

ARTICLE 13
RETIREMENT

13.1 RETIREMENT PROGRAM

13.1.1 Effective October 1, 1988 and thereafter, bargaining unit members who retire after no less than fifteen (15) total years of full-time paid service in the Fontana Unified School District and have achieved fifty (50) years of age, according to District records, shall be eligible to participate in the District-sponsored health and welfare benefits programs, provided that the bargaining unit member has been covered under a plan for the five (5) years immediately preceding retirement, as follows:

13.1.1.1 Option 1 – The District shall pay the premiums for medical insurance only at the same rate that is provided for current full-time employees for a period of eight (8) years after retirement.

13.1.1.2 Option 2 – The District shall pay the premiums for the total health and welfare package (inclusive of medical, dental, vision and life insurance) at the same rate that is provided for current full-time employees for six (6) years after retirement.

13.1.1.3 Option 3 – The District shall pay the premium for fourteen (14) years of Dental and Vision insurance at the same rate that is provided for current full-time employees.

13.1.1.4 Option 4 – Bargaining unit members hired before July 1, 2015 and serving the Fontana Unified School District with thirty-five (35) or more years of service will be granted lifetime medical benefits for the employee and spouse during the lifetime of the employee.

Full retirement benefits shall be granted to the surviving spouse of an employee who qualified for lifetime benefits under Article 13 until said surviving spouse remarries, or is eligible for Medicare benefits, but under no condition longer than eight (8) years.

1 13.1.2 Under no circumstances shall the District's maximum contribution for retired
2 employees exceed that contributed by the District for current full-time employees.

3 13.1.3 For purposes of the foregoing, completion of seventy-five percent (75%) of the
4 workdays within a school year shall constitute completion of a year of service. The Board may,
5 at its sole discretion, modify retiree benefits stated herein when in its consideration the
6 circumstances of an individual situation warrant such action.

7 13.1.4 Bargaining unit members who are working under less than a full-time contract
8 shall be eligible for a pro-rata District contribution to the employee health and welfare benefits
9 program in accordance with Article 25, Salaries and Fringe Benefits.

10 13.1.5 Bargaining unit members and retirees shall be responsible for payment, through
11 payroll deduction or personal check (retirees), for health and welfare benefit selections, which
12 exceed the benefits provided herein. Any retiree with retirement benefit entitlement pursuant to
13 Article 13 (Retirement) who moves to an area not covered by the District's medical, vision, or
14 dental policy carrier(s) or for whom such carrier cannot provide convenient services may elect
15 to find another coverage that meets their needs. Upon written request prior to May 31st of each
16 fiscal year, the retired bargaining unit member shall be reimbursed in advance on a semi-annual
17 basis for medical coverage so selected, provided that at no time shall the District be responsible
18 to pay more than the dollar amount for which the retiree is eligible pursuant to Article 13. If
19 the premium of the policy(s) selected exceeds the retired bargaining unit members' maximum
20 dollar eligible pursuant to Article 13, individually or in combination with any other policies
21 provided to said bargaining unit member pursuant to Article 13, the retired bargaining unit
22 member shall be responsible to pay the excess balance.

1 13.1.6 The surviving spouse or other eligible dependents, if any, of a bargaining unit
2 member who dies prior to expiration of his/her retirement health and welfare program (which
3 may include medical, dental and vision protection) under this Article shall be entitled to
4 continued benefits for the remainder of the original six (6) or eight (8) year program, whichever
5 is applicable. For retirees who selected the full health and welfare benefits plan for six (6)
6 years, the survivor benefits shall be limited to medical, dental and vision. For retirees who
7 selected medical protection only for a period of eight (8) years, the survivor benefits shall be
8 limited to medical only. In neither case shall the benefits include life insurance protection for
9 the surviving spouse. This benefit of continued coverage for a surviving spouse and other
10 eligible dependents, if any, shall only apply to bargaining unit members who retire and
11 commence participation in the retirement health and welfare benefit program under this Article
12 on or after October 1, 1985, and who die prior to termination of the program leaving a
13 surviving spouse and other eligible dependents, if any.

14 13.1.7 For married couples both of whom are employed by the District, arrangements
15 may be made at the time of retirement for the health and welfare benefits to be utilized in a
16 consecutive manner rather than concurrently. In this way, the protection to be enjoyed by
17 married retirees may be expanded to a maximum of twelve (12) years or sixteen (16) years
18 depending upon the retirement option selected. Under these circumstances wherein bargaining
19 unit members would seek to defer the engagement of benefits for a period of time not to exceed
20 six (6) or eight (8) years due to eligibility under these provisions due to marriage, the District's
21 responsibility to pay for health and welfare benefits shall remain at the same dollar amount in
22 effect at the time of retirement. When benefits are subsequently engaged by the retired
23 bargaining unit member, the retiree would be responsible for paying the difference in the rates

1 from the date of retirement to the commencement of the benefits. Once the retiree's
2 participation has commenced, the retiree's contribution shall remain constant and any
3 subsequent increases in the costs of the benefit programs would be borne by the District. It
4 shall be expressly understood that life insurance protection under the district's retirement plan
5 shall not be included in this deferral program, and the life insurance coverage may exist during
6 a concurrent period of time after the retirement of the married couple and under no
7 circumstances shall this protection exceed the seventieth (70th) birthday of any participant.

8 13.1.8 Any bargaining unit member who is not qualified under Article 13.1.7, who is
9 singularly employed by the District and who will be under continuous coverage through
10 another health and welfare plan, may make arrangements at the time of retirement for the health
11 and welfare benefits to be deferred to a future date. This date cannot extend beyond ten (10)
12 years after retirement. Once the date for beginning health and welfare coverage is made, it
13 shall be used in a consecutive manner. The retiree would be responsible for paying the
14 difference in the rates from the date of retirement to the commencement of the benefits. When
15 benefits are subsequently engaged by the retired bargaining unit member, the District shall pay
16 only the total dollar amount that the District would have been responsible for if the bargaining
17 unit member had entered into the program at the time of retirement. It shall be expressly
18 understood that life insurance protection under the District's retirement plan shall not be
19 included in this deferral program. The District shall maintain a list of deferred retirees. Thus
20 accurate information will be readily available and can be given to each retiree who chooses to
21 defer said benefits. Said list will be conveyed to the Association at biannual intervals.

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1 13.2 PRE-RETIREMENT PROGRAM

2 This Section is governed by Education Code Section 44922.

3 13.3 EARLY RETIREMENT INCENTIVE PROGRAM (GOLDEN HANDSHAKE)

4 13.3.1 General

5 The District will establish an Early Retirement Incentive Program (ERIP) in
6 accordance with Education Code Section 44929. This program shall remain in effect for the
7 2003-04 year and may be annually renewed at the discretion of the District. Bargaining unit
8 members who retire under these provisions shall also receive health and welfare benefits in
9 accordance with Section 13.1 of this Article.

10 13.3.2 Eligibility

11 Applicants shall be eligible to retire pursuant to State Teachers' Retirement
12 System (STRS) rules and regulations.

13 13.3.2.1 Letter of Retirement – By a date specified by the District, applicants shall
14 submit a letter of intent to retire under these provisions, contingent upon approval by the State,
15 requesting retirement to be effective no later than June 30, as annually approved by the Board.

16 13.3.2.2 Benefits

17 Applicants retiring under the provisions of Education Code Sections 44929 shall
18 be entitled to a maximum of two (2) years of service credit regardless of the credited service
19 not to exceed the elapsed period of time intervening between the date of the member's
20 retirement and the date the member attains normal retirement age as determined by STRS
21 Board. The benefit of up to an additional two (2) years service credit shall be provided. Under
22 these provisions, the retiree cannot participate in the Ancillary Services Contract described in
23 paragraph 13.3.

1 13.3.3 Savings – Modification

2 It is the intent of the parties that this program be pursuant to and in compliance
3 with current legislative provisions. In the event such provisions are modified by subsequent
4 legislative action or that of a court of competent jurisdiction, the terms of the program shall be
5 modified accordingly as provided in Article 26- Statutory or Judicial Changes.

6 13.4 ANCILLARY SERVICES CONTRACT

7 13.4.1 Requirements

8 The bargaining unit member shall have reached age fifty-five (55) and have
9 rendered a minimum of fifteen (15) years of service to the District. The bargaining unit
10 member in this program shall resign his/her position with the District and may not return to
11 regular employment with the District except under exceptional circumstances approved by the
12 District.

13 13.4.2 Length of Contract

14 13.4.2.1 Contract for service shall be for a period of five (5) years.

15 13.4.2.2 A participant may serve up to thirty (30) days per fiscal year in services
16 determined by the Governing Board. Termination of the contract may be by mutual agreement.

17 13.4.3 Compensation

18 13.4.3.1 This program shall include a contract for a maximum period of five (5) years to
19 perform services on behalf of the District. The retiree shall notify the District annually of
20 his/her desire to continue the performance of services. The District shall attempt to
21 accommodate proposals by retirees regarding services to be rendered. Specific requests for
22 pre-arranged periods of service shall receive careful consideration and be granted at the
23 discretion of the District. Retirees shall share in the responsibility of arranging for periods of

1 service to include as many days of participation, up to thirty (30) days annually, as the retiree
2 desires to serve. The District shall only be responsible to make the thirty (30) days of ancillary
3 services available to retirees; and in the event that the retiree elects to not work the full thirty
4 (30) days annually, the District shall not be found at fault.

5 13.4.3.2 Thirty (30) days per year, at activities determined by the District, at a
6 compensation rate that is equivalent to the per diem rate of the last year of service with the
7 District, shall be made available to the retiree. The bargaining unit member may perform any
8 number of the thirty (30) days at his/her election. Per diem pay is calculated by dividing the
9 annual salary by the number of days of required service to the District.

10 13.4.3.3 The District will pay the premiums for the health and welfare benefits at the
11 same rate that is provided current full-time bargaining unit members of the District.

12 13.4.4 Effect on Benefits

13 A participant is an independent contractor and not covered under Workers'
14 Compensation and shall insure his/her own services.

15 13.4.5 Request Procedure

16 The bargaining unit member shall file an application upon retirement with the
17 Personnel Services Office. Applications shall be subject to District approval and availability of
18 District funds.

19 13.4.6 Services to the District

20 13.4.6.1 Services performed may include, but are not limited to, the following:

21 13.4.6.2 Demonstration teaching.

22 13.4.6.3 Staff development and in-service programs.

23 13.4.6.4 Assisting in the testing program.

- 1 13.4.6.5 Counseling.
- 2 13.4.6.6 Individualized instruction.
- 3 13.4.6.7 Other services proposed by individual retirees and approved by the District.
- 4 13.4.6.8 The retiree is to notify the District annually regarding the days he/she will be
- 5 available to perform the appropriate services.

6 13.5 CLASS SIZE REDUCTION PROGRAM

7 Retired teachers employed pursuant to Class Size Reduction authorizing

8 legislation may remain in retired status and be initially placed at the appropriate Class and up to

9 Step 10 of the salary schedule.

10 Retired employees hired in this manner will receive health and welfare benefits

11 pursuant to Article 25 of the Collective Bargaining Agreement. Any retiree having local health

12 and welfare benefits at the time of return will be allowed to defer the balance of their eligibility

13 until such time as they are no longer in employed status.