

Board Office Use: <b>Legislative File Info.</b>	
File ID Number	12-1167
Introduction Date	5/9/12
Enactment Number	12-1274
Enactment Date	5/9/12



OAKLAND UNIFIED  
SCHOOL DISTRICT

Community Schools, Thriving Students

# Memo

**To** Board of Education

**From** Vernon Hal, Deputy Superintendent Business and Operations  
Brigitte Marshall, Associate Superintendent, Human Resources

**Board Meeting Date** May 9, 2012

**Subject** **Authorizing the Oakland Unified School District to Implement the Public Agency Retirement Services Supplemental Retirement Plan for Certain CALSTRS And PERS Member District Employees**

**Action Requested** Adopt Resolution No. 1112-0265 - Authorizing the District to implement the Public Agency Retirement Services Supplemental Retirement Plan for certain CALSTRS and PERS Member District Employees.

**Background** By Board Resolution No. 1112-0179, approved on March 14, 2012, the District entered into an agreement with Public Agency Retirement Services (PARS) to design a Supplementary Retirement Plan (SRP), for eligible certificated and classified non-management and management employees. The retirement plan would provide eligible participating certificated, classified and management employees with a monthly benefit of 75% of their final year salary, paid over a minimum of a five-year period. 13.79% of the eligible participants submitted a completed application packet to participate in SRP. This number includes 26 certificated non-management, 12 classified non-management, 5 certificated management, and 13 classified management employees. The cost to the District to implement SRP over a five year period is approximately \$558,000 per year for 5 years or a total of \$2.79 million. Assuming 100% replacement (not likely) of the retiring employees, over 5 year period the projected savings are \$1.008 million dollars.

**Discussion** The Superintendent recommends to the Board that the District adopt the PARS Supplemental Retirement Plan, as part of the District Retirement Program, and authorize the District to implement the SRP Plan. If the Board authorizes implementation of the Plan, the following is the timeline:

1. Board action authorizing implementation of the Plan (May 9, 2012);
2. Employees resign/retire from District employment (effective June 30, 2012); and
3. PARS benefits commence (August 1, 2012).

**Recommendation** Adopt Resolution No. 1112-0265 - Authorizing the District to implement the Public Agency Retirement Services Supplemental Retirement Plan for certain CALSTRS and PERS Member District Employees.

**Fiscal Impact** The cost to the District to implement the SRP over a five year period is approximately \$558,000 for five years or \$2.79 million.

**Attachments**

- Resolution No. 1112-0265

A944100

**RESOLUTION  
OF THE  
BOARD OF EDUCATION  
OF THE  
OAKLAND UNIFIED SCHOOL DISTRICT**

**RESOLUTION NO. 1112-0265**

**Authorizing the Oakland Unified School District to Implement the Public  
Agency Retirement Services Supplemental Retirement Plan for Certain  
CALSTRS and PERS District Employees**

**WHEREAS**, as provided in Board of Education Resolution No. 1112-0179, approved by the Board on March 14, 2012, the District entered into an agreement with Public Agency Retirement Services (PARS) to design a Supplementary Retirement Plan (SRP), a retirement incentive that may encourage certain certificated and classified non-management and management employees to retire early; and

**WHEREAS**, the Supplementary Retirement Plan provides eligible, participating certificated, classified and management employees with a monthly benefit of 75% of their final year salary, paid over a minimum five-year period; and

**WHEREAS**, to be eligible for the program, the employee must be:

- 1) Employed by the District as of September 1, 2011;
- 2) Employed in a closing school
- 3) Employed in a high school
- 4) Employed in a SIG schools
- 5) All UAOS members (certificated and classified)
- 6) All Confidential Managers
- 7) Counselors employed in high schools
- 8) LCI TSAs who support high schools and have a credential to teach in high school
- 9) Home and hospital teachers who support high schools
- 10) For certificated employees, a minimum of 55 years of age with at least 5 years of District service as of the date the resolution is adopted
- 11) For classified employees, a minimum of 50 years of age with at least 5 years of District service as of the date the resolution is adopted; and

**WHEREAS**, the following is the implementation timeline for the retirement incentive program:

- 1) Board adopted resolution to approve Plan (March 14, 2012);
- 2) Enrollment packets mailed to eligible employees (Mid March 2012);
- 3) Employee orientation meetings (Late March, 2012);
- 4) Employee Workshops (Late April 2012);
- 5) Enrollment window closed (April 30, 2012);
- 6) Board action authorizing implementation of the Plan (May 9, 2012);



- 7) Employees resign/retire from District employment on or before (effective June 30, 2012); and
- 8) PARS benefits commence (August 1, 2012); and

**WHEREAS**, 13.79 percent of the eligible participants submitted a completed application packet to participate in the SRP; and

**WHEREAS**, 26 certificated non-management, 12 classified non-management, 5 certificated management and 13 classified management employees submitted a complete application packet to participate in the SRP plan; and

**WHEREAS**, the cost to the District to fund the SRP retirement benefit over a five year period is approximately \$558,000 per year or a total of \$2.79 million dollars;

**WHEREAS**, assuming 100% replacement (not likely) of the retiring employees, over a 5 year period the projected savings are \$1.008 million dollars; and

**WHEREAS**, the District desires to adopt the Supplementary Retirement Plan and to fund the SRP Plan; and

**NOW THEREFORE BE IT RESOLVED THAT**, the Board of Education of the District hereby adopts the PARS Supplementary Retirement Plan, as part of the District Retirement Program, and authorizes the District to implement the 2011-12 SRP Plan.

**PASSED AND ADOPTED** by the Governing Board of the Oakland Unified School District this 9th day of May, 2012; by the following vote, to wit:

AYES: Gary Yee, Noel Gallo, Christopher Dobbins, Alice Spearman,  
President Jody London

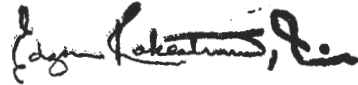
NOES: None

ABSTAINED: None

ABSENT: David Kakishiba, Vice President Jumoke Hinton Hodge

**CERTIFICATION**

I, Edgar Rakestraw, Secretary of the Governing Board of the Oakland Unified School District, Alameda County, State of California, do hereby certify that the foregoing Resolution was duly approved and adopted by the Governing Board of said District at a meeting thereof held on the 9th day of May 2012 with a copy of such Resolution being on file in the Office of the Governing Board of said District.



Edgar Rakestraw, Jr.  
Secretary, Governing Board

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