



Memorandum of Understanding (MOU)

Application of Voluntary Early Retirement Plan - Policy GBOB For 2020-21

Professional Council will continue to study the fiscal viability and sustainability of the Voluntary Early Retirement Plan in 2020-21. Olathe Public Schools and Olathe NEA agree to ensure the policy is consistently applied as full Social Security eligibility requirements continue to change.

For the 2020-21 contract year, the district will continue the current VERP practice of offering VERP to those employees 1 or 2 years out from full social security benefit age and pay the additional pro-rated portion of any 2nd or 3rd year amounts based off the number of months to reach their full social security benefit age, as described in the examples below. This encompasses retiring employees who meet VERP eligibility requirements. The year three rate chart found in the negotiated agreement will be used to calculate payments.

Full social security benefits for a retiring employee born in 1956 is age 66 and 4 months. Full social security benefits for a retiring employee born in 1957 is age 66 and 6 months.

- For those retiring at age 65, born in 1956:
 - Maintain the current district practice for those with birthdays in January-March
 - Prorate 2nd year payments for those with birthdays in April-December
- For those retiring at age 64, born in 1957:
 - Maintain the current district practice for those with birthdays in January
 - Prorate 3rd year payments for those with birthdays in February-December