

**LETTER OF UNDERSTANDING REGARDING
SEVERANCE INCENTIVE PLAN**

IT IS HEREBY AGREED between the Livonia Public Schools School District and the Livonia Educational Administrators Association that the attached Severance Incentive Plan be implemented by the School District.

**LIVONIA EDUCATIONAL
ADMINSTRATORS ASSOCIATION**

**LIVONIA PUBLIC SCHOOLS
SCHOOL DISTRICT**

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

By: _____

Its: _____

Date: _____

Summary of Severance Incentive Plan
Livonia Educational Administrators and Superintendent's Cabinet
February 9, 2015

- **Eligibility Requirements**
 - Be an employee as of March 3, 2015
 - Have 20 years of LPS service as of June 30, 2015; **OR**, have 10 years of LPS service as of June 30, 2015, and be eligible for full retirement on or before that date under the terms of the Michigan Public School Employee Retirement System
 - Sign and submit a separation agreement and release/discharge of claims by April 17, 2015, and not revoke said agreement

- **Severance Amount**
 - Total of \$30,000 made in three installments of \$10,000 per year, on the last pay day of August 2015, 2016, and 2017

- **Other Conditions**
 - District reserves right to cancel SIP on or before May 1, 2015 if less than 40 employees (LEA, LEADS, and Cabinet) retire under provisions of SIP
 - SIP contingent on Associations and Board approval

- **Time Frame**
 - March 3, 2015: notice to employees of SIP
 - April 17, 2015: signed separation agreement and release/discharge of claims due to Human Resources
 - April 24, 2015: revocation period ends
 - June 30, 2015: effective date of separations