

**Retirement Incentive Proposal  
Between ACE and WVMCCD  
Spring 2009**

This Letter of Understanding is entered into between the West Valley/Mission Community College District (District) and the Association of College Educators (ACE). The District and ACE hereby agree that a Retirement Incentive Plan shall be available to eligible faculty members as described below and shall not be precedent setting.

1. Any member participating in this Retirement Incentive Plan shall be granted reemployment preference under the provisions of Article 100 if they have received a “Satisfactory” evaluation on their most recent full evaluation prior to retirement or a “Satisfactory” evaluation in their last year of full time assignment prior to retirement. NOTE: Reemployment preference is not available to those members who retire under STRS “Plus 2” since such members are not eligible to accept any type of employment from the District for a minimum of five (5) years and they are not eligible to accept employment from any public agency in California for one (1) year.
2. Eligibility Requirements: to be eligible under this incentive plan a member must be at least age 55 and eligible to retire under the STRS or PERS system.
3. Incentive for Full-time members:  
Eligible full-time members, who elect to retire in Window #2, defined as **July 1, 2009 through August 31, 2009**  
Shall have the choice of one of the following incentives:
  1. The District shall purchase two additional years of service credit for the member under the STRS “Plus 2” retirement incentive program. Note: under the STRS provisions of this program, the member is not eligible to accept any type of employment from the District for a minimum of five years and they are not eligible to accept employment from any public agency in California for one year. OR
  2. The District shall make a bonus lump sum cash payment to the member equal in amount to 65% of the member’s regular salary, payable within 60 days after the member’s effective retirement date. OR
  3. The District shall make a bonus lump sum cash payment to the member equal in amount to 65% of the member’s regular salary payable prior to the member’s effective retirement date. Prior to their effective retirement date the member shall enroll in and shall direct a portion of this bonus payment to a District 403(b) and/or 457 plan(s) up to the statutory limit(s) and subject to those plan provisions. Faculty who elect this option shall have the responsibility for enrolling in the 403(b) and/or 457 plan(s) in compliance with IRS and other legal requirements. Said funds shall be deposited in accordance with IRS regulations. The difference between the bonus cash payment and the amounts directed to a 403(b) and/or 457 plan(s) shall be paid in a lump sum cash.

4. Banked Load:

Any members who elect to retire under this retirement incentive plan who have banked load, shall “cash out” the bank per the cash disbursement chart in Article 38.6.3. The member has the option of taking a lump sum payment and this amount shall be paid to each member within 60 days after the member’s effective retirement date OR prior to retirement, the member may enroll in and direct this payment to a District 403(b) and/or 457 plan(s) up to the statutory limit(s) and subject to those plan provisions. Faculty who elect this option shall have the responsibility for enrolling in the 403(b) and/or 457 plan(s) in compliance with IRS and other legal requirements. Said funds shall be deposited in accordance with IRS regulations. The difference between the lump sum payment and any amounts directed to a 403(b) and/or 457 plan(s) shall be paid within 60 days after the member’s effective retirement date.
  
5. Incentive for Associate members:

Eligible associate members may elect to retire only in Window #2, defined as **July 1, 2009 through August 31, 2009** and shall receive the following incentive:

The District shall purchase two additional years of service credit for the member under the STRS “Plus 2” retirement incentive program. Note: under the STRS provisions of this program, the member is not eligible to accept any type of employment from the District for a minimum of five years and they are not eligible to accept employment from any public agency in California for one year.
  
6. All filings of intent to retire under this retirement incentive plan:
  - a. Must be made on a District-provided Retirement Incentive Plan Identification Document, which shall be made available to members within two weeks of Board adoption of the plan.
  - b. Must include the member’s effective date of retirement.
  - c. Must be received by the Human Resources department no later than 5pm on **March 18, 2009**.
  - d. Must include the member’s retirement incentive option.
  
7. Qualifications

In addition to these provisions, this retirement incentive plan is offered by the District subject to the following:

For any members selecting this STRS “Plus 2” program, STRS must approve the program as per applicable Ed Code provisions.

If this retirement incentive plan is not accepted by STRS, the eligible members’ elections to retire under this incentive shall be null and void.