

# BOARD POLICY

WESTERN IOWA TECH COMMUNITY COLLEGE

	Series Number: 400.5(j)
Title	EA Faculty, Meet and Confer Employees and College President
	Voluntary Early Retirement

## 1. PURPOSE

It is the expressed intent of the Board, through this policy, to acknowledge employees in the Education Association faculty bargaining unit in Mathematics and Police Science, ("EA employee"), the Meet and Confer employees in Career Services Specialist, Director of Adult Education and Literacy, and Director of Information Technology Support Services ("M&C employee"), and the College President who have provided years of service to the College by offering them a voluntary early retirement incentive subject to the terms and conditions set out in this Policy.

## 2. STATEMENT OF NON-DISCRIMINATION

The College will not discriminate against any eligible employees or participants on the basis of race, creed, color, sex, national origin, religion, age, disability, sexual orientation, actual or potential parental, family or marital status or any other protected basis as defined in Iowa or federal law through the application or administration of this policy.

## 3. ELIGIBILITY

A full-time EA or M&C employee or the College President is eligible for early retirement under this program if the employee:

- a. has reached the age of 57,
- b. is actively employed (i.e., not on an extended leave of absence) during the last fiscal year prior to early retirement
- c. Has at least eighteen (18) years of continuous service at WITCC as of October 1, 2025,
- d. notifies the Board as provided by this Policy, and, in any event, prior to October 1, 2025, and retires on or between January 2, 2026 and August 1, 2026,
- e. applies for a retirement allowance under Iowa Code Chapter 97B (IPERS) or Iowa Code Chapter 294,
- f. has not received a notice concerning termination of the EA, M&C employee or the College President's contract, unless the notice is based upon reasons which are related to staff reduction,
- g. has not previously received early retirement benefits from the College, and
- h. is not receiving benefits under IPERS or another WITCC-sponsored retirement plan.

## 4. DEFINITION OF TERMS

- a. Years of service – Years of service must be consecutive, and all years used to establish eligibility must be years of service as a full-time EA, M&C employee or the College President.
- b. Full-time employee - An EA, M&C employee or the College President generally scheduled to work 37½ to 40 hours per week for an indefinite period of time.
- c. Continuous Employment – Continuous employment must be without any voluntary interruptions of service. Absences due to reductions in force or due to approved leaves will not constitute a voluntary interruption in service, unless the absence or leave exceeds twenty- four (24) consecutive months in length. However, the period of time during which an EA, M&C employee, or the College President is absent due to a reduction in force or due to approved leaves will not be counted for purposes of determining the minimum length of service required to establish eligibility.

## 5. APPLICATION

- a. Applications must be received by the Chief Human Resources Officer between August 12, 2025, and September 30, 2025.
- b. The date of retirement for an EA, M&C employee or the College President may be any date selected by the retiree and approved by the Board that is on or between January 2, 2026 and August 1, 2026.
- c. Application materials must include the following forms:
  1. Voluntary Early Retirement Policy Agreement
  2. Election to Participate Form
  3. Continuation of Health and Dental Coverage Election Form

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An EA, M&C employee or the College President's application for early retirement benefits is not, in itself, a resignation from employment with the College nor does it require the Board to accept the application. However, acceptance by the Board of an EA, M&C employee or the College President's application for early retirement will be considered a voluntary resignation and termination of employment.

### 6. BOARD'S RIGHT TO LIMIT OR DENY BENEFITS

- a. a. The Board reserves the right to determine whether any early retirement benefits will be paid in a given year, and, if so, to determine how many EA, M&C employees or the College President will be granted benefits. The Board expressly reserves the right to reject any application for early retirement benefits.
- b. If the Board decides that only a limited number of EA, M&C employees or the College President will be granted early retirement benefits, the Board will then determine the maximum number of EA, M&C employees or the College the President who may receive benefit. EA, M&C employees or the College President who are eligible may apply immediately following the Board's announcement. Recipients will be determined on a first-come, first-served basis. If there is a tie between or among EA, M&C employees or the College President using the first-come, first-served basis rule, the tie will be broken by drawing lots.
- c. Any reserves or liabilities set up on the College's books of account with respect to any benefits to be paid under this program shall continue for all purposes to be a part of the general funds or assets of the college. To the extent that any person acquires a right to receive payments from the College under this program, such right shall be no greater than the right of any other unsecured general creditor of the College.

### 7. EARLY RETIREMENT BENEFITS

- a. Early retirement benefits are offered as an inducement to, and consequence of, retirement and are not to be construed as a continuation of the salary.
- b. An EA, M&C employee or the College President approved for early retirement will receive a cash payment based on the employee's annualized salary in effect at the date of the request for early retirement and insurance benefits, as described in detail in Paragraphs 8 and 9.
- c. The cash payment portion of early retirement will be payable in a fifty percent (50%) payment in the month following the date of retirement and the remaining fifty percent (50%) at the end of January 2027. All payments will be subject to any applicable state and federal taxes. If an otherwise eligible employee dies after payments have commenced but prior to the payment of the full amount of the benefit, the amount remaining to be paid shall be paid in cash to the beneficiary designated on the employee's application form. No cash payment will be paid if the employee dies on or prior to the effective date of his/her retirement. It is intended that these cash installment payments not constitute deferred compensation under IRS Code 409A; the College reserves the right, and participants agree, to accelerate or alter the installment payment schedule if needed to avoid deferred compensation and related tax consequences.
- d. EA, M&C employees, or the College President are advised to seek independent advice with regard to tax or financial consequences associated with any action taken by them under this policy.

### 8. SALARY-RELATED BENEFIT

Approved program participants will receive cash payment equal to: One hundred percent (100%) of the employee's annualized salary as of the date of application for participation in this program, excluding stipends, overtime, or other supplemental wages. This cash payment will be paid to the participant in accordance with Paragraph 7(c).

### 9. INSURANCE BENEFIT

- a. For approved program participants who are enrolled in the College's group health and dental plan as of the date of their application, the College will pay an amount equal to the employer-portion of the premium at the premium rate for the participant's coverage which is in effect on the date of retirement, until the approved program participant is Medicare eligible.

Date of Adoption	5/11/2020	Legal Reference: (Code of Iowa)
Date of Last Revision		279.46, 97B, 294
Date of Current Revision	8/11/2025	
Related Administrative Procedures and Cross References		

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- b. This benefit is contingent on the approved program participant, and any dependents, remaining eligible under the terms of the applicable plan(s). If an approved program participant or dependent becomes ineligible for coverage under plan provisions, their nonpayment of premium, or any other reason, the College's obligation to continue this benefit ceases.
- c. The coverage provided for the approved program participants and dependents will be that coverage the employee has on the date of retirement for whatever group plan is authorized by the Board during the period of time that insurance benefits are provided.
- d. Nothing herein shall limit the College's ability to change the terms of its existing health and major medical insurance plan(s). This policy in no way guarantees that an approved program participant will be provided any certain level of benefits during the time of their participation in the insurance benefits portion of the early retirement program.
- e. In the event of the death of approved program participant, all insurance benefit contributions by the College shall cease.
- f. The approved program participants shall retain all COBRA rights as appropriate and determined by the College's insurance carrier, consistent with applicable law.

### 10. TERMINATION AND RIGHT TO WAIVE REQUIREMENTS

This Voluntary Early Retirement Program policy will terminate on August 1, 2026. Notwithstanding the termination of this program, approved program participants will continue to receive such benefits as set forth herein. The Board reserves the right to waive any requirement or condition of this policy 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.

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