



Board Policy 443: Voluntary Retirement Incentive Plan

Personnel Benefits

Iowa Valley Community College District has for eligible employees. The terms and conditions are set forth in this document.

The District will not discriminate against any employee on the basis of age, color, creed, disability, gender identity, genetic information, national origin, race, religion, sex, sexual orientation, and veteran status, or any other characteristic protected by law through the application or administration of this policy. No employee will be discriminated against, retaliated against, or harassed due to that employee's participation or non-participation in the program.

The District reserves the right to determine whether any early retirement benefits will be paid in a given year, and if so, to determine how many employees will be granted benefits. The District expressly reserves the right to reject any application for early retirement benefits subject to the criteria set forth in this policy.

Right to Amend or Revoke

The policy described herein applies to employees retiring as of June 30, 2026. The policy is activated at the discretion of the Board of Directors. The Board will consider the activation or non-activation of a voluntary retirement incentive program and the nature and scope of such program, prior to or at the September Board Meeting. It will automatically terminate if the District no longer has the authority to levy a tax to fund the Plan as currently provided in the Code of Iowa.

Eligibility

An employee is eligible to apply for early retirement under this program if the following conditions are met by the employee:

1. Has reached the age of 55 as of June 30, of the applicable year of retirement.
2. Has been continually employed by the District in a benefit eligible position for a minimum of the most recent ten (10) consecutive years.

3. Years of service will be based on the academic year from fall to spring. The employee's hire date must be on or before September 30 to count the employee's first year as a full year of service.
4. Prior years of service at IVCCD will be added to the consecutive years of service to determine the benefits offered under this plan. It will not be used to calculate eligibility for the program. The service must be through direct employment at IVCCD and not through an agency, contracted service or other employment arrangement.
5. Is not involved in termination procedures with the District.
6. Has not previously received early retirement benefits from the District.
7. Submits an official application for early retirement to the President during the applicable application window.

The provisions of this program are not available to employees whose costs are reimbursed to the District by Trustee, Foundation Boards or other organizations in the absence of such boards/organizations reimbursing the District for the full amount of early retirement benefits for such employees.

Terms

1. The employee submits an official application for early retirement to the President. Acceptance of the application shall be considered by the Board as a voluntary resignation on the date cited by the applicant on the application form, with the effective date of resignation on the date of the employee's retirement.
2. The actual date of resignation/retirement will be June 30, 2026. The employee must meet the eligibility criteria and be actively employed on the last workday of June of the respective retirement year to receive the benefit described in this program, and to the extent all other conditions are met.

3. Applications: Eligible employees may apply for early retirement between September 11, 2025, and November 4, 2025, for retirement effective June 30, 2026.
4. Extenuating circumstances may allow an alternative retirement date to be considered, consistent with applicable law. A written request must be submitted and approved by the President.
5. The District reserves the right at any time to amend, suspend, or terminate the early retirement program. Continuation of the plan requires annual renewal by board action.
6. Determination of eligibility will be made by the President, or their designee based on the criteria set forth in this policy.
7. An employee who accepts early retirement may not apply for or seek re-employment with the District, but the District may offer employment to the individual at its own discretion.
8. An employee who is accepted into this program may be disqualified for participation in the Plan, even after approval, if the President determines that the employee could be terminated by the District for engaging in activity that constitutes adequate cause for dismissal, as determined at the sole and absolute discretion of the President, after providing the employee with an opportunity to be heard, and/or the employee does not meet the eligibility criteria.

Monetary Benefits

1. The program provides for the District to pay a benefit to the retiree. The total monetary benefit will be in an amount equal to a percentage of the employee's final year's annual salary. The annual salary will be:
 - Faculty: the final full year contract amount prior to retirement and excludes all supplemental pay, extra-duty pay (e.g., extra pay for work performed on holidays) and overtime and other premium pay.

- Non-Faculty: Annual salary effective on 6/30 of the year of retirement.
2. The percentage of salary increases with the number of years of service according to the following schedule:
 - 20 or More Years of Service = 70% of Salary
 - 15 to 19 Years of Service = 60% of Salary
 - 10 to 14 Years of Service = 50% of Salary
 3. The retirement benefits shall be paid in lump sum, with the payment being made within one month of the applicable employee's Release agreement becoming effective and enforceable. These payments will be made into a 403(b) Tax Sheltered Annuity. Should the early retirement installment payment exceed the maximum annual IRS 415 limits, the balance of the benefit will be paid into the 403(b) in successive calendar years on or before December 31.
 4. Payments are not eligible wages for retirement benefits (IPERS/TIAA), and no contributions will be deducted from this amount.

Insurance Benefit

1. The District will contribute up to \$600 per month of the employee's full-time premium (pro-rated for part-time) for single health insurance coverage under the employee's chosen District's health insurance plan option. The District contribution will be paid directly to the District's insurance carrier for the retired employee, until the earliest of (i) the retiree reaching Medicare eligibility, (ii) the retiree ceasing or failing to pay the employee portion of the health insurance monthly premium, or (iii) IVCCD stopping its contribution toward such premiums on behalf of its active full-time employees. The retiree will be responsible for all costs above the \$600 monthly premium. The District will not contribute to an early retiree's Health Reimbursement Account (HRA) or Health Savings Account (HSA) if Plan B or C are chosen.

2. If the District changes its health care plan or insurance carrier, the change will apply to all former employees and dependents insured under the early retirement plan.
3. When a retiree reaches Medicare eligibility, the District will no longer pay health care benefits on their behalf. Health care benefits will be provided up to and including the month before the retiree reaches Medicare eligibility.
4. Family health insurance under the District's health insurance plan may be purchased by the retiree. Premiums are remitted to the insurance carrier by the District or its designee. The retiree will begin sending premium payments to the District or its designee the first month after retirement. Premiums must be paid by the retiree no later than the 15th day of the month preceding the month for which the premium is due. Failure to make such payment by such date will result in termination of coverage as of the end of the month preceding the month for which the premium is due. Such family coverage will continue until the earliest of (i) a dependent no longer being eligible for coverage under the family health insurance plan under the terms and conditions of the plan, (ii) the retiree ceasing or failing to pay the monthly premium, or (iii) IVCCD stopping its family health insurance coverage on behalf of its active full-time employees.
5. If a retiree changes their health insurance election from family to single under the Consolidated Omnibus Budget Reconciliation Act (COBRA), a loss of coverage event for the family members covered will occur and the family members will receive separate COBRA notices. The family members will have the option to continue coverage under the District's health insurance plan according to the requirements of COBRA.
6. Dental and Vision insurance are not available under this early retirement plan. A retiree may access continuation of this coverage through COBRA at the retiree's expense.

Release of Claims

The receipt of program benefits by eligible, approved employees is conditioned on executing a valid Release of Claims (“Release”). By executing and submitting the Release, the program participant is waiving all claims that the participant may have against the as set forth in the Release. Promptly upon approval of the eligible employee’s application, the participant will be provided a draft of the Release. The participant will be provided with an execution version of the Release on the date of retirement, and the participant must execute and submit the Release to the District within forty-five (45) days.

This program may be amended, suspended, or terminated at any time and without notice by the College, prior to the participant’s submission of the executed Release.

Miscellaneous

1. Other than as stated in this policy, other benefits will not be enhanced or otherwise impacted by participation in the program. Employer contributions to other plans, and other benefits and coverages, will cease consistent with the end of employment with IVCCD.
2. Employees are advised to seek independent advice about tax or financial consequences associated with any action taken by them under this plan. IPERS may be contacted at 1-877-473-7799 regarding any questions about timing of IPERS benefits, amount of any benefits, and needed IPERS paperwork. The District does not make any computations of IPERS benefits or income tax considerations. For employees who have elected TIAA as their retirement provider, the contact information is 1-800-842-2252, or log into account at <https://www.tiaa.org/public/>.

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Legal Reference

Iowa Code Section 279.46

Related Administrative Rules and Regulations

None

Revision History

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Formerly Board Policy 449; Board Policy 444; Board Procedure 444.1; Board Policy 448; Board Procedure 448.1