2026 Voluntary Separation Program Overview

This Voluntary Separation Program ("VSP") is entered into this thirteenth (13th) day of August 2026, by and between the Board of Education of the Novi Community School District ("District") and the Novi Education Association, MEA/NEA, ("NEA") in consideration of the mutual covenants and undertaking as recited below.

Purpose

The District deeply values the dedication, professionalism, and lasting impact of our most veteran educators. The experience and institutional knowledge of our long-serving NEA members have shaped generations of students and strengthened our school community in immeasurable ways. In recognition of that service, and in an effort to thoughtfully support those who may be considering retirement or resignation, the District and the NEA have jointly agreed to offer a Voluntary Separation Program (VSP) for eligible staff members in positions within the NEA who elect to resign or retire between August 21, 2026 and October 5, 2026.

Participation in this plan is entirely voluntary.

Eligible employees participating in the VSP will receive the VSP benefit described below in exchange for voluntarily resigning or retiring and relinquishing any contractual or tenure rights to continued employment with the District.

Number of Participants

A minimum of ten (10) eligible NEA members must elect to participate for the incentive to be activated. Participation is capped at a maximum of forty (40) participants. No additional participants will be accepted once the 40-person cap is reached. The selection of eligible employee participants is not subject to the grievance procedure under the Master Agreement.

Eligibility Requirements

To be eligible for this VSP, participants must satisfy the following requirements:

- Be actively employed (which is defined as working or on a paid leave of absence) in a position within the NEA currently on **Pay Level M, N, or O** as set forth in the 2026- 2029 NEA Master Agreement.
- For those retiring, be eligible to retire under the Michigan Public Schools Employee Retirement System (MPSERS) on an effective date **between Friday, August 21, 2026 and October 5, 2026**.
- Complete the VSP Application (Attachment A).
- Complete the VSP Agreement & Waiver/Release of Claims (Attachment B).
- If choosing to resign, submit official resignation notification to the District with an effective date between August 21, 2026 and October 5, 2026. If choosing to retire, submit official retirement notification to the District and Michigan Office of Retirement Services (ORS) with an effective date between August 21, 2026 and October 5, 2026.
- Resign or retire on the identified effective date, between August 21, 2026 and October 5, 2026.

Employees are not eligible if they:

- Have been laid off or terminated from the District.
- Have previously retired from the District.

- Are on an unpaid leave of absence from the District.
- Fail to complete the VSP Application (Attachment A) and the VSP Agreement and Waiver/Release of Claims (Attachment B).
- Fail to submit official resignation notification to the District or fail to submit official retirement notification to the District and Michigan Office of Retirement Services (ORS) between August 21, 2026 and October 5, 2026.
- Employees shall not be eligible to apply for participation in this VSP after 4:00 PM on September 27, 2026.

<u>Incentive Payment Structure</u>

If the minimum number of participation of ten (10) employees is reached, eligible participants will receive:

A total of sixty thousand dollars ($60,000), paid in four (4) equal installments of fifteen thousand dollars ($15,000) each to a 403(b) plan:

Payment Date	Amount
December 25, 2026	$15,000
December 25, 2027	$15,000
December 25, 2028	$15,000
December 25, 2029	$15,000

The District will make the VSP payments as non-elective employer contributions to an eligible participant's District-sponsored 403(b) plan account only to the extent permitted by the applicable written plan documents and federal tax law, including annual and lifetime contribution limits. Each participant is responsible for timely completing any vendor/account setup and paperwork required for the District to remit the contribution. If, for any reason, a planned VSP contribution cannot be made to the 403(b) plan (including due to plan terms, vendor restrictions, failure to timely establish an account, or applicable contribution limits), then the District may, in its discretion, instead pay the affected installment to the participant as taxable wages through payroll (or to the extent permitted, defer, or redirect payment in a compliant manner), subject to all required withholdings.

Participants who are retiring must remain fully compliant with MSPERS retirement requirements to receive each installment.

Participants have no right to accelerate, defer, increase, or otherwise change the timing or form of any VSP installment, and may not assign or encumber VSP payments except as required by law (e.g., lawful tax levies or qualified domestic relations orders to the extent applicable).

<u>Application Timeline</u>

<u>Date</u>	<u>Action</u>
August 14, 2026	VSP Program Formally Shared with Eligible Employees
August 14 – September 27, 2026	Application window open
September 27, 2026 4:00 PM	Application window closes

Applications will be accepted on a first-come, first-served basis, based on timestamp of a digital application that will be shared by the District on August 14, 2026.

If an employee is identified as one of the first forty (40) applicants, a written and fully executed VSP Application (Attachment A), Agreement & Waiver/Release of Claims (Attachment B), and written resignation or retirement notification with an effective date between August 21, 2026 and October 5, 2026 must be submitted to the Board within one (1) business day after notification that the Employee was identified as one (1) of the designated forty (40) employees. Failure to provide the properly signed VSP Application, Agreement & Waiver/Release of Claims, and written resignation/retirement notification within one (1) business day will result in ineligibility and rejection of the application for participation in the VSP.

In the event that the plan does not take effect as a result of less than ten (10) eligible employees electing to participate, all employees who executed forms to participate in the plan will not be required to retire or resign. They will then have seven (7) days to rescind their retirement or resignation notification. If not rescinded by that time, their retirement/resignation will be processed effective October 5, 2026, and such employees will not receive any incentive payments under this Agreement.

Separation Date

An eligible bargaining unit member who elects to participate in this VSP and thereby resigns or retires from employment in the District, at the time of application, must indicate in writing an effective date of resignation or retirement between August 21, 2026 and October 5, 2026. If an employee elects to resign or retire after August 21, 2026, the District reserves the right to reassign the employee, for the remainder of their employment, to any position for which the employee is appropriately qualified and certified. Such position may differ from the position held during the 2025–2026 school year and/or the employee's original assignment for the 2026–2027 school year. Said resignation or retirement shall become irrevocable and binding upon acceptance by the Board (or its designee), subject only to the revocation provisions outlined in the VSP. The date of resignation or retirement shall not be altered absent a mutual subsequent written agreement between the Board and the NEA.

Leave Day Payout

If a member meets the criteria under the current NEA Master Agreement for leave day payout, the District will honor the leave day payout as outlined in the current NEA Agreement, provided the member elects retirement under this program within the established window. The leave day payout will be provided in accordance with the terms and conditions set forth in the existing NEA Agreement, in addition to the VSP payments described above.

This applies only to members otherwise eligible under the Agreement and does not modify any other contractual provisions. If a member submits his/her retirement notification but is not one (1) of the forty (40) participants identified for the VSP, he/she may still retire and receive the leave day payout they qualify for but will not receive the VSP.

Those retiring and not electing the VSP or who do not qualify for the VSP will receive just the applicable contractual provision (if eligible).

Voluntary Election and Revocation Period

This Voluntary Separation Program is entirely voluntary. To provide participants with sufficient time to carefully consider their decision:

- The District will provide a minimum 45-day consideration period from the date the program is formally offered before the close of the submission window on October 27, 2026.

- Participants will have a seven (7) calendar day revocation period following submission of the District notification form to rescind their election in writing.

Terms of the VSP

The VSP shall become effective upon approval by both the Novi Community School District Board of Education and the Novi Education Association, formally opening on August 14, 2026, and shall remain in effect through September 27, 2026, unless terminated earlier by mutual agreement of the parties.

This program is intended as a one-time voluntary opportunity for eligible employees and shall not establish a past practice, precedent, or contractual obligation for the District or the Association in future collective bargaining agreements or employment practices.

Severability

If any provision of this agreement is determined by a court or administrative agency to be invalid or contrary to law, that provision shall be severed to the extent required by law, and the remaining provisions shall remain in full force and effect.

2026 NEA Voluntary Separation Program Application (Attachment A)

I, the undersigned employee, hereby apply to participate in the Voluntary Separation Program ("VSP") and request to receive the VSP benefit.

By signing this application, I acknowledge and agree to the following:

- I have read and understand the terms and conditions of the Voluntary Separation Program and its attachments. I agree to submit a written resignation to the District or retirement notification to the District and Michigan Office of Retirement Services (ORS) with an effective date between August 21, 2026 and October 5, 2026.
- I agree to sign and submit the Voluntary Separation Program Agreement & Waiver/Release of Claims (Attachment B) as a condition of participation.
- In exchange for receiving the VSP benefit, I agree to voluntarily resign or retire from employment with the Novi Community School District with an effective date between August 21, 2026 and October 5, 2026, subject only to the revocation provisions outlined in the VSP Agreement and Waiver/Release.
- I understand that my resignation or retirement will become irrevocable after the applicable revocation period expires.
- I acknowledge that my decision to apply for the VSP is entirely voluntary and made of my own free will, and that declining to participate in the VSP would have no impact or consequence on my current or future employment status with the Novi Community School District.

Employee Signature: ______________________________

Date: ____

Witness Signature: ____________________________

Date: _______________________________________

Accepted by the Novi Community School District: ____

Date: _____________________________________

2026 NEA Voluntary Separation Program Agreement & Waiver/Release of Claims (Attachment B)

This Voluntary Separation Program Agreement & Waiver/Release of Claims ("Agreement") is entered into on ______________ (date) by and between ________________________________ ("Employee"), the Board of Education of the Novi Community School District ("District"), and the Novi Education Association, MEA/NEA ("Association").

1. Voluntary Participation and Retirement

The Employee acknowledges that participation in the Voluntary Separation Program ("VSP") is entirely voluntary. By signing this Agreement, the Employee confirms that they have elected to participate in the VSP and agree to voluntarily resign or retire from employment with the Novi Community School District with an effective date between August 21, 2026 and October 5, 2026.

The Employee understands that participation in the VSP requires the relinquishment of all tenure rights, contractual employment rights, and any expectation of continued employment with the District.

In consideration for the Employee's voluntary resignation or retirement and agreement to the terms of this document, the District agrees to provide the VSP incentive payments described in the VSP informational materials.

2. Release and Waiver of Claims

In exchange for the VSP incentive payments, the Employee agrees to release and forever discharge the District, its Board members, administrators, employees, agents, and the Association and its members from any and all claims, grievances, charges, demands, or causes of action of any kind whatsoever, known or unknown, arising from or related to the Employee's employment with or separation from the Novi Community School District.

This release includes, but is not limited to, claims arising under:

- Age Discrimination in Employment Act (ADEA)
- Older Workers Benefit Protection Act (OWBPA)
- Title VII of the Civil Rights Act
- Americans with Disabilities Act (ADA)
- Section 504 of the Rehabilitation Act
- Michigan Elliott-Larsen Civil Rights Act
- Michigan Persons with Disabilities Civil Rights Act
- Whistleblower Protection Act
- Federal or State Civil Rights Laws
- Contract, grievance, or employment claims
- Claims for emotional distress, defamation, or personal injury arising from employment

This Agreement does not waive claims that may arise after the date the Employee signs this Agreement.

3. Retirement System and Financial Responsibility

If opting to retire, the Employee acknowledges that they are solely responsible for confirming eligibility for retirement benefits with the Michigan Public School Employees Retirement System (MPSERS).

The District and the Association have not provided financial, tax, or retirement advice regarding pension eligibility, benefit levels, or tax consequences.

The Employee agrees that the District and Association shall not be responsible for any disputes related to MPSERS eligibility, benefits, or tax consequences associated with the VSP payment.

The Employee is solely responsible for any tax liability resulting from receipt of VSP payments.

Employee acknowledges and agrees that (a) Employee's resignation or retirement under this VSP is intended to constitute a bona fide separation from service/termination of employment for federal tax purposes, including under Section 403(b) of the Internal Revenue Code and any applicable plan document; (b) there is no agreement, promise, understanding, or arrangement (written or oral) that Employee will be reemployed by the District in any capacity after resignation or retirement; and (c) any post-retirement services (including as a coach, substitute, independent contractor, consultant, or volunteer) may occur only if permitted by MPSERS and the Michigan Office of Retirement Services ("ORS") rules, applicable IRS guidance, and the District's policies, and only upon the District's prior written approval in its sole discretion. Employee is solely responsible for confirming how any post-retirement work may affect MPSERS benefits and/or tax status. Furthermore, the District will not discuss, negotiate, or commit to any post-retirement employment with a VSP participant before the participant's effective retirement date, and any future work (if any) will be subject to a separate process and written agreement after retirement.

4. Consideration Period and Right to Revoke (Federal Requirement)

The Employee acknowledges that:

- They have been given at least forty-five (45) days to consider participation in this Agreement.
- They have been advised in writing to consult with an attorney before signing this Agreement.
- They may revoke this Agreement within seven (7) calendar days after signing.

Any revocation must be submitted in writing to the Assistant Superintendent of Talent Management & Development before the end of the seven (7)-day revocation period.

This Agreement will not become effective until the seven (7)-day revocation period has expired.

5. Required Disclosures

The Employee acknowledges that they have received written information regarding:

- Eligibility requirements for participation in the VSP.
- Time limits for accepting the VSP payments.
- The job titles and ages of employees eligible for the VSP.
- The ages of individuals in the bargaining unit who are not eligible.

These disclosures are provided in accordance with the Older Workers Benefit Protection Act (OWBPA).

6. Voluntary Execution

The Employee acknowledges that:

- They have carefully read and understand this Agreement and Waiver/Release of claims, the VSP program, and the VSP Application (Attachment A).
- Their decision to participate in the VSP is voluntary and made without coercion, pressure, or duress.
- No representations or promises have been made to them other than those contained in the VSP documents.

The Employee further acknowledges that by signing this Agreement and participating in the VSP, they are voluntarily resigning or retiring and terminating their employment with the Novi Community School District.

7. Payment Not Considered Compensation

Payment under this VSP shall be paid as a separation incentive, not as compensation, and is not considered payment for services that have been, or will be, performed for the District as a public employee. Neither the Board nor the Association makes any representation as to the impact that the VSP will have on future retirement benefits.

8. Death of Participant/Beneficiary

If the VSP participant dies after the effective resignation or retirement date and after the VSP becomes irrevocable, the Board shall pay any unpaid VSP installments (if any) when and as scheduled to the participant's designated beneficiary on file with the District for VSP purposes (or if none, to the participant's estate or as otherwise required by applicable law, including the Michigan Wages and Fringe Benefits Act, MCL408.480). Such payments will be subject to required tax reporting and withholding.

⚠️ THIS AGREEMENT INCLUDES A WAIVER & RELEASE OF LEGAL CLAIMS. PLEASE READ CAREFULLY BEFORE SIGNING. ⚠️

Employee Name: ________________________________

Employee Signature: ____________________________ Date: ____________________________

Name Primary Beneficiary:_________________________

Name Contingent Beneficiary:_______________________

Witness Signature: ______________________________ Date: ____________________________

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Novi Community School District

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Date