

SUPPLEMENTAL RETIREMENT BENEFITS POLICY

It is the policy of the Board of Education of Tulsa Technology Center to offer employment benefits which provide for the welfare of employees as well as encourage the retention of necessary skills and talent in the School District.

While recognizing the District's interest in encouraging the retention of needed employees, this policy intends to retain specific benefit provisions offered to existing employees prior to the date of this July 2007, policy revision. This policy is intended to implement the authority granted to the Board of Education by Title 70, Oklahoma Statutes 17-105 (9) (Section 355 of the School Laws of Oklahoma).

1. Retirement is Voluntary

Early retirement shall be strictly optional with the employee. No employee shall be forced to retire earlier than desired.

2. Supplemental Retirement Income

A retiree may be eligible for Supplemental Retirement Income only if he/she was a regular full-time employee, as defined in Personnel Policy PER-7 who has:

- (a) been employed continuously as a regular full-time employee by this school district for at least ten (10) years preceding the date of retirement;
- (b) attained the age of sixty-two (62) prior to the date of retirement and have not attained the full retirement age as defined by the Social Security Administration as of the date of retirement; and
- (c) been approved for retirement payments from OTRS.
- (d) been employed by the School District in regular full-time status on June 30, 2007.

The retirement income supplement shall be based on the position and the salary of the employee at the time of retirement. For all eligible employees, the retirement income supplement shall be the difference between the monthly amount the retiree actually receives from OTRS and the monthly amount the retiree would have been entitled to receive from OTRS if the employee had elected to retire at the age of full retirement as defined by the Social Security Administration. Since the retirement income supplement shall be based on the employee's position and salary on the date of retirement, any salary increase which the employee might have received if the employee had elected to retire at the age of full retirement

as defined by the Social Security Administration, shall not be considered when figuring the retirement income supplement.

All payments under this policy shall commence with the month in which the eligible retiree receives is/her first retirement payment from OTRS and shall continue on a monthly basis until the end of the month in which the retiree attains the age of full retirement as defined by the Social Security Administration, at which date the supplemental retirement income payment will terminate. All supplemental retirement payments will terminate in the event of the retiree's death.

3. Supplemental Retirement Medical Insurance

Early retirees (age 55-65) and retirees under the age of 55 (who retire with full service retirement benefits [100% vested] through the Teacher's Retirement System of Oklahoma with 10 years of continuous regular full time District employment may continue medical, dental, and vision insurance coverage for themselves and their eligible dependents under the District's Plan at regular group rates, provided the carrier agrees. The total premium costs for the employee and dependents must be paid by the employee except under the following conditions.

The District shall pay the cost, up to \$300.00 per month, for medical, dental, and vision insurance coverage for retirees who retire at an age between 60 and 65 years old under the Teacher's Retirement System of Oklahoma. However, eligible retirees who were employees of record on June 30, 2007, may elect to receive this District benefit upon retiring with full TRS benefits (if under the age of 55), or at age 55 to age 60, at the rate of \$150 per month until reaching the age of 65.

The retiree may choose to continue in the Oklahoma State and Education Employees Group Insurance Board (OSEEGIB) Health Plan, or the retiree may enroll in another medical insurance plan.

Payments will be scheduled to commence on a District payday in the month following the latter of either the date of retirement, or the date of the eligible birthday. The final payment will be made on the payday of the month prior to the 65th birthday.

In any case, the cost will be paid directly to the retiree provided he/she signs an affidavit indicating the actual cost of the plan and declaring that the money will be used to pay the premium for his/her own medical insurance. These payments will cease if the retiree enters new employment and is eligible to be covered under a paid insurance plan, in the event of the retiree's death, or upon reaching the age of sixty-five (65).

In no event will the payments be made after the retiree reaches age 65.

4. Method of Payment

At its option, the school district may perform its obligation of providing Supplemental Retirement Income under this Policy by:

- (a) purchasing a single premium annuity contract from a commercial annuity/insurance company which will fund the monthly payments to which the retiree is entitled under this Policy, or
- (b) paying the monthly payments from the school district's current appropriation for salaries for the fiscal year in which such payments are made.

If the school district elects option (b), the obligation of the school district shall be subject to annual renewal by the Board of Education in July of each year as required by the Oklahoma Constitutional provisions relating to fiscal year indebtedness limitations of political subdivisions.

An employee who desires to receive supplemental retirement benefits under this Policy shall notify the Superintendent in writing at least ninety (90) days prior to the employee's retirement date. The notice shall state the proposed retirement date.

5. Rights Reserved

The Board of Education reserves the right to alter, amend or revoke this Policy at any time, except that any such change shall not affect the rights of retirees who have previously been granted benefits under this Policy.

Any dispute concerning any interpretation of this Policy or its application to individual facts or circumstances shall be resolved by the Board of Education, and its decision shall be final.