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OAKLAND UNIFIED SCHOOL DISTRICT
Community Schools, Thriving Students

Board Cover Memorandum

To Board of Education

From Dr. Denise Saddler, Interim Superintendent
Tara Gard, Chief Talent Officer
Jenine Lindsey, General Counsel

Meeting Date February 11, 2026

Subject Amendment, District's Early Retirement Incentive and Administrative Agreement - Public Agency Retirement Services - Chief Talent Officer

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Ask of the Board Adoption by the Board of Education of Resolution No. 2526-0132A - Amendment, District's Early Retirement Incentive and Administrative Agreement - Public Agency Retirement Services - Chief Talent Officer

Receive update on the proposed Supplementary Retirement Plan (SRP) administered by Public Agency Retirement Services (PARS), appoint the Chief of Talent as the District's Plan Administrator and authorize administration to extend the enrollment window in hopes of obtaining additional enrollments and defer final decision to February 25, 2026.

Background On November 12, 2025, the Board adopted Resolution #2526-0129 authorizing the District to partner with PARS to design and administer a voluntary Supplementary Retirement Plan intended to encourage eligible employees to retire early. The program was developed as part of the District's broader fiscal stabilization strategy and is designed to reduce ongoing personnel costs while providing a respectful and voluntary transition option for long-serving employees. PARS has supported the District with plan design, communications, education sessions, and enrollment administration.

Under the plan, eligible employees receive a tax-qualified 403(b) annuity benefit equal to seventy-five percent of their final year's pay. The District funds this benefit over a five-year period. Eligibility includes employees who are at least 55 years old with five years of District service and employed at a minimum 0.50 FTE through the end of the 2025–26 school year. The District's annual funding obligation for the program is projected at $2,159,023, payable each July over five years

Discussion

As of the January 29, 2026 enrollment deadline, 145 employees elected to participate out of 1,066 eligible employees, representing an overall participation rate of 13.6 percent. Participation includes certificated, classified, and management employees across the system, with the largest number of retirements occurring among certificated and classified non-management staff. The average retiree has more than twenty years of service and brings significant institutional experience, underscoring the importance of thoughtful succession planning.

Consistent with the PARS post-analysis, the District considered several options, including approving the plan for all enrolled employees, rescinding the plan, limiting participation by employee group, or extending the enrollment window to encourage additional participation.

After review, approving a brief second enrollment opportunity provides the best balance of fiscal responsibility and employee choice.

Fiscal Impact

The financial benefit of the PARS program is directly tied to how many positions are strategically backfilled. Because retiring employees are typically at higher salary steps with higher benefit costs, replacing some positions with lower-step hires or consolidating roles where appropriate creates structural savings.
Based on current participation, projections indicate that even moderate reductions in backfill levels generate significant multi-year savings. If the District replaces approximately 80 percent of positions, projected savings are estimated at $2.6 million in the first year, nearly $7.0 million over three years, and more than $10 million over five years. If replacements are limited to approximately 60 percent, savings increase to nearly $4.8 million in the first year and over $22 million across five years. Lower replacement rates yield even greater savings, while full replacement would substantially reduce the fiscal benefit of the program.
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These savings directly support the District’s efforts to address its structural deficit, stabilize the fund balance, and minimize the need for involuntary layoffs.

Attachment(s)

- PARS Post-Analysis Report
- OUSD Enrollment List As of 01/20/2026

BOARD OF EDUCATION OF THE OAKLAND UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 2526-0132A

February 11, 2026 Amendment

Amendment, Early Retirement Incentive Offer and Administrative Agreement with Public Agency Retirement Services (PARS)

WHEREAS, it is determined to be in the best fiscal interest of the District and its employees to provide a retirement incentive offer to eligible employees who wish to voluntarily exercise their option to separate from District Service;

WHEREAS, there is no cash option available to employees in lieu of this retirement incentive offer;

WHEREAS, Public Agency Retirement Services (PARS) has made available to the District a Supplementary Retirement Plan, a retirement incentive program supplementing STRS/PERS, and qualifying under the relevant sections of Section 403(b) of the Internal Revenue Code;

WHEREAS, the District, pursuant to applicable policy and/or a collective bargaining agreement, desires to adopt the Supplementary Retirement Plan and to fund the incentive through nonelective employer contributions to the PARS designated 403(b) provider.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Governing Board of Education of the District hereby adopts the PARS Supplementary Retirement Plan, and the PARS Retirement Contributions Trust as part of the District retirement program, effective November 12, 2025; and

2. The retirement incentive must meet the District's fiscal and operational objectives in order for the plan to go into effect. If these goals are not reached, the District may withdraw the retirement incentive for any employee groups where those fiscal and operational objectives are not met. If the District withdraws the retirement incentive, resignations may be rescinded; and

3. The Board of Education of the District hereby appoints the ~~Chief Business Officer~~ **Chief Talent Officer**, or his/her successor or his/her designee as the District's Plan Administrator; and

> 1. The District's PARS Plan Administrator is hereby authorized to execute the contracts, adoption agreement, and/or a custodial agreement facilitating the payment of contributions to the 403(b) arrangement, and other legal documents related to a trust or the plan on behalf of the District

and to take whatever additional actions are necessary to maintain the District's participation in the plan and to maintain compliance of any relevant regulations issued.

BE IT FURTHER RESOLVED THAT, The Board authorizes the Administrator to extend the enrollment window for eligible employees through Extend February 19th in hopes of obtaining additional enrollments and defer final decision to the February 25th board meeting date.

Passed by the following vote:

PREFERENTIAL AYE: None

PREFERENTIAL NOE: None

PREFERENTIAL ABSTENTION: None

PREFERENTIAL RECUSE: None

AYES: Rachel Latta, VanCedric Williams, Patrice Berry, Clifford Thompson, Vice President Valarie Bachelor, President Jennifer Brouhard

NOES: None

ABSTAINED: None

RECUSE: None

ABSENT: Mike Hutchinson, Maximus Simmons - Student Director, Mariana Smith - Student Director

CERTIFICATION

We hereby certify that the foregoing is a full, true and correct copy of a Resolution passed at a Regular Meeting of the Board of Education of the Oakland Unified School District held on February 11, 2026.

2/12/2026

Jennifer Brouhard
President, Board of Education

2/12/2026

Denise Gail Saddler
Interim Superintendent and Secretary of the Board of Education

PARS PUBLIC AGENCY RETIREMENT SERVICES

OAKLAND UNIFIED SCHOOL DISTRICT

PARS Supplementary Retirement Plan (SRP)

***Post-Analysis Date*:** January 29, 2026

PLAN ASSUMPTIONS

	Assumptions
Eligibility Requirements	• Certificated Non-Management (OEA), Classified Non-Management (AFSC, BLDG, OCDP, SEIU, and Teamsters) Certificated and Classified Management (UAOS), and Certificated and Classified Management Confidential Employee as of November 12, 2025 • Age **55** and **5** Years of District Service as of June 30, 2026 • FTE ≥ 0.50 Remain employed through the end of the 2025-26 school year with resignation effective no later than June 30, 2026
Benefit Level	**75% of Final Pay*** *For purposes of this plan, Final Pay shall be defined as the 2025-2026 Contract Salary adjusted by the participant's current Full-Time Equivalence (FTE).
Replacement Salaries/Positions	Certificated Non-Management: **$71,966** (Based on PARS 1-Year New Hire Study) Certificated Management: **86.38%** of Current Salary (Step 3) Certificated Management Confidential: **86.38%** of Current Salary (Step 3) Classified Non-Management: **78.20%** of Current Salary (Step 2) Classified Management: **86.38%** of Current Salary (Step 3) Classified Management Confidential: **86.38%** of Current Salary (Step 3)
Health Care Costs	Active: **$19,184**
STRS/PERS Retirement Plan Costs	**STRS** 2025-26 19.10% 2026-27 19.10% 2027-28 19.10% **PERS** 2025-26 26.81% 2026-27 26.90% 2027-28 27.80%
PARS Plan Funding	**$2,159,023** paid July 10th of each year over 5 years beginning in 2026

PARS. PUBLIC AGENCY RETIREMENT SERVICES

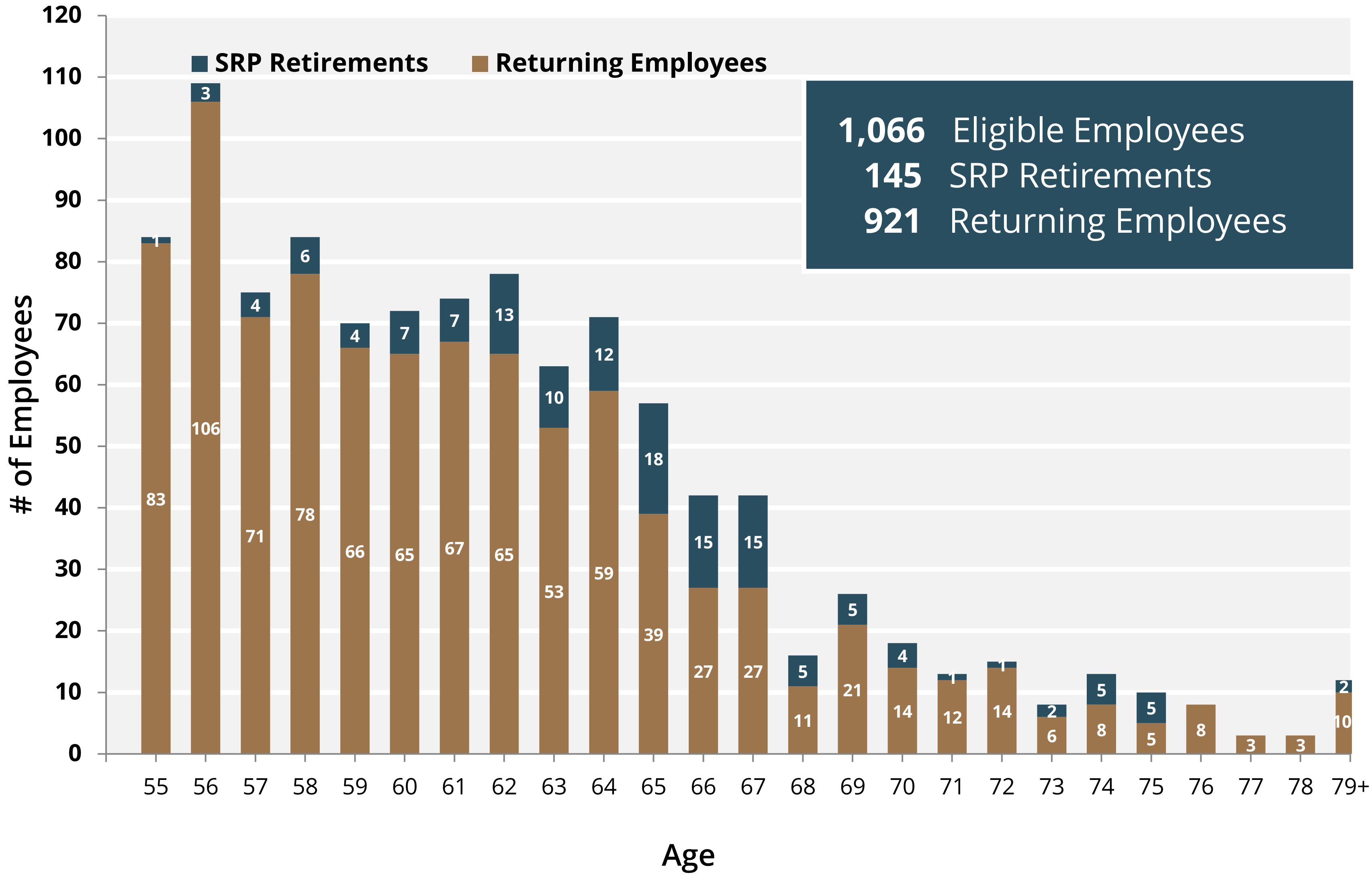
ALL EMPLOYEES
ACTUAL RETIREMENTS

PARS RETIREMENTS – 75% OF FINAL PAY

Employee Group	Number of Eligible Employees	Actual Retirements with PARS SRP	% Retirements	Average Retiree Age	Average Retiree Service	Average Retiree Salary
Certificated Non-Management (OEA)	454	61	13.44%	65.73	22.59	$104,704
Certificated Management (UAOS)	34	7	20.59%	62.30	24.40	$168,808
Certificated Management (Confidential)	3	0	0.00%	---	---	---
Classified Non-Management (AFSC, BLDG, OCDP, SEIU, Teamsters)	502	57	11.35%	65.78	24.83	$54,411
Classified Management (UOAS)	49	14	28.57%	65.40	22.75	$143,058
Classified Management (Confidential)	24	6	25.00%	63.03	21.03	$185,673
All Employees	**1,066**	**145**	**13.60%**	**65.44**	**23.51**	**$95,082**

RETIREE DEMOGRAPHICS

ALL GROUPS



FISCAL SUMMARY OF SAVINGS

ALL EMPLOYEES

75% of Final Pay – Assuming 145 Retirements (13.60% of Eligible Group)				
Replacement Scenario	**# of Positions Replaced**	**Proj. Savings in Year 1**	**Proj. Savings over 3 Years**	**Proj. Savings over 5 Years**
100% Replacement	145.00	$532,477	$167,638	($1,947,850)
80% Replacement	116.00	$2,645,287	$6,975,205	$10,170,843
60% Replacement	87.00	$4,758,099	$13,782,770	$22,289,534
40% Replacement	58.00	$6,870,909	$20,590,337	$34,408,228
20% Replacement	29.00	$8,983,720	$27,397,904	$46,526,920
0% Replacement	0.00	$11,096,531	$34,205,469	$58,645,613

CERTIFICATED NON-MANAGEMENT (OEA)

FISCAL SUMMARY OF SAVINGS

CERTIFICATED NON-MANAGEMENT (OEA)

75% of Final Pay Spend Amount Assuming 61 Retirements (13.44% of Eligible Group)				
Replacement Scenario	**Number of Positions Replaced**	**Projected Savings in Year 1**	**Projected Savings over 3 Years**	**Projected Savings over 5 Years**
100% Replacement	61.00	$580,357	$1,331,452	$1,539,062
80% Replacement	48.80	$1,377,356	$3,855,858	$5,980,924
60% Replacement	36.60	$2,174,355	$6,380,264	$10,422,786
40% Replacement	24.40	$2,971,354	$8,904,670	$14,864,648
20% Replacement	12.20	$3,768,353	$11,429,076	$19,306,510
0% Replacement	0.00	$4,565,352	$13,953,481	$23,748,372

CERTIFICATED MANAGEMENT (UAOS)

FISCAL SUMMARY OF SAVINGS

CERTIFICATED MANAGEMENT (UAOS)

75% of Final Pay Spend Amount Assuming 7 Retirements (20.59% of Eligible Group)				
Replacement Scenario	**Number of Positions Replaced**	**Projected Savings in Year 1**	**Projected Savings over 3 Years**	**Projected Savings over 5 Years**
100% Replacement	7.00	($66,949)	($343,584)	($759,728)
80% Replacement	5.60	$98,965	$196,150	$207,424
60% Replacement	4.20	$264,880	$735,884	$1,174,576
40% Replacement	2.80	$430,794	$1,275,618	$2,141,729
20% Replacement	1.40	$596,709	$1,815,352	$3,108,881
0% Replacement	0.00	$762,623	$2,355,086	$4,076,033

CLASSIFIED NON-MANAGEMENT (AFSC, BLDG, OCDP, SEIU, TEAMSTERS)

FISCAL SUMMARY OF SAVINGS

CLASSIFIED NON-MANAGEMENT (AFSC, BLDG, OCDP, SEIU, TEAMSTERS)

75% of Final Pay Spend Amount Assuming 57 Retirements (11.35% of Eligible Group)				
Replacement Scenario	**Number of Positions Replaced**	**Projected Savings in Year 1**	**Projected Savings over 3 Years**	**Projected Savings over 5 Years**
100% Replacement	57.00	$56,539	($185,508)	($951,924)
80% Replacement	45.60	$574,415	$1,495,335	$2,070,066
60% Replacement	34.20	$1,092,291	$3,176,178	$5,092,056
40% Replacement	22.80	$1,610,167	$4,857,022	$8,114,047
20% Replacement	11.40	$2,128,043	$6,537,865	$11,136,037
0% Replacement	0.00	$2,645,920	$8,218,708	$14,158,028

CLASSIFIED MANAGEMENT (UAOS)

FISCAL SUMMARY OF SAVINGS

CLASSIFIED MANAGEMENT (UAOS)

75% of Final Pay Spend Amount Assuming 14 Retirements (28.57% of Eligible Group)				
Replacement Scenario	**Number of Positions Replaced**	**Projected Savings in Year 1**	**Projected Savings over 3 Years**	**Projected Savings over 5 Years**
100% Replacement	14.00	($7,498)	($376,230)	($1,113,863)
80% Replacement	11.20	$425,138	$1,035,304	$1,409,454
60% Replacement	8.40	$857,774	$2,446,837	$3,932,770
40% Replacement	5.60	$1,290,410	$3,858,370	$6,456,086
20% Replacement	2.80	$1,723,046	$5,269,904	$8,979,403
0% Replacement	0.00	$2,155,682	$6,681,437	$11,502,719

CLASSIFIED MANAGEMENT (CONFIDENTIAL)

FISCAL SUMMARY OF SAVINGS

CLASSIFIED MANAGEMENT (CONFIDENTIAL)

75% of Final Pay Spend Amount Assuming 6 Retirements (25.00% of Eligible Group)				
Replacement Scenario	Number of Positions Replaced	Projected Savings in Year 1	Projected Savings over 3 Years	Projected Savings over 5 Years
100% Replacement	6.00	($29,972)	($258,492)	($661,397)
80% Replacement	4.80	$169,413	$392,558	$502,975
60% Replacement	3.60	$368,799	$1,043,607	$1,667,346
40% Replacement	2.40	$568,184	$1,694,657	$2,831,718
20% Replacement	1.20	$767,569	$2,345,707	$3,996,089
0% Replacement	0.00	$966,954	$2,996,757	$5,160,461

DISTRICT OPTIONS

- **OPTION 1**: Approve Plan for All Enrolled Employees
- **OPTION 2**: Rescind Plan for All Enrolled Employees
- **OPTION 3**: Approve Plan for certain Employee Groups and rescind plan for other Employee Groups
- **OPTION 4**: Extend Enrollment Window to February 12th in hopes of obtaining additional enrollments and defer final decision to the February 25th board meeting date

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