

San Diego Unified School District PARS Supplementary Retirement Plan for the 2002-2003 School Year Plan Description Document

The San Diego Unified School District (“District”) has agreed to offer a Retirement Incentive for the 2002-2003 School Year. The following is the description of the Retirement Incentive to be offered:

1.0 Eligibility

- 1.1 Certificated Non-Management and Management Employees of the District and Classified Non-Management and Management Employees of the District shall be eligible who are:
 - a. Employed by the District in a District that is not a charter school as of February 4, 2003 in a monthly capacity; and
 - b. Eligible to retire under STRS/PERS as of August 31, 2003.

2.0 Participation Requirements

- 2.1 Four Hundred Sixty-Seven (467) Certificated Non-Management Employees must enroll in the plan by the enrollment deadline of April 25, 2003 in order for the incentive to go into effect (the “Minimum Participation Requirement”). Participating employees shall submit all required enrollment materials and District Letter of Resignation to PARS on or before this deadline. To protect the class of enrolled employees, the resignations of participants are irrevocable as of the enrollment deadline and may not be rescinded unless the District withdraws the incentive pursuant to Paragraph 2.2 below.
- 2.2 If the Minimum Participation Requirement, as defined in Paragraph 2.1 above, has not been reached as of the enrollment deadline, the District may withdraw the incentive, provided it notifies enrolled employees of the withdrawal on or before May 30, 2003. If the District withdraws the incentive, resignations will be automatically rescinded.
- 2.3 Participating employees shall resign from District employment as follows:
 - a. Certificated Non-Management Employees shall resign from District employment after completion of the 2002-2003 school year effective no later than July 31, 2003.
 - b. Certificated Management Employees shall resign from District employment effective no later than July 31, 2003.
 - c. Classified Non-Management Employees shall resign from District employment effective no later than July 31, 2003.

- d. Classified Management Employees shall resign from District employment effective no later than July 31, 2003.

2.2 Participation in the retirement incentive requires:

- a. Resignation from District employment pursuant to Paragraph 2.3 above; and
- b. Submission of all required PARS enrollment materials and District Letter of Resignation to PARS by April 25, 2003.

3.0 Incentive Payments

3.1 Regarding the basic incentive under the plan:

- a. The basic unmodified benefit shall be a monthly cash income for the lifetime of the participant.
- b. The basic incentive shall be one-twelfth (1/12) of seven percent (7%) of Final Pay.
- c. For purposes of this plan, Final Pay shall be defined as the participant's salary placement on the 2002-2003 Salary Schedule multiplied by the participant's FTE. In the event the participant is on a Leave of Absence (LOA), Final Pay shall be defined as the participant's salary placement on the 2002-2003 Salary Schedule in the classification they would be if they returned to regular status.

3.2 Alternative forms of payment of equivalent present value to the basic benefit shall be offered. They shall include:

- a. Joint-and-100% Survivor payments;
- b. Fixed term payments from five (5) to fifteen (15) years. These payments are guaranteed to the participant for the full term selected and will be paid out monthly.

3.3 The amount of the cash payments shall be fixed upon the close of the enrollment window and shall not be subject to increase thereafter.

3.4 The choice of form of payment (and the choice of beneficiary if choosing the joint-and-survivor form of payment) shall become final upon the close of the enrollment window and shall not be subject to change thereafter.

3.5 Benefit payments from the plan shall commence August 1, 2003.

3.6 Participants receiving benefits under the plan shall forfeit any future benefits under the plan if they become re-employed by the District in any manner other than:

- a. A Substitute or Hourly employee as defined by the District;

b. A Professional Expert as defined by the District; or

c. A Consultant as defined by the District.

4.0 Contract Administrator

4.1 The Contract Administrator for the Retirement Incentive shall be Phase II Systems/PARS.

Approval of Plan Description:

The District hereby approves to the above Plan Description of the Retirement Incentive being offered for the 2002-2003 school year.

Signature

Date

**San Diego Unified School District
 PARS Supplementary Retirement Plan for the 2002-2003 School Year
 Projected Timeline**

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|------------|--|---------------------------------|
| 1. | <i>Submit Preliminary Timeline</i> | <i>January 21, 2003</i> |
| 2. | <i>Meeting with Superintendent</i> | <i>January 22, 2003</i> |
| 3. | <i>Submit Sample Board Resolution</i> | <i>January 31, 2003</i> |
| 4. | <i>Submit Draft Plan Language</i> | <i>February 3, 2003</i> |
| 5. | <i>Submit Draft Administrative Services Agreement and Sample Plan Document</i> | <i>February 3, 2003</i> |
| 6. | <i>Board of Education approves Plan</i> | <i>February 4, 2003</i> |
| 7. | <i>District provides Eligible Addresses</i> | <i>February 10, 2003</i> |
| 8. | District approves Draft Plan Language | February 12, 2003 |
| 9. | District signs Administrative Services Agreement | February 12, 2003 |
| 10. | Submit Draft Enrollment Material | February 13, 2003 |
| 11. | District approves Draft Enrollment Material | February 14, 2003 |
| 12. | Commence Packet Preparation | February 18, 2003 |
| 13. | Enrollment Packets Mailed to Employees, no later than | February 28, 2003 |
| 14. | Employee Orientation Meetings | March 11-13, 2003 |
| 15. | Employee Orientation Meetings | March 18-20, 2003 |
| 16. | Employee Orientation Meetings | March 25-27, 2003 |
| 17. | Employee Enrollment Workshops | April 15-17, 2003 |
| 18. | Employee Enrollment Workshops | April 22-24, 2003 |
| 19. | Enrollment Window Closes | April 25, 2003 |
| 20. | District Notifies whether Plan goes forward, if lack of participation | May 30, 2003 |
| 21. | District makes Plan Contributions and signs Legal Documents | June 20, 2003 |
| 22. | Employees Resign | July 31, 2003 |
| 23. | Benefits Start | August 1, 2003 |