows:

1. Employee hereby submits Employee’s irrevocable letter of resignation and notice of intent to retire, effective at the end of the 2019-2020 school year. A copy of Employee’s letter of resignation and notice of intent to retire is attached hereto as Exhibit A.
2. The District agrees to pay a one-time, lump sum payment in the amount of \$9,300, to be remitted no later than July 31, 2020. .
3. Employee acknowledges, understands, and agrees that Employee is solely responsible for obtaining advice from Employee’s own attorney and/or tax preparer regarding the legal effect and tax consequences of entering into and receiving payments under this Agreement.
4. The payments made under this Agreement shall be for settlement of any and all claims Employee may have against the District, including the District’s affiliates and subsidiaries, together with their respective members, directors, officers, agents, and employees, and their attorneys and insurers, whether in their respective official and individual capacities, including but not limited to, claims for compensatory damages, emotional distress, loss of reputation, humiliation, embarrassment, costs, expenses, and attorney’s fees.

5. Employee hereby releases, remises, and forever discharges the District, the Board of Education, and their affiliates and subsidiaries, together with their respective members, directors, officers, agents, and employees, including their attorneys and insurers, whether in their respective individual or official capacities, from any and all claims or other causes of action he/she may have against them, including, but not limited to, any alleged rights or claims arising under the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*; the Age Discrimination in Employment Act, 29 U.S.C. § 621 *et seq.*; Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e *et seq.*, as amended by the Civil Rights Act of 1991, 42 U.S.C. § 1981a; the Rehabilitation Act of 1973, 29 U.S.C. § 791 *et. seq.*; the Missouri Human Rights Act, Mo. Rev. Stat. § 213.010 *et seq.*; the Missouri Teacher Tenure Act, Mo. Rev. Stat. §§ 168.102 -.130; and any other alleged employment discrimination, breach of express or implied contract, or breach of covenant of good faith and fair dealing; or any other violation of federal, state, or local statutory or common law, relating to or arising out of Employee's employment with the District, or Employee's separation from employment with the District, up to and including the effective date of Employee's resignation.

6. Employee agrees not to enter into any suit, action, or other proceeding at law or in equity, or to prosecute further any suit or action that might presently exist, or to make any claim or demand of any kind against the District or any of the District's affiliates or subsidiaries, together with any of their respective officers, directors, agents, or employees, or their attorneys or insurers, whether in their respective official or individual capacities, asserting any claim released by Employee in paragraph 5 of this Agreement, other than an action to enforce Employee's rights under this Agreement. If Employee enters into any action in violation of this paragraph 6, all payments required under paragraph 2 of this Agreement shall cease as of the date the District receives notice of such violation, and Employee shall further (1) forfeit and/or repay to the District one-half of all amounts previously paid pursuant to paragraph 2 of this Agreement, and (2) pay all legal costs, including attorneys' fees, incurred by the District, its affiliates and subsidiaries, and their respective officers, directors, agents, and employees, or their attorneys, in defending against such action.

7. Employee further agrees that in the event any person or entity brings a charge, claim, complaint, or action asserting any claim released by Employee in paragraph 5 of this Agreement, Employee shall waive any right to recovery in connection with such charge, claim, complaint, or action, and shall exercise a good faith attempt to have such charge, claim, complaint or action dismissed.

8. Employee has been given forty-five (45) days in which to consider the terms of this Early Separation Agreement. Employee further acknowledges that this Early Separation Agreement has been reviewed in detail with Employee and that its language and intended effect have been explained, and that Employee has had a full and fair opportunity to review this Early Separation Agreement with legal counsel of Employee's choice prior to executing the Agreement. Employee also acknowledges that no promise or representation has been made to Employee by any representative of the District to induce Employee to enter into this Early Separation Agreement (except as specifically set forth herein), and that he/she has voluntarily entered into this Separation Agreement of his/her own free will based only upon the terms and conditions set forth herein.

9. Failure to complete Employee's Final School Year of Employment with the District will result in a prorated reduction in the benefits paid for those days not compensated during the Final School Year of Employment, except as may be otherwise required by law or approved by the Board.

10. In the event of death of Employee at any time prior to payment of the one-time, lump sum provided herein, this benefit shall terminate immediately and no payment will be made by the District.

11. Employee may, upon written notice to the District, revoke this Early Separation Agreement within a period of seven (7) days, such period to commence on the day Employee executes this Agreement, and this Agreement shall not become effective or enforceable until this period has expired.

12. The provisions of this Agreement will be governed by the laws of the State of Missouri.

13. If a court of competent jurisdiction determines that any provision contained in this Agreement, or any part thereof, cannot be enforced, the parties agree that such determination shall not affect or invalidate the remainder of the Agreement.

14. This Agreement constitutes the entire agreement between Employee and the District, and supersedes all prior understandings, whether oral or written, between the parties. Any amendments or modifications to this Agreement must be in writing and signed by the parties.

15. This Early Separation Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Early Separation Agreement as of the day and year first above written.

**EMPLOYEE**

\_\_\_\_\_  
Employee Date: \_\_\_\_\_

**PARKWAY SCHOOL DISTRICT**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
President, Board of Education

\_\_\_\_\_  
Attest: Secretary, Board of Education Date: \_\_\_\_\_

**EXHIBIT A**

Board of Education  
Parkway School District  
455 N. Woods Mill Road  
Chesterfield, MO 63017

Dear Members of the Board:

I hereby submit my irrevocable letter of resignation and notice of intent to retire effective at the end of the 2019-2020 school year, for the purpose of receiving the early separation incentive benefit under the Plan adopted by the Board of Education.

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Employee's Signature

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Employee's Printed Name

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Date of Signature