Article 20
EARLY NOTICE INCENTIVE

20.1 Within limits set annually as part of the budget process, an Early Notice Incentive shall be paid to faculty employees who, during the Fall quarter, give the District a retirement notice as prescribed by this incentive plan and who subsequently comply with all of the other conditions of the plan.

20.2 The Early Notice Incentive shall consist of a base amount, as specified below, plus interest. The interest shall be the amount earned on the base amount from the time it is invested by the District in an interest-bearing account until it is paid to the employee after his or her retirement. The District shall invest the base amount in an interest-bearing account within five working days after the filing of the employee's retirement notice, except that the base amount for employees who file a retirement notice more than 11 complete academic quarters in advance shall be invested 42 months before the retirement date specified in the notice.

20.3 The base amount of the Early Notice Incentive shall be determined as follows:

20.3.1 If the retirement notice specifies a retirement date that is at least five complete academic quarters (approximately 18 months) after the end of the Fall quarter during which it is filed, the base amount shall be $1,500.

20.3.2 If the retirement notice specifies a retirement date that is at least eight complete academic quarters (approximately 30 months) after the end of the Fall quarter during which it is filed, the base amount shall be $2,500.

20.4 If, after filing an initial retirement notice, a faculty employee changes his or her retirement plans and submits an amended retirement notice (or files a letter of retirement with a retirement date that is different from the date specified in his or her initial retirement notice), the initial notice shall be entirely disregarded and all amounts accumulated in the Early Notice Incentive account established for the employee shall remain the property of the District. However, if it otherwise qualifies, the amended notice shall be treated as if it were a new initial notice.

20.5 The annual early notice filing period shall open on the first day of the Fall quarter and close on the last day of the Fall quarter. A notice is not filed until it is actually received in the office of the Vice Chancellor of Human Resources. If the limit set on the maximum number of participants in any given year is lower than the number of retirement notices filed between the first day of the Fall quarter and October 1 of that year, those faculty employees who have the most years of service in the District shall be selected as participants. If years of service is an inadequate criterion by which to distinguish among prospective participants, years of service in California public schools shall be used as a secondary criterion. If those criteria are still inadequate, selection among the employees with equal years of service in the District and in California public schools shall be made by lot. If the limit imposed by the amounts allocated for the Early Notice Incentive as a part of the annual budget process has not been reached by October 1, participation shall be on a first come, first served basis.

20.6 Continued eligibility for the Early Notice Incentive is conditional upon each participant submitting an irrevocable letter of retirement to the Board of Trustees for the Board’s formal acceptance. The letter of retirement shall be submitted to the Board at least twelve months before the participant's retirement and shall specify a retirement date that is the same as the date contained in the participant’s notice of retirement. Once the letter of retirement is
accepted by the Board, the faculty employee shall retire on the date specified in the letter.

20.7 The Early Notice Incentive will be payable on January 1 following the participant's retirement.