

MEMORANDUM OF UNDERSTANDING
Between Monterey Peninsula Community College District (MPCCD)
And Monterey Peninsula College Teachers' Association (MPCTA)
2016-17 RETIREMENT INCENTIVE PLAN
November 7, 2016




MPCTA and MPCCD (THE PARTIES) MUTUALLY AGREE TO OFFER THE FOLLOWING RETIREMENT INCENTIVE PLAN to provide budget savings and recognition of service to eligible MPCTA full-time unit members who retire under the following terms and conditions:

1. **Effective Date of Retirement:** The effective date of resignation for purpose of retirement under this incentive program must be no later than June 30, 2017.
2. **Eligibility for Incentive:** A current MPCTA full-time unit member is eligible if he/she is aged 55 years or older and has at least five (5) years of service as an employee of MPCCD. Eligibility shall include any unit member who previously submitted a resignation/retirement letter during this academic year which otherwise meets the conditions of this MOU.
3. **Incentive Payment:** If all conditions are met, MPCCD shall pay the sum equal to 65% of the unit member's 2016-17 base salary. This base salary shall be adjusted by any agreement reached and ratified by MPC and MPCTA on or before June 30, 2017 which affects the 2016-17 base salary for the unit member.
 - a. **Example:** Unit member earning \$100,000 base salary in 2016-17 enrolls in the SERP. Upon retirement in June 2017, unit member is entitled to the amount of \$65,000 to be paid over a time period selected from several options.
4. **Method of Payment:** The unit member shall elect the payment option from the following choices by completing and signing all required forms (attached) and submitting all required documentation for the Incentive.
 - a. **Life Only Benefit:** Benefits are distributed in monthly payments during the retired unit member's life only.
 - b. **Joint & 50% Survivor:** Benefits are distributed in monthly payments during the retired unit member's life; and then 50% of the amount the retiree was receiving monthly will be paid to the retirees' joint annuitant for the rest of his or her life.
 - c. **Life or Ten (10) Year Certain, whichever is longer:** Benefits are distributed in a total of 120 monthly payments, regardless of whether the retiree dies prior to such time the 120 monthly payments are completed.
 - d. **Monthly Payments over Five (5) to Ten (10) years:** Benefits are distributed in monthly installments over a five (5) to ten (10) year period as elected by the unit member.
5. **Enrollment in the Incentive:** To enroll in the Incentive, eligible unit members must file a signed irrevocable letter of resignation for the purpose of retirement with Susan Kitagawa in the Office of Human Resources by 12:00 p.m. on January 10, 2017. By January 11, 2017, MPCCD will notify enrollees via MPC email if the Incentive will not be implemented because the minimum number of enrollees (paragraph 6) was not met, in which case an enrollee may rescind his/her letter of resignation by filing written notice to Susan Kitagawa via email at skitagawa@mpc.edu on or before January 17, 2017 at 5:00 p.m.
6. **Minimum Number of Enrollees:** This Incentive shall be conditioned upon the successful enrollment of at least five (5) eligible MPCTA full-time unit members.
7. Unit members electing to retire under the terms of this MOU, shall not be eligible for Employment Beyond Early Retirement (EBER) according to Article 18.3.3.

8. Unit members electing to retire under the terms of this MOU, are eligible for part-time re-employment with MPCCD after July 1, 2018.
9. Unit members enrolling in the SERP will assume responsibility for any and all liability related to their retirement under CalSTRS and/or CalPERS, and for any state or federal tax consequences resulting from the retirement.

The parties acknowledge that this MOU is not precedential, and that a retirement incentive may not be offered in the future. This Agreement is made and entered into this 7th day of November 2016 between MPCTA and MPCCD, subject to the approval of the MPCCD Board of Trustees.

For MPCCD

For MPCTA

