

**HOLLAND PUBLIC SCHOOLS
2018 VOLUNTARY RESIGNATION INCENTIVE PLAN
FOR PROFESSIONAL STAFF**

This Holland Public Schools 2018 Voluntary Resignation Incentive Plan for Professional Staff (the "Plan") is adopted by the Board of Education of the Holland Public Schools (the "Board") on this 10th day of May, 2018, and is effective immediately upon adoption.

1. Purpose of the Plan

The purpose of this Plan is to provide an incentive for Eligible Employees employed in positions covered by the collective bargaining agreement between Holland Public Schools ("District") and the Holland Education Association ("HEA") to voluntarily resign from any and all employment with the District. Participation in the Plan is totally voluntary on the part of an Eligible Employee. If an Eligible Employee chooses not to participate in the Plan, the employee's decision shall have no impact on the employee's current or future employment with the District.

2. Minimum/Maximum Participation & Other Requirements

For this Plan to be effective, two conditions must be satisfied. First, at least ten (10) Eligible Employees must agree to participate in the Plan or the Plan is null and void. The maximum number of participants will be twenty (20).

In addition, this Plan shall be null and void unless the HEA and the District enter into and ratify a tentative agreement for the 2018-2019 year, before plan benefits are scheduled to be paid. If the second condition is not timely satisfied, the Plan is null and void, even if a sufficient number of eligible employees apply to participate in the Plan.

3. Eligibility

Employees who satisfy all of the following requirements are Eligible Employees for purposes of this Plan and are eligible for a voluntary resignation incentive benefit under this Plan:

- a. The employee must be employed during 2017-2018 in a position covered by the collective bargaining agreement between the District and the HEA ("HEA Position");
- b. The employee was placed at step 30 or higher of the applicable salary schedule for the 2017-2018 school year;
- c. The employee must have completed at least twenty (20) years of service within the District in a HEA Position as of June 30, 2018; and

Note: Service includes paid but not unpaid leaves of absence;

- d. *In the event more than twenty employees who meet requirements (a)-(c) above apply to participate in the Plan, the twenty (20) otherwise eligible applicants who have the most seniority in the District, determined according to the Master Agreement between the HEA and the District, shall be allowed to participate in the Plan. Further, of the twenty participants potentially selected, no more than ten eligible applicants who were assigned to a K-5 classroom teacher position during the 2017-2018 school year, shall be selected to participate in the Plan. If more than 10 eligible employees who were assigned during 2017-2018 as a K-5 elementary classroom teacher apply, the ten who have the most seniority in the District shall be selected to participate in the Plan. Any resignation submitted by an otherwise eligible applicant, who is not selected due to the numerical and seniority limitations, shall be null and void.*

The resignation date for Eligible Employees electing the resignation incentive benefit shall be June 30, 2018.

The job titles and ages of all Eligible Employees, and the job titles and ages of all employees in the same job classification or organizational unit who are ineligible to participate in the Plan, are attached as Exhibit A. Hard copies of Exhibit A are available for Eligible Employees' review at no charge in the District's Administrative Office.

4. Notice of Resignation

Participation in the Plan is entirely voluntary. An Eligible Employee may elect to participate in the Plan by completing a Resignation & Release Agreement (attached as Exhibit B) as follows:

- a. An Eligible Employee who elects to participate in the Plan must deliver or have delivered a signed Resignation & Release Agreement to the District Human Resources Office to voluntarily resign and relinquish his/her tenure rights and other protected property rights in continued employment with the District by 3:00 p.m. on June 25, 2018. No extensions of time for submission of a signed Resignation & Release Agreement shall be granted.
- b. Each Eligible Employee is advised to consult with an attorney and financial counselor(s) of his/her choice before signing the Resignation & Release Agreement. Each employee is being provided forty-five (45) days to review the Plan and the Resignation & Release Agreement after receipt, and may elect to participate before the expiration of the forty-five (45) day review period.
- c. After an Eligible Employee's Resignation & Release Agreement is delivered to the District Human Resources Office, the employee has seven (7) days from the date of their signature on Exhibit B to revoke the Agreement. The revocation will be valid only if it is in writing and is timely delivered to the District Human Resources Office. After the seven (7) day revocation period, the Resignation & Release Agreement may not be revoked and is legally enforceable.

- d. The Eligible Employee's resignation will be effective June 30, 2018. No further compensation shall be earned after June 30, 2018, and all insurance benefits provided by the District will terminate no later than August 31, 2018 in accordance with their terms. If a participant receives insurance through an alternate source (including but not limited to MPSERS) prior to August 31, 2018, District benefits will cease when alternative coverage is available. The participant is required to notify the District in writing of the effective date of alternative coverage, if any.
- e. In its sole discretion, the District may agree to allow an Eligible Employee to resign earlier upon the written request of the employee.

5. Benefits

Subject to Section 11 of this Plan, the benefit to be paid depends upon ratification of a tentative agreement for 2018-2019 by the HEA and the District, and the number of Eligible Employees who elect to voluntarily resign and comply with all of the requirements of this Plan, as follows: if there are at least ten participants, the benefit under this Plan shall be a lump sum payment of twelve thousand five hundred dollars (\$12,500.00); if there are at least twelve participants, the benefit shall be eighteen thousand seven hundred fifty dollars (\$18,750), and if there are at least fifteen participants, the benefit shall be at least twenty thousand dollars (\$20,000).

The benefit will be paid as a one-time non-elective employer contribution to the 403(b) plan account of each Eligible Employee's choice by December 31, 2018 provided, however, that if the full non-elective employer contribution amount cannot be made for a given year due to annual contribution limits of Internal Revenue Code Section 403(b), the District will contribute an amount up to the maximum contribution amount for that calendar year and the remaining amount will be contributed in the next available calendar year.

If the Eligible Employee does not already have a tax sheltered annuity under the District's 403(b) Plan, the Eligible Employee agrees to establish such an account, and notify the District of same, not later than December 1, 2018. No contribution will be made if the Eligible Employee fails to notify the District of the tax sheltered annuity account under the District's 403(b) Plan by December 1, 2018.

6. Release and Waiver of Claims

To be eligible for the voluntary resignation incentive benefit under this Plan, an Eligible Employee must sign a waiver of any claims against the District, including a waiver of Age Discrimination in Employment Act of 1967 claims. The waiver must also acknowledge that the Eligible Employee is voluntarily relinquishing his/her tenure rights and other protected property rights in continued employment with the District, in exchange for the benefits under this Plan.

7. Source of Payment and Non-Assignability

This Plan shall not be funded with a separate trust or escrow agreement. All benefits shall be paid from an account established by the District from its general assets for the benefit of employees who elect to participate in the Plan.

Participants in the Plan shall have no right to sell, assign, transfer or otherwise convey the right to receive any payment.

8. Plan Administrator

The Superintendent of the District, or his designee, shall be the Plan Administrator under the Plan. The Plan Administrator shall have the discretionary power and authority to administer the Plan in accordance with the terms and applicable law. The Plan Administrator shall exercise authority in a nondiscriminatory manner.

The Plan Administrator's duties include, but are not limited to, the right to interpret the terms of the Plan to accomplish its purpose. Specifically, the Plan Administrator may decide all questions regarding any aspect of this Plan, including eligibility for participation, eligibility for benefit payments, and the amount and manner of benefits payments.

9. Claims Procedure

A Plan participant may file a claim in writing under this Plan if the participant believes he/she has been treated unfairly with respect to the Plan or has been improperly denied benefits under the Plan. A written claim must be filed with the Plan Administrator within sixty (60) days of the denial or alleged unfair treatment.

The Plan Administrator shall make a full and fair review of the claim within sixty (60) days and provide written notice as to the decision regarding the participant's claim. If the claim has been denied in whole or in part, the written notice shall set forth the specific reasons for the denial.

An Eligible Employee whose claim has been denied in whole or in part may, within sixty (60) days after receipt of the denial, deliver to the Plan Administrator a written request for review of the denial. In that event, the Board or its designee will review the decision. The decision of the Board or its designee is final and not subject to further review.

10. Other Employment

An Eligible Employee who elects to participate in the Plan may accept other employment while receiving benefits under this Plan. The District has no obligation to rehire any employee who voluntarily terminates employment under this Plan. An Eligible Employee voluntarily resigning under this Plan is not eligible for unemployment compensation benefits.

11. Termination of Benefits

Benefits shall not be paid to Eligible Employees who quit, become eligible for Social Security, disability retirement under the Michigan Public School Employees Retirement System or the District's long-term disability plan, go on workers' compensation or are otherwise unwilling or unable to remain in the active employment of the District preceding the effective date of the retirement or resignation (June 30, 2018). For this purpose, "active employment" means that the employee is physically at work performing his/her duties or on an approved paid sick leave (other than a long-term disability leave).

If an Eligible Employee dies after the effective date of his/her resignation, and before all payments under the Plan have been made, benefits under the Plan will be paid to the beneficiary designated by the participant on the Resignation & Release Agreement. If an Eligible Employee dies before the effective date of his/her retirement or resignation, no benefits shall be payable from the Plan with respect to the employee.

12. Term of Plan

The Plan shall terminate on the date all incentive benefits have been paid to each Eligible Employee who made a timely decision to participate in the Plan and whose application was accepted by the District.

13. Amendments to the Plan

The District may amend this Plan from time-to-time. However, unless required by law, no amendment shall affect the rights of any employee to any benefits under the Plan to which that employee may have previously become entitled. The Plan shall comply with all State and Federal laws and shall be amended, if necessary, in order to satisfy any such requirements.

14. Taxes

An Eligible Employee participating in the Plan, by signing the Resignation & Release Agreement, acknowledges that he/she has been specifically advised to consult with an attorney and financial counselor of his/her choice regarding the Resignation & Release Agreement and this Plan. The District, and its employees, Board members and agents, including, but not limited to, representatives and attorneys, shall have no liability regarding the tax consequences of payments under this Plan to Eligible Employees. The District shall have the right to deduct from the Plan benefits to each Eligible Employee any federal, state, or local taxes or such other amounts as may be required to be withheld with respect to such payment.

15. Spendthrift Provision

No benefits under the Plan may be sold, transferred, assigned, or encumbered. Any attempt to sell, transfer, assign, or encumber the benefits shall be void.

16. Validity of Plan

In the event this Plan is found to be contrary to law during the term of its existence, this Plan shall immediately be canceled and all pending elections shall be rejected. Employees whose elections had been accepted by the District at the time the Plan is canceled pursuant to this paragraph shall continue to be covered by the provisions of the Plan to the extent permitted by law.

17. Severability

In the event any part of the Plan is found to be void, the remaining provisions of this Plan shall, nevertheless, be binding with the same effect as though the void provisions were deleted.

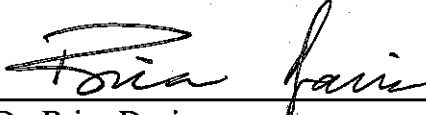
18. Future Plans

There is absolutely no assurance that this Plan or any similar plan will be offered in the future. The Plan is not precedent-setting.

19. Governing Law

This Plan shall be governed in all respects by the laws of the State of Michigan.

HOLLAND PUBLIC SCHOOLS

By: 
Dr. Brian Davis
Its: Superintendent

Dated: 5/10/18