

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE TIPTON COMMUNITY SCHOOL CORPORATION BOARD OF TRUSTEES AND THE TIPTON EDUCATION ASSOCIATION

The parties, represented by their agents whose signatures are affixed below, have reached the following understandings.

This Memorandum of Understanding (MOU) is intended to address issues affecting salary, wages, and salary- and wage-related benefits due to the financial impacts of declining enrollment and Senate Enrolled Act #1 (2025). The purpose of this incentive is to encourage eligible teachers to provide early and binding notice of their intent to retire, thereby allowing the Tipton Community School Corporation (TCSC) to engage in responsible staffing, financial planning, and to mitigate the risk of deficit financing.

This agreement constitutes a one-time retirement incentive applicable only to eligible teachers employed during the 2025–2026 school year and shall not establish precedent for future collective bargaining agreements.

Availability of Incentive

This one-time retirement incentive shall be available to the first eight (8) eligible teachers who submit a written letter of retirement from their official school email account to both the Tipton Education Association President and the Superintendent of Tipton Community School Corporation. Eligibility shall be determined by the timestamp recorded on the TCSC email server. In the event multiple notices are received with identical timestamps, eligibility shall be determined by the earliest verifiable email server receipt. The Association and the TCSC may mutually agree in writing to waive the limit of eight (8) teachers on a case-by-case basis.

This incentive is offered in lieu of Article III, Section C – Retirement Benefits; Voluntary Separation Pay within the 2025–2026 Collective Bargaining Agreement.

Retirement Notification Window

Teachers seeking to participate must submit their letter of retirement via TCSC email between March 11, 2026 and April 1, 2026.

Retirement under this incentive shall begin and be effective June 1, 2026.

Eligibility

Teachers intending to retire at the conclusion of the 2025–2026 school year must meet all of the following criteria:

- The teacher must have completed at least ten (10) years of service as a teacher with Tipton Community School Corporation.
- The teacher must be 60 years of age or older by June 1, 2026.
- The teacher must be eligible to retire through the Indiana Public Retirement System (INPRS).
- This incentive only is offered to full time teachers who work through the last school day of the 2025-2026 school year and retire by June 1, 2026.

Incentive Structure and Fiscal Cap

The maximum total value of this retirement incentive shall not exceed \$60,000 per participant, consisting of a \$50,000 retirement incentive and an additional sick leave buyout of up to \$10,000, as outlined below.

Distribution of Incentive Funds

Retirement incentive payments and insurance premium shall be contributed following the participant's June 1, 2026 retirement date, in accordance with the TCSC normal payroll processes and periods, without unreasonable delay, and consistent with the distribution method elected by the participant.

Retirement Incentive Payments (Maximum \$50,000)

Funds may be contributed using one or a combination of the following options, as elected by the retired teacher. Participants may elect either option, or both, in any sequence or amount, until the \$50,000 retirement incentive maximum is paid.

- **Health Insurance Premium Assistance**

Retirement incentive funds may be applied toward monthly premiums for TCSC-sponsored group health insurance for up to five (5) years following the participant's June 1, 2026 retirement date. The participant must remain enrolled in a TCSC group health plan, complete enrollment forms annually through open enrollment, and any premium increases above the maximum retirement incentive shall be the responsibility of the participant. All retirement incentive funds must be fully distributed within five (5) years of the participant's June 1, 2026 retirement date. If insurance premium contributions do not exhaust the \$50,000 retirement incentive within that period, any remaining balance shall be distributed before the end of the fifth year, including by lump-sum payment if necessary.

- **Semiannual Cash Payments**

Retirement incentive funds will be paid in semiannual installments initially beginning on July 15, 2026 and January 15, 2027. Cash payments shall continue until the \$50,000 retirement incentive maximum is reached and shall be distributed over a period not to exceed five (5) years from June 1, 2026. For purposes of clarity, five (5) years shall consist of ten (10) semiannual payments. Cash payments may be adjusted by TCSC as necessary to ensure full distribution within the five-year limit.

Sick Leave Buyout (Maximum \$10,000 – Separate from Retirement Incentive Cap)

Up to one hundred (100) accumulated sick days may be purchased by eligible teachers at \$100 per day, not to exceed \$10,000. The sick leave buyout is separate from and in addition to the \$50,000 retirement incentive. Sick leave buyout may be paid as a lump-sum payment on October 9, 2026, or applied toward TCSC group health insurance premiums at the participant's election.

Election and Acknowledgment

Each participant shall complete a Retirement Incentive Election Form identifying their preferred distribution method or elections. Participants acknowledge retirement incentive payments do not increase final average salary or INPRS benefit calculations, any taxes and eligible for governmental programs are the sole responsibility of the participant, and health insurance premiums and plans may change annually.

Rescission of Retirement Notice

A participant may rescind their retirement notice by sending an email to TCSC payroll department no later than May 29, 2026, but only in the event of a force majeure event such as IRS qualifying life event, including death of a spouse, loss of spouse's employment, loss of spouse-provided health insurance

coverage, or an immediate and heavy financial need. Approval of the participant's rescission is subject to Superintendent review and approval of TCSC governing body which shall not be unreasonably withheld.

Additional Conditions

Participation in this incentive does not guarantee replacement of the teacher's position to another worker. All participants must execute a letter of retirement and complete the Retirement Incentive Election Form before April 1, 2026. This MOU shall expire at the conclusion of the 2025–2026 school year (i.e. June 1, 2026) unless renewed by Board action.

This MOU was approved by IEERB on _____, 2026. See attached confirmation as Exhibit "A."

Executed on the _____ day of March, 2026.

Tipton Community School Corporation Board of Trustees

Signature: _____

Printed Name: Robert Cochrane II

Title: President

Tipton Education Association

Signature: _____

Printed Name: Amy Cole

Title: President

Tipton Community School Corporation

Retirement Incentive Election Form

This form is to be completed by certified teachers who elect to participate in the **2025–2026 Voluntary Retirement Incentive Program** as outlined in the Memorandum of Understanding between the Tipton Community School Corporation Board of Trustees and the Tipton Education Association dated 2026 (“MOU”).

Employee Information

Employee Name: _____

Position / Assignment: _____

School Building(s): _____

Total Years of Service with TCSC: _____

Date of Birth: _____ **Age as of June 1, 2026:** _____

Retirement Confirmation

I hereby submit my voluntary, permanent, and binding notice of retirement from Tipton Community School Corporation, effective **June 1, 2026**, subject to and governed by the terms of the MOU.

- ☐ Yes, I am voluntarily deciding and electing to retire under the 2025–2026 Retirement Incentive Program.

Incentive Election (Maximum Total Benefit: \$60,000)

Participants may elect one or a combination of the following options. Total retirement incentive payments may not exceed **\$50,000**, and sick leave buyout may not exceed **\$10,000**.

A. Retirement Incentive Payments (\$50,000)

Please indicate how you wish to receive your retirement incentive payments. The selections below reflect the participant’s initial distribution preference and do not limit the ability to elect a different distribution method or combination of methods in the future, provided the \$50,000 maximum is not exceeded.

- ☐ Apply remaining funds toward the participant’s TCSC- group health insurance premiums, which may change annually and are subject to a five (5) year distribution limit. Incentive payments shall be applied only to the actual group health premium amount due, and any premium costs exceeding available incentive funds shall remain and be the responsibility of the retiree. Any remaining balance at the end of the five (5) year period shall be distributed before the end of the fifth year, including by lump-sum payment if necessary, so that the full \$50,000 retirement incentive is exhausted within five (5) years of June 1, 2026.

Cost Per Month (as of June 1, 2026)

<input type="checkbox"/> Life Insurance	\$ 6.50
<input type="checkbox"/> Health Insurance	\$ _____
<input type="checkbox"/> Dental Insurance	\$ _____
<input type="checkbox"/> American Fidelity Cancer	\$ _____
<input type="checkbox"/> American Fidelity Accident	\$ _____

☐ Receive ten (10) **semiannual payments** (initially July 15, 2026 and January 15, 2027) until the \$50,000 retirement incentive maximum is reached.

☐ Cash payment (subject to withholding federal, state, county, local taxes)

☐ Pre-tax contributions into 401(a) or 403(b) TCSC retirement plans

☐ I elect to use a combination of both methods. Under this option, retirement incentive funds shall first be applied toward the participant's TCSC- group health insurance premiums during the five (5) year distribution period, subject to the availability of remaining funds. If the participant becomes eligible for Medicare or TCSC group health coverage ends anytime during the five-year period, any remaining retirement incentive balance shall be distributed in equal semiannual installments each July 15 and January 15 through the remainder of the five-year distribution period. In no event shall payments extend beyond five (5) years from the participant's June 1, 2026 retirement date, and all retirement incentive funds must be fully distributed within that five (5) year period.

If funds are available at end of the five year period or upon eligibility for Medicare, I would prefer the remaining, final fund disbursement as:

☐ Cash payment (subject to withholding federal, state, county, local taxes)

☐ Pre-tax contributions into 401(a) or 403(b) TCSC retirement plans

B. Sick Leave Buyout (Up to \$10,000 - Separate from Retirement Incentive Cap)/Terminal Pay Supplement

☐ Option A: Use a combination of my Frozen Days and TCSC Sick Leave Buyout

☐ Option B: Elect to receive the TCSC Sick Leave Buyout for up to 100 sick days at \$100 per day.

TCSC will provide a print out estimating both sick leave scenarios.

Number of accumulated sick days to be purchased (not to exceed 100): _____

Sick Day Numbers Verified by TCSC: ☐ Verified

TCSC Approver: _____

Total sick leave buyout amount elected by participant at \$100 per remaining sick days: \$ _____

Please select how sick leave buyout funds should be distributed:

- ☐ Cash payment (subject to withholding federal, state, county, local taxes)
- ☐ Applied toward TCSC- group health insurance premiums
- ☐ Pre-tax contributions into 401(a) or 403(b) TCSC retirement plans

Acknowledgments and Disclosures

By signing below, I acknowledge and agree that:

- I have read and understand the Memorandum of Understanding between the Tipton Community School Corporation and the Tipton Education Association (“MOU”) posted at <https://www.tcsc.k12.in.us/our-district/board/board-documents>
- The terms of the conditions outlined in the MOU govern eligibility and any amounts owed or payable by TCSC.
- Participation in the retirement incentive program outlined in the MOU is voluntary and an election to retire is binding, irrevocable, permanent, and final after May 29, 2026.
- Incentive payments do **not** count toward final average salary or INPRS benefit calculations.
- I am solely responsible for understanding all tax, financial, investment, retirement, government programs, and insurance implications.
- Insurance premiums and plan benefits may change at any time.
- Once retirement incentive funds are exhausted, no further amounts are owed or will be paid and all remaining insurance costs remain my responsibility.
- A participant may rescind his/her retirement notice by sending an email to TCSC payroll department no later than May 29, 2026, but only in the event of a force majeure event such as IRS qualifying life event, including death of a spouse, loss of spouse’s employment, loss of spouse-provided health insurance coverage, or an immediate and heavy financial need. Approval of the participant’s rescission is subject to Superintendent review and approval of TCSC governing body which shall not be unreasonably withheld.

Employee Certification

I certify my selections above are accurate and I have read and understand the terms of the Retirement Incentive Program outlined in the MOU.

Employee Signature: _____

Date: _____

Human Resources Use Only

Date Received: _____

Eligibility Verified: ☐ Yes ☐ No

INPRS Eligibility Confirmed: ☐ Yes ☐ No

Sick Day Numbers Verified and Approved by TCSC ☐ Yes ☐ No

TCSC Approver: _____

Total Retirement Incentive Approved: \$ _____

HR Representative Signature:

Nathan Gonzalez, Deputy Treasurer

Date: _____

Exhibit A
IEERB Approval Letter



TCSC

Tipton Community School Corporation

1051 S. Main Street Tipton, Indiana 46072 Office 765-675-2147 Fax 765-675-3857

March 11, 2026

To the Indiana Education Employment Relations Board (IEERB):

The Tipton Community School Corporation (School), submits this explanation and request for review by IEERB of a bargained and ratified limited MOU outside of the bargaining timelines. In support of this request, School states as follows:

The Memorandum of Understanding (MOU) dated March 10, 2026 is intended to address issues affecting salary, wages, and salary- and wage-related benefits due to the financial impacts of declining student enrollment and Senate Enrolled Act #1 (2025). The purpose of this retirement incentive is to encourage eligible teachers to provide early and binding notice of their intent to retire, thereby allowing the Tipton Community School Corporation (TCSC) to engage in responsible staffing, financial planning, and to mitigate the risk of deficit financing.

This agreement constitutes a one-time retirement incentive applicable only to eligible teachers who elect retirement prior to April 1, 2026, is for the 2025–2026 school year, and shall not establish precedent for future collective bargaining agreements. The data analysis and impact of Senate Enrolled Act #1 (2025) were not available during the last collective bargaining period to have addressed this incentive.

The MOU is in response to newly discovered information or an unanticipated event that was not known or available at the time the parties ratified the original CBA. On March 10, 2026, the School Board voted to ratify the attached MOU in response to unanticipated and unprecedented changes in funding.

Wherefore, the School respectfully requests that IEERB review and approve the MOU offering a retirement incentive program to eligible teachers.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ryan Glaze", followed by a long horizontal line.

Dr. Ryan Glaze
Superintendent

Working Together for Student Success
www.tcsc.k12.in.us