

# Coronado Unified School District

## Approval of Retirement Notice Stipend

### EXECUTIVE SUMMARY

The shortage of highly qualified teachers in California is well-documented. The dominant reason for the shortage stems from fewer college students enrolled in teacher preparation programs coupled with a growing number of teachers reaching retirement age.

The most difficult areas to recruit teachers are special education, mathematics, and science. In the last year, we have struggled to find teachers with appropriate credentials to fill our needs. This Fall, schools in our district began with substitutes teaching while we continued to search for permanent teachers.

The earlier we can determine the number of teachers who intend to retire, and the credentials held by those teachers, the earlier we can begin our efforts to recruit highly qualified teachers to fill those vacancies. The longer we wait to replace retiring teachers, the more difficult it will be to find replacements in addition to the teachers we need to hire to accommodate other shifts in our enrollment and/or demographics.

Because of the spread in compensation between starting and experienced teachers, the district can recognize substantial savings when a new teacher replaces a retiree. As we enter our budget planning cycle for the 2019-20 school year, we will need to appropriately plan for growth and allocation of staffing within each school's master schedule. The earlier we can determine what, if any, savings we will achieve on known retirements, the better we can plan for certificated staffing and benefits costs.

For these reasons, staff recommends that the Board of Trustees approve a one-time stipend for employees who provide an early notice to retire. Staff believes this will encourage a number of employees to submit retirement notices, rather than waiting to the end of the school year, which is often the case.

The stipend proposed below, would be paid for out of the substantial salary and benefits savings recognized through attrition.

The District proposes to offer, on a limited basis, a one-time stipend to all employees who are actively-employed as of January 1, 2019, who provide notice of intent to retire with an effective date no later than June 30, 2019. The following guidelines will apply:

1. Notice Period:
  - a. Employees giving notice of intent to retire to Human Resources between January 7, 2019 and January 31, 2019 will receive an amount equal to 1% of their annual salary.
  - b. Employees giving notice of intent to retire to Human Resources between February 1, 2019 and February 15, 2019 will receive an amount equal to 0.5% of their annual salary.
  - c. Thereafter, there shall be no stipend awarded for early notice of retirement.

2. Annual Salary Definition

- a. The term “annual salary” shall mean actual compensation earned according to the employee’s regular salaried or school-term full-time equivalent position and placement on an official salary schedule, including stipends for longevity, advanced degrees, and shift differentials from July 1, 2018 through the employee’s final day of work.
- b. Overtime, extra-time, stipends (other than for longevity, advanced degrees, and shift differentials), or other supplemental compensation will be excluded from the Retirement Notice Stipend calculation.

3. Eligibility

- a. No stipends will be paid for routine or involuntary separation.
- b. Employees must meet eligibility requirements for retirement in CalSTRS and may not return to district employment subject to the rules governing the respective retirement systems.

4. Official Action

- a. The names of all employees who submit their early notice of intent to retire by January 31, 2019 shall be submitted to the Board of Trustees at their regular meeting on February 28, 2019 for acceptance.
- b. The names of employees who submit their early notice of intent to retire by February 15, 2019 shall be submitted to the Board of Trustees at their regular meeting on March 15, 2019 for acceptance.
- c. Employees may rescind their notice to retire up until the time the Board of Trustees takes action to accept the retirement notice.

5. Stipends will be paid no later than the month following official and final separation from the District. For example, if an employee’s final day of work is June 16th, the stipend would be paid in July.