FACULTY EARLY RETIREMENT PROGRAM (FERP)

SUMMARY

ELIGIBILITY
- Tenured Instructional Faculty or Librarians age 55 or older
- Must have been granted Service Retirement effective on or before the first day of the academic year in which participation in FERP is to begin
- Written notification to President at least six (6) months prior to the academic year in which FERP participation begins (about March 1st)

LENGTH OF PARTICIPATION
- Maximum of five (5) years if begin participation in 2013/14

TIMEBASE OPTIONS
- 50% -- Teaching full-time one (1) semester each academic year
- 50% -- Teaching half-time both semesters each academic year

LEAVES FROM FERP
- Faculty may be granted one partial or full leave without pay from FERP for reasons of personal illness only. Such leaves must be approved by the Department Chair, College Dean, and the Provost and Vice President for Academic Affairs.
  
  Note: This leave will not extend your participation in FERP by another semester or year.

DENTAL BENEFITS
- In order to continue enhanced dental and vision benefits you must maintain a timebase of half-time or more both semesters, or full-time (1.0) one semester. FERP employees whose schedule differs from the above may lose eligibility if their timebase falls below half-time. Contact the HR Benefits Office at 86213 for continuation of coverage options.

SICK LEAVE
- Can carry over up to 48 hours of sick leave credits into FERP
- Can accrue sick leave credits while in FERP up to a maximum of 160 hours
- Accrual rate is 8 hours of sick leave credit per qualifying pay period if full-time (maximum of 48 hours per year). If less than full time, sick leave accrual will be prorated.

SALARY
- For each year of participation, you receive your full retirement allowance from the Public Employees Retirement System (PERS) plus one of the following at the current salary rate for your range at the time of retirement:
  - 6 full faculty checks if full-time FERP for one semester
  - 12 half-pay faculty checks if half-time FERP for both semesters
  - Librarians should refer to Article 29.9 of the Collective Bargaining Agreement, Unit 3-Faculty

ADDITIONAL EMPLOYMENT
- The Collective Bargaining Agreement between CSU and CFA, Unit 3-Faculty, limits your total employment within the CSU system (including FERP) to 90 days per fiscal year OR 50% of your timebase in the year preceding retirement, whichever is less.
- You may not teach for additional pay during any summer session.
- Generally, you may not accept any additional employment in the CSU while in FERP. The only exception is an appointment in CCE during the period of active employment each year.
  - Since each semester typically consists of 86 to 89 academic work days, FERP faculty teaching full-time one semester each academic year could also work 1 to 4 additional days in CCE during the academic year (not to exceed a total of 90 days). This provision does not apply to FERP faculty teaching 50% both semesters.
  - Contact Human Resources for clarification if you are thinking about working in CCE.
- It will be necessary for you to complete a modified version of the checkout process through the HR Payroll Services Office in Del Norte Hall, Room 3006A, 278-6211. This will include turning in your I.D. card and visiting the Benefits Office and the Payroll Services Office.
SAMPLE INCOME WHILE PARTICIPATING IN FERP

This is an example of the income a full professor at the service maximum of the salary schedule might receive while participating in FERP on a 50% basis (teaching 50% both semesters). This example assumes the faculty member is 63 years old at the time of retirement, has a total of 33 years of service and the equivalent of one (1) year of unused sick leave credits at the time of retirement [2000 hours of unused sick leave credits converts to one (1) year of PERS service credit].

- Retirement Date = July 1, 2013
- Total PERS Service Credit = 34 years (includes 1 year of sick leave conversion)
- Age = 63
- Highest Average Compensation for 12 consecutive months = $6,456 per month ($6,589 - $133 for Social Security adjustment)
- Percent of Highest Average Compensation = 85.0% (Age Factor of 2.5% times 34 years)
- Gross Unmodified PERS Allowance: $5,488.00 per month (less, if an option is selected)
- All salary figures quoted are gross figures. Most, if not all, of the PERS allowance and FERP income is taxable income.
- You may shelter some of your FERP income via a 403(b) tax deferral plan.

PERS Allowance: $5,488.00 per month $ 65,856 per year
FERP Salary: $3,294.50 per month $ 39,534 per year

Total Compensation: $8,782.50 per month $105,390 per year

After participation in FERP ends, income would consist of the PERS Allowance ($65,856 per year) plus any Social Security Allowance. In this example, a 2% cost-of-living increase would be applied to the PERS Allowance beginning May 2014 and every year thereafter. The 2% cost-of-living increase begins in May of the second calendar year following the calendar year in which you retired.