

ELEMENTARY SCHOOL DISTRICT NO. 170

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Memorandum of Agreement

Between

The Board of Education of Chicago Heights School District 170

And

American Federation of Teachers, AFT Local 604, Chicago Heights Council

For

2018 - 2022 Certified Contract Retirement Incentive

This Memorandum of Agreement (“MOA”) sets forth the terms and understanding between Chicago Heights School District 170 (“Board”) and the American Federation of Teachers, AFT Local 604, Chicago Heights Council (“Union”). This MOA is intended to amend the 2018 – 2022 Contractual Agreement between Chicago Heights School District 170 and the American Federation of Teachers, AFT Local 604, Chicago Heights Council (“CBA”).

Staff members submitting an irrevocable written notice of retirement for 2 years or less will be subject to the original language from the 2018-2022 Certified Collective Bargaining Agreement. Example: The staff member would retire at the end of the 2021-2022 or 2022-2023 school year.

The Rights Upon Retirement Incentive, outlined below, shall be effective and applicable only from July 1, 2021, through the end of this CBA, and will only be applicable to staff members submitting an irrevocable written notice of retirement for 3 years and greater. Example: The first year of retirement would be at the end of the 2023-2024 school year.

ARTICLE XI- RIGHTS UPON RETIREMENT

A. Provisions Applicable to All Retirees

1. If an employee gives the Board an irrevocable written notice of retirement by April 1 four (4) years prior to the year of retirement, the Board shall pay him/her a 5% retirement incentive, inclusive of all other increases in the TRS creditable compensation, for each of his/her remaining four (4) years of service. Example: The notice is given on April 1, 2022 with the retirement at the end of the 2024-2025 school year.
2. If an employee gives the Board an irrevocable written notice of retirement by April 1 three (3) years prior to the year of retirement, the Board shall pay him/her remaining three years of service a 5% retirement incentive, inclusive of all other increases in TRS creditable compensation, for each of his/her remaining three (3) years of service. Example: The notice is given on April 1, 2022 with the retirement at the end of the 2023-2024 school year.
 - a. Once an employee submits an irrevocable written notice of retirement by April 1 as provided in paragraphs 1 through 2 above, that employee shall be removed from the salary schedules contained in Appendix B of this Agreement. All calculations for increased TRS creditable earnings will be based on the TRS creditable earnings in the year prior to the submission of the irrevocable written notice of retirement. Once the employee submits an irrevocable written notice of retirement, in no case will the employee's TRS creditable

earnings increase exceed 5% of the previous year. No teacher's TRS creditable earnings shall increase so as to create liability on the part of the Board or District for any portion of a teacher's retirement annuity, or result in any District or Board-paid penalty or fee to TRS.

- b. Once an irrevocable written notice of retirement is provided to the Board and the employee is receiving the additional compensation as outlined in paragraphs 1 through 2 above, the employee agrees to engage in all the activities they were involved in the previous school year and will continue to receive the same stipend or compensation rate for those activities annually. However, if after submitting an irrevocable written notice of retirement by April 1 provided in paragraphs 1 through 2 above, the employee resigns from or is dismissed from duties for which the employee was paid a stipend or additional compensation in the previous year, the retirement incentive for that employee will be recalculated accordingly.

B. Requirement to Qualify for Non-Discounted TRS Annuity Retirement Benefits

1. Must have completed a minimum of fifteen (15) years of full-time employment in District 170 by June 30 of the year of retirement.
2. Must qualify for a TRS non-discounted annuity retirement.
 - a. Must be at least sixty (60) years of age upon retirement with ten (10) or more years of service with the Illinois Teachers' Retirement System; or

- b. Must be at least fifty-five (55) years of age by December 31 of the year of retirement with thirty-five (35) or more years of service with the Illinois Teachers' Retirement System.
3. Must have given written irrevocable notice of retirement as provided in Paragraph A. (Provisions Applicable to All Retirees) of this article.

C. Post-Retirement Severance Payments

1. Those employees who qualify for TRS retirement shall be paid a severance payment of \$3,750 for each year of written advance notice of retirement given to the Board under Paragraph A. (Provisions Applicable to All Retirees) of this Article up to a maximum of four years or \$15,000.
 - a. This compensation shall be paid as a post-retirement severance payment within (30) days after the employee's last day of TRS creditable service or the employee's receipt of his/her last regular paycheck, whichever occurs later. The employee shall have no actual or constructive right to the receipt of this payment until such time. Withholdings required by law or authorized by the employee shall be deducted from this payment.
2. No post-retirement severance payments under Article C. (Post-Retirement Severance Payments) shall cause a teacher's TRS creditable earnings to increase so as to create liability on the part of the Board or District for any portion of a teacher's retirement annuity, or result in any District or Board-paid penalty or fee to

TRS. If so, these provisions shall terminate.

D. Post-Retirement Insurance Benefits

1. The Board shall pay, for all teachers who retire from District 170 and qualify for benefits under this Article \$150 per month reimbursement towards the cost of the TRS managed health care insurance or the equivalent amount towards another insurance plan excluding the District's insurance plan for the employee only until the age of 65 or Medicare eligible.

E. No retirement benefits shall be available to any teacher for whom the Board would incur a penalty or fee to TRS due to an increase of more than 6% in that teacher's creditable earnings in any year used to calculate the teacher's pension benefit.

F. If during the term of this Agreement, any legislation and/or TRS rules/regulations are enacted or not-enacted and/or adopted or amended that result in a greater cost to the district than the costs generated by this Agreement, the parties agree that this Section shall be null and void and the parties will meet to negotiate an alternative.

G. Payment for Unused Sick Leave Days

1. An employee who qualifies for participation in the District Retirement Program must apply his/her District 170 earned but unused sick leave accumulation to the Illinois Teachers' Retirement System for additional creditable service for retirement purposes. After submitting any and all unused sick days to the Illinois'

Teacher Retirement System for creditable service, the employee may receive the District 170 program stipend for his/her unused sick leave days which remain because they could not be used for additional creditable service.

2. Receiving payment from the Board for any unused sick leave days which have been accumulated but are not eligible for additional TRS creditable service shall be paid at the rate of \$20 per day. Maximum accumulation shall be three hundred sixty (360) sick leave days in addition to the annual sick leave allotment.
3. Payment for unused sick leave days which are accumulated but not eligible for additional TRS creditable service shall be made as a post-retirement severance payment within thirty (30) days after the employee's last day of TRS creditable service or the employee's receipt of his/her last regular paycheck, whichever occurs later. The employee shall have no actual or constructive right to the receipt of this payment until such time. Withholdings required by law or authorized by the employee shall be deducted from this payment.
4. As a part of this post-retirement severance payment, the Board shall recognize and make payment for any sick leave days that were lost by the employee as a result of the application of a sick leave cap, provided such days are confirmed by existing District records and provided such days have not been previously compensated. The employee shall have no right to use the lost days as sick leave days prior to retirement, and shall have no right to be compensated for the lost days until after retirement as stated herein.

H. Limitation on TRS Creditable Compensation


1. The purpose of the section entitled "Limitation on TRS Creditable Compensation" is to avoid in all circumstances any payment by the District of a Board-paid penalty or fee to TRS, or any Board or district liability to fund any portion of a teacher's TRS annuity due to increase in compensation from one year to the next. This section does not apply to teachers who are not eligible for TRS annuity (whether or not they apply) and could not under any circumstances become eligible for TRS annuity within four years of the end of the school year in which the compensation is earned.
2. No teacher's creditable TRS earnings from employment in this school district, irrespective of form and no matter how arising, and whether or not arising under this collective bargaining agreement, may exceed the amounts specified herein.
3. No teacher's TRS creditable earnings from employment in this school district including, but not limited to:
 - vertical and horizontal salary schedule movement
 - stipends;
 - salary increases;
 - extra duties;
 - changes in position for which no new certification is required; or
 - section 125 plan or flex plan benefits or contributions

shall increase from one school year to the next by more than 5% or be


otherwise increased so as to create liability on the part of the Board or district for any portion of a teacher's retirement annuity, or result in any district or Board-paid penalty or fee to TRS. Through future legislation, if these TRS creditable earnings or others become exempt from the 5% cap, they shall then become allowable in this section.

4. If the sum or percentage amount which triggers any obligation for the district or Board to pay additional amounts to cover all or part of a teacher's retirement annuity or cover any Board or district-paid penalty fee or fee to TRS decreases, then the maximum of teacher's creditable TRS earnings from employment in this school district shall similarly decrease so as to avoid any Board or district paid penalty or fee.
5. Even if another provision of this collective bargaining agreement would otherwise provide, in the event a teacher's TRS creditable earnings would increase by more than 5%, or any such other amount that would trigger a district-paid penalty or fee to TRS due to salary increase in any year over a prior year, that teacher shall receive only the maximum increase to TRS creditable compensation allowed under this Article.

This MOA has been duly approved by each of the parties and has been executed by authorized representatives of the Union and the Board.


Date: 3/14/22

Board of Education Chicago Heights School District 170, President


Date: 3-14-22

Board of Education Chicago Heights School District 170, Secretary


Date: 3/10/22

Mamie Kernagis, AFT Local 604, Chicago Heights Council President

