



EPC Early Severance Plan Update

“The Severance Plan Experts”



North Little Rock School District, AR

A conservative estimate projects North Little Rock School District (NLRSD) will save \$6.3 million dollars over eight years thanks to the implementation of EPC’s early severance plan. This savings, and the opportunity to manage the replacement process of vacated positions were welcomed results which support key objectives of the district’s Capital Improvement Plan launched in 2012.

Plan Review and Results

Having known of several successful early severance plans implemented by EPC in neighboring school districts, NLRSD Director of Human Resources, Gregg Thompson contacted our firm to initiate a feasibility study.

The study showed EPC’s severance plan would be effective in producing a greater number of exits than what the district experiences through normal retirements (see the chart below). This, coupled with a replacement requirements provided by NLRSD, reflected a savings potential that would be difficult to achieve in any other area of the district’s operation outside of personnel.

	Total Number in District.	Eligible for Plan	EPC Participation Projection	Actual Plan Participation	Avg. Retirements w/Out Plan	Percentage Increase Above Normal Retirements
Teachers	654	307	50	45	8	562%
Administrators	51	42	10	7	2	350%
Classified	595	285	20	28	8	350%
Grand Total	1,300	634	80	80	18	444%

Following board approval, EPC opened the window period of election, providing each of the 634 eligible employees with a personalized severance plan package and access to one-on-one counseling with experienced EPC counselors. Over 150 employees took advantage of private counseling where the plan documents and benefits were reviewed in detail. Additional information provided to employees included pre versus post retirement income projections and details regarding state pension and social security for those who qualified.

Participating employees will exit employment from the school district in June of 2014, however EPC’s responsibility to both the NLRSD and plan participants continues over the following 5-8 years as we facilitate administration and delivery of plan benefits on behalf of the school district.

EPC is dedicated to helping school districts, colleges, universities and hospitals maximize budgets through the design and implementation of early severance plans. If your institution would like to learn more or take advantage of our no-cost feasibility offer, please feel free to contact us at 1-800-747-1504.

EPC
Educators Preferred Corp.
800-747-1504
www.epcinternet.com