

**IOWA CENTRAL COMMUNITY COLLEGE**  
**Voluntary Retirement Incentive Plan**  
**For Employees Retiring during the Fiscal Year 2024-2025**

**Amended December 17, 2024**

The Iowa Central Community College extends an offer of a Retirement Incentive Plan (“the Plan”) to its eligible employees in accordance with Iowa Code § 279.46 as outlined below:

**ELIGIBILITY**

Participation in this Plan is available to College employees who apply and are accepted by the College’s Board of Directors, and who meet the following eligibility criteria (hereinafter referred to as “Applicants”):

1. Applicant must be at least 55 years of age on the date of retirement;
2. Applicant must not have previously participated in a Retirement Incentive Program with the College;
3. Applicant must be employed by the College on the date of the Board of Directors’ approval of the Voluntary Retirement Incentive Plan;
4. Applicant must have provided eight (8) or more consecutive years of paid service on the effective date of retirement;
5. Applicant must have been or been eligible to be a participant in the College’s group health insurance plan during those eight years; and
6. Applicant must be an eligible participant in the College’s group health insurance plan on the date of retirement.

**CONDITIONS**

1. Applicants for early retirement must submit the Resignation and Application for Participation in Retirement Incentive Plan document to Dr. Ulrich no later than 3:30 pm on December 4, 2024.
2. An employee whose application for participation in the Plan is accepted by the Board of Directors shall resign effective no later than June 30, 2025.

**PLAN BENEFITS**

1. **Payment:**
  - a. The College will provide a “Total Cash Payment” to all applicants whose participation in the Plan is accepted. This Total Cash Payment shall be paid to the retiree in one payment on or about September 15, 2025. The payment will be made in the name of the employee into a 403(b) post-retirement Special Pay Program.

- b. The Total Cash Payment shall be calculated as:
  - i. One-hundred percent (100%) of the retiree's 2024-2025 salary, for salaried employees.
  - ii. One-hundred percent (100%) of the retiree's 2024-2025 hourly wage multiplied by 1950 hours, for employees paid on an hourly basis. For example, an employee who makes \$18.72 per hour during the 2024-2025 fiscal year shall receive a Total Cash Benefit of \$36,504.

## **2. Insurance**

- a. The plan provides for the continuation of the same health plan (i.e., single or family) for the retiree until the retiree becomes eligible for Medicare. Continuation will be at the same benefit level as the retiree was receiving at the time the request for participation in this Plan is approved. The College will pay the monthly amount of the employee's family plan or single plan group health insurance premium. If the College changes its health care plan, insurance carrier, or employer contribution for active employees within the retiree's employment classification, the change will apply to all former employees and dependents insured under this Plan.
- b. When the employee's spouse becomes eligible for full Medicare benefits not related to a disability and the employee is not yet eligible for full Medicare benefits not related to a disability, group health insurance coverage (as approved by the Board on an annual basis) shall end for the spouse the end of the month previous to the month the spouse becomes eligible for full Medicare benefits not related to a disability.
- c. When the employee becomes eligible for full Medicare benefits not related to a disability or dies prior to becoming eligible for full Medicare benefits not related to a disability, the College will no longer pay health care benefits on his or her behalf. Continuation of health care benefits for a retiree, or a retiree's spouse and dependents, will be allowed pursuant to the requirements of COBRA or any other legal requirement applicable at the time.

## **OTHER CONDITIONS**

- 1. Insurance coverage provided under this policy is as conditioned by the College's fringe benefit insurance program and shall only include the benefits as allowed by the plan at the time of usage.
- 2. No benefits stated in this Early Retirement Plan shall be paid by the College if the employee becomes deceased prior to the bona fide termination date. In the event of death of the retired employee prior to payment of the cash severance by the College, but after the bona fide termination date, the payment of the cash severance will be made to the employee's designated beneficiary, or if no beneficiary is designated, to the employee's estate. No health insurance benefits shall be paid.

3. The Board of Directors retains the right to modify or discontinue this Voluntary Early Retirement Plan at any time for any reason with or without notice. There is no guarantee that this Plan will continue beyond Fiscal Year 2024-2025.
4. Employees who separate from employment under this Plan will be ineligible for re-employment by the College. However, these employees may, solely at the College's option, be eligible to be rehired into a position that is less than 50% of their previous regular contract at the time of their election to participate in the early retirement plan.
5. Under no circumstances may an individual take advantage of this policy more than once, nor any other early retirement plan that may be offered by the College.
6. The Board reserves the right to waive any requirement or condition of this plan at its discretion and at any time. Any decision by the Board to waive a requirement or condition which is a part of this policy shall not establish any precedent with regard to any other request for a waiver.

Approved by Board: October 8, 2024

Amended by Board: December 17, 2024