

**ADOPT NEW BOARD RULE 4-8.2. PENSION ENHANCEMENT PROGRAM****THE GENERAL COUNSEL RECOMMENDS:**

The General Counsel recommends adopting Board Rule 4-8.2 to establish a pension enhancement program for qualifying principals, assistant principals and all non-union represented Chicago Public Schools employees.

**TEXT:****Sec. 4-8.2. Pension Enhancement Program.**

Effective February 1, 2004, principals, assistant principals and all non-union represented Chicago Public Schools employees who (1) are eligible for retirement under the Public School Teachers Pension and Retirement Fund or the Municipal Employees Officers and Officials Annuity Benefit Fund; (2) intend to retire on or before June 30, 2007; (3) submit an irrevocable notice of their intent to retire and receive accelerated payments of sick days in accordance with the schedule set forth below; and (4) have accumulated a sufficient number of sick days at the time of such notice or by the time of the first accelerated payment as described below, whichever is later, shall receive the following accelerated payment(s) for sick days prior to their retirement:

<b><u>Sick Leave Payout</u></b>	<b><u>Notice Date</u></b>
One-Year Payout: 20% over the prior year's salary	120 days before date of retirement up to but not later than March 1, 2007
Two-Year Payout: 10% each of the 2 prior years	120 days before one year prior to retirement up to but not later than March 1, 2006
Three-Year Payout: 6.6% each of the 3 prior years	120 days before two years prior to retirement up to but not later than March 1, 2005
Four-Year Payout: 5% each of the 4 prior years	120 days before three years prior to retirement up to but not later than March 1, 2004

This program will be operated in accordance with and limited by all applicable federal and state law.

Principals, assistant principals and area instruction officers who wish to enhance their pension under this program must retire at the end of the designated school year as described in the table above or at the termination of their contract, whichever occurs first. Any employee who has given notice of retirement under this program but who retires prior to his or her designated date of retirement will not be eligible for any accelerated payment of sick days subsequent to such retirement.

Any employee who has given notice of retirement under this program but who is involuntarily separated from employment other than for cause will be eligible for one accelerated payment of the remainder of his or her sick days at the time of his or her separation.

Any employee who is involuntarily terminated for cause will not be eligible for any future benefits or accelerated payments of sick days under this program after the date of termination.

Employees are responsible for paying the entire pension contribution on any accelerated payments they receive for sick days under this program.

Accelerated payments for those retiring in Fiscal Year 2003-2004 will be made in a salary adjustment check on or after April 1, 2004, or as soon after employee's retirement date as reasonably possible; for those employees retiring between July 1, 2004 and December 31, 2004 and for those retiring in 2005, 2006, and 2007 a salary adjustment check will be made within 120 days of the respective anniversary dates each year prior to retirement or as soon thereafter as reasonably possible.

**Approved as to Legal Form:**

 (JAW)  
Ruth M. Moscovitch  
General Counsel 