

**AMEND BOARD REPORT 04-0128-RU1  
BOARD RULE 4-8.2. PENSION ENHANCEMENT PROGRAM**

**THE GENERAL COUNSEL RECOMMENDS:**

The General Counsel recommends amending Board Rule 4-8.2 by adding additional language to clarify the Pension Enhancement Program.

~~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, the Board establishes for principals, assistant principals and all non-union represented Chicago Public Schools employees a pension enhancement program that allows eligible employees to use designated sick days and/or pensionable vacation days ("pensionable benefit days") to increase the value of their pension. Eligible employees are those 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 pensionable benefit days in accordance with the schedule set forth below; and (4) have accumulated a sufficient number of sick pensionable benefit days at the time of such notice or by the time of the first accelerated payment as described below, whichever is later. Those eligible employees who choose the pension enhancement program shall receive the following accelerated payment(s) for sick pensionable benefit days prior to their retirement:

<b><u>Sick Leave Pensionable Benefit Days Payout</u></b>	<b><u>Notice Date</u></b>
<p>One-Year Payout: 20% <u>of over the salary in the year prior to notification of retirement paid out in the year prior to retirement prior year's salary</u></p>	<p>120 days before date of retirement up to but not later than March 1, 2007</p>
<p>Two-Year Payout: <del>40%</del> <u>20% each</u> <u>of the salary in the year prior to notification of retirement paid out at 10% in each of the 2 prior years prior to retirement</u></p>	<p>120 days before one year prior to retirement up to but not later than March 1, 2006</p>
<p>Three-Year Payout: <del>6.6%</del> <u>20% each</u> <u>of the salary in the year prior to notification of retirement paid out at 6.67% in each of the 3 prior years prior to retirement</u></p>	<p>120 days before two years prior to retirement up to but not later than March 1, 2005</p>
<p>Four-Year Payout: <del>5%</del> <u>20% each</u> <u>of the salary in the year prior to notification of retirement paid out at 5% in each of the 4 prior years prior to retirement</u></p>	<p>120 days before three years prior to retirement up to but not later than March 1, 2004</p>

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 pensionable benefit 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 pensionable benefit days at the time of his or her separation.

An employee who is involuntarily terminated for cause will not be eligible for any future benefits or accelerated payments of sick pensionable benefit 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 pensionable benefit 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 the 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:**

  
Ruth M. Moscovitch  
General Counsel