

**Detroit Public Schools
Employee Severance Plan (ESP)
Frequently Asked Questions (FAQ)
May 2013**

Q: What are the important dates I should be aware of concerning the ESP™?

A: May 8, 2013 - Last day to fax any changes to your data pages (included in your announcement memo mailing) to EPC at 888-676-8792. Faxing corrections to your data form does not obligate you to participate in the plan.

May 13, 2013 - General Meetings Individual enrollment packages will be distributed at these meetings. If you are eligible for the plan and do not attend a general meeting, your package will be mailed to you through DPS mail. Attending a general meeting does not obligate you to participate in the plan.

May 14 - 23, 2013 - Individual Counseling Sessions These meetings are for informational purposes only. Your spouse/significant other, advisor etc. are welcome to attend a counseling session with you. Attending a counseling session does not obligate you to participate in the plan.

June 28, 2013 – Last day to elect the ESP™ You paperwork must be submitted to EPC no later than midnight on this date (post marked). Participants have until midnight on July 5, 2013 to revoke their participation in the plan. After this time, the election to participate becomes binding.

June 30, 2013 The effective date for retirement or resignation from DPS under the plan.

Q: What if I am not able to submit my data page by the deadline of May 8, 2013?

A: Everyone who is eligible for the ESP™ will receive a packet at the general meeting or via District mail following the General Meeting. You will have the opportunity to request re-prints from EPC any time throughout the window period of enrollment.

Q: How do I schedule an individual counseling session?

A: Either call EPC at 800-747-1504 or go to www.epcinternet.com/dps to schedule an appointment.

Q: Does the ESP™ have any impact on my pension benefits from MPSERS or Social Security?

A: No.

Q: If I have been laid off from DPS, am I eligible to participate in the plan?

A: No. You must be actively working for DPS to participate in the early severance plan.

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Q: I am on approved paid leave. Am I eligible to participate in the ESP™?

A: If you are on approved paid leave and receive your regular bi-weekly pay, you are eligible to participate in the ESP™.

Q: Are health insurance benefits included with the ESP™ benefits?

A: No. The severance plan does not provide health insurance. Those participating in the ESP™ and retiring with MPSERS should be eligible for health insurance coverage under the state pension. Those participating in the plan, but not retiring under the state retirement system, will need to gain coverage from another source such as a new employer's plan, a spouse's employer plan, or purchasing individual health insurance through COBRA with DPS or from a health insurance agent.

Q: Can I work at another public school district if I accept the plan?

A: Yes. You are free to work for another employer (public or private) after exiting from DPS employment. Working for another district or other employer will not affect your ESP™ benefits; however, going to work for another school district after retiring under MPSERS does have limitations. Please consult with MPSERS for details.

Q: If I participate in the ESP™, can I receive sick leave pay?

A: No. The ESP™ does not include sick leave pay.

Q: I participate in TIP. If I participate in the ESP™, will I also receive my TIP pay-out?

A: If an employee does not participate in the ESP™ they can get the TIP pay-out. The TIP pay-out is for DFT members only and the maximum is \$10,000, but it is paid when an employee resigns or retires. If an employee is otherwise terminated, they are ineligible for the TIP.

Q: Is it mandatory to use a provider on the Detroit Public Schools approved vendor list?

A: Yes. Participants are required to elect one of the approved DPS 403(b) providers to accept your ESP™ monthly plan benefit payment.

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Current approved 403(b) vendors are:

Ameriprise Financial Services, Inc.
AXA Equitable Life Insurance Company
Commonwealth Annuity & Life Ins Co
Conseco Insurance Company 3
Great American Financial Resources, Inc.
ING - Reliastar Life Insurance Co.
Jefferson National Life
MetLife
Proequities
Symetra Life Insurance Company
VALIC

Q: I received an ESP™ packet but I am assigned to work an extended year program. Am I eligible for participation in the ESP™?

A: Those employees who are assigned to work an extended year or summer school program who are otherwise eligible for the ESP™ will be allowed to participate in the ESP™.

Q: I think I am eligible to participate in the ESP™, but did not get an announcement or information packet.

A: Not all DPS employees are eligible for the ESP™. The ESP™ “Announcement Memo” lists those employee groups that are eligible to participate along with the eligibility requirements. If you believe you meet the eligibility requirements, but did not get information regarding the plan, please contact EPC at 800-747-1504.

Q: I submitted my separation from service form on March 30, 2013 and had planned to retire on June 30, 2013. Am I eligible to participate in the ESP™?

A: Those employees who submitted their separation on or before May 1, 2013 (post marked) are not eligible to participate in the ESP™.

Q: Will the fiscal year 2012-2013 ESP™ be offered again?

A: The fiscal year 2012-2013 ESP™ is a one-time offer.

Q: How much are the ESP™ benefits?

A: Eligible employees who participate in the ESP™ will receive 65% of FY 2012-2013 post-concession base salary.

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Q: Will the ESP™ benefits (65% of base salary) be computed using my pre-concession or post-concession FY 2012-2013 base salary?

A: The ESP™ benefits will be calculated using an employee's post-concession base salary.

Q: I am eligible to participate in the ESP™; however, I will only have six months of pay during FY 2012-2013. Will my ESP™ benefits be computed using my annual base or on the portion of my FY 2012-2013 that is actually earned during FY 2012-2013?

A: Your ESP™ benefits will be computed using the portion of your FY 2012-2013 you actually earned during FY 2012-2013.

CONTACT INFORMATION

Educators Preferred Corporation:

Telephone: 1-800-747-1504

Fax: 1-888-676-8792

Detroit Public Schools:

Division of Human Resources

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