

Iowa State University
Specialized Retirement Incentive Program (SRIP)
Frequently Asked Questions for LAS Leadership
May 5, 2022

1. What are the general provisions of the Specialized Retirement Incentive Program (SRIP)?

SRIP is a voluntary program. Eligible tenured faculty will need to meet a rule of 70, combining age and length of continuous service at the time of retirement. The minimum allowable age is 60 or older. The period of expressing interest is from October 3, 2022 through December 2, 2022 (although it should be noted eligible faculty wanting to retire on December 31, 2022 must have their request in by November 1, 2022). All applications are subject to approval. The program offers two options from which eligible tenured faculty may choose:

- two years of retirement contributions plus health and dental coverage; or
- three years of retirement contributions

2. What is the program criteria and eligibility?

An active tenured faculty member of the university will be eligible based on **meeting the entirety** of the following criteria:

- The faculty member must have a tenured primary academic appointment in the College of Liberal Arts and Sciences (LAS) or in the College of Agriculture and Life Sciences (CALS) provided the CALS faculty member's appointment resides in a dually administered department with LAS;
- The faculty member must hold a tenured appointment in the College of Liberal Arts and Sciences or College of Agriculture and Life Sciences in a dually administered department with LAS;
- The faculty must currently have a medical benefits-eligible appointment with the university;
- The faculty must have continuous service and age that is equal to 70 and be at least sixty (60) years of age at the time of retirement;
- The faculty must not have already communicated and received approval to retire or resign prior to the announcement of the SRIP program;
- The faculty must not already be participating in another ISU retirement program (e.g., phased retirement);
- Agree to fully retire no later than June 30, 2023.

Note: Participants in Options 1 must have 5 years of continuous participation in the medical/dental plans prior to retirement.

Faculty already participating in a phased retirement program are ineligible for this SRIP.

3. What are the Specialized Retirement Incentive Program options?

Eligible tenured faculty members may choose one of two retirement incentive options:

- **Option 1: Two Years of Retirement Contributions Plus Health/Dental Coverage.** For two years after the Employee's Separation Date, the University agrees to pay continued monthly TIAA or AIG VALIC employer contributions equivalent to that received by active employees over the same time period as well as Employee's medical and dental coverage based on retiree coverage election, up to "self and spouse/partner" plan level, including employee and employer premiums. IPERS plans will require a one-time, up-front payout equal to two years of employer contributions equivalent to that received by active employees as of the Employee's Separation Date. Eligibility for medical and dental contribution under this option requires 5 years of continuous participation in the plans prior to retirement. **Note: If/when you are Medicare eligible, you will be required to enroll in Medicare Part A and B and the ISU Wellmark plan will become secondary to Medicare. This SRIP option does not include any subsidy towards Medicare B premiums or B and D income related monthly adjustment amounts.**
- **Option 2: Three Years of Retirement Contributions.** For three years after the Employee's Separation Date, the University agrees to pay continued monthly TIAA or AIG VALIC employer contributions equivalent to that received by active employees over the same time period. IPERS plans will require a one-time, up-front payout equal to three years of employer contributions equivalent to that received by active employees as of the Employee's Separation Date.

4. When is the program available, and what is the duration of the window program?

The period for expressing interest in the SRIP program is from 8:00 a.m. on Monday, October 3, 2022, through 5:00 p.m. on Friday, December 2, 2022 (although it should be noted eligible faculty wanting to retire on December 31, 2022 must have their request in by November 1, 2022). Expressions of interest received on or after 5:00 p.m. December 2, 2022 will not be accepted.

5. What is the process for request and review/approval?

The actual process is still being considered for the fall. Eligible faculty should review the website from time to time as the process becomes more defined. At this time, it is expected that an electronic "expression of interest" will be available beginning August 3, 2020.

6. Is approval of the faculty member's request at my and the college's discretion? What is the basis for approval of a request?

Yes. Meeting eligibility requirements or indicating interest does not guarantee a faculty member's approval or acceptance into the SRIP. As with past retirement incentive programs, all final decisions for SRIP requests are contingent on demonstrated cost savings or efficiencies. Cost savings and efficiencies may be achieved in a number of ways, including workforce reduction, new and innovative ways of conducting business, and/or new partnerships across multiple units/areas. For example, specific retirements may facilitate consolidation, program elimination, reduction of program scope, reorganization of units and possible other actions. The full savings may be realized outside of the two-to-three year timeframe of the program's incentive payout.

7. Once I have received the cost/savings information and other tools and I have consulted with others, how much time do I have to respond to each request?

Faculty members should receive a response within 30 days of expressing interest in the SRIP. We encourage the department chair/school director to timely review, analyze and determine which requests will be approved – taking into account that a final approval will also require review and a decision by the Office of the SVPP.

8. Should I reach out to faculty members who may be eligible?

No. It is not appropriate to indicate to certain faculty members that you hope they will express interest in the program. Planning for retirement is a very personal choice, and the SRIP is truly voluntary. Your role is to carefully consider the information provided in a faculty member's expression of interest and determine the impact of a possible approval.

9. What if a faculty member comes to me to seek my advice or opinion?

Faculty members may turn to their department chair/school director during the consideration period. You should listen and be empathetic and provide factual information on the program. But it is critical that you do not offer guidance or advice on a faculty member's decision to express interest. Comments could unduly influence or be misinterpreted. Instead, direct the faculty member to the available resources and/or the HR Partner. Also, department chairs/school director should not make promises regarding approval in any initial discussions. Final approval will be determined at the SVP level.

10. How can I support faculty who may wish to express interest?

Department chairs/school director should be accessible and prepared to respond to questions and refer faculty to resources available to aid in their decision. Retirement planning resources are available at <https://www.hr.iastate.edu/benefits/retiree-life> and <https://www.provost.iastate.edu/faculty-and-staff-resources/emeritus-faculty-resources>.

11. May I negotiate the date of the full retirement?

Yes. Approval of any SRIP request involves approval of the requested date and is contingent upon your ability to manage the transition and meet your department's mission or business needs. Department chairs/school director should discuss the requested retirement date with the employee and negotiate what best meets the needs of the unit before final approval. Please note that the requested retirement date should be a future date that allows time for the necessary review/approval of the request as well as the execution of the signed agreement (and revocation period). Therefore, the effective date of retirement shall be no sooner than the date that the agreement is signed, preferably at a minimum, three weeks from date of expression of interest.

Please note that department chairs/school director should only accept a date that conforms to policy in the *Faculty Handbook* (i.e., a 9-month faculty member should retire at the end of the semester, on

December 31 or May 15). (For further information on acceptable dates of retirement for the SRIP, see also Q.20-22 for further information.)

The SRIP requires a full retirement date no later than June 30, 2023.

12. Is there a limit to how many faculty members I can approve for the SRIP?

No. All expressions of interest and eligible employee requests should be reviewed and analyzed.

13. Who is tracking requests and approvals?

HR Delivery teams will monitor to make sure employees receive timely responses to expressions of interest.

14. Can a faculty member who retires under SRIP be rehired?

Faculty members who retire under SRIP will be ineligible to be rehired at the university while receiving incentives within the terms of the program. Any exceptions to rehiring would require an employee to repay the value of the incentives received under SRIP.

After the incentive period runs any appointment must be approved by the Office of the Senior Vice President and Provost and the Vice President for University Human Resources.

15. Are faculty members on an extended leave of absence, including FMLA, eligible?

The program criteria and eligibility apply to all tenured faculty members that meet the eligibility criteria in Q.2 above, including those on extended absences. Faculty members on FMLA who are eligible and interested in SRIP should consult with UHR.

16. For a 12-month faculty member (not on an administrative appointment) with a large bank of unused vacation, may I require the faculty member to utilize some or all of the banked time off — in lieu of a payout of the unused balance?

Absences should be discussed between the department chair/school director and faculty member. Yes, so as long as those days are used before June 30, 2023.

17. For faculty approved for the SRIP, could the emeritus/a designation still apply?

Yes. See the “Emeritus and Retired Faculty Resources” FAQ document regarding the transition for faculty into retirement <https://www.provost.iastate.edu/faculty-and-staff-resources/emeritus-faculty-resources>.

18. If a faculty member is approved for SRIP, what will happen to grant/contract/gift funds? Will the university be required to return these funds to the funding agencies or donors?

See the guidance provided in the “[Emeritus and Retired Faculty Resources](#)” FAQ document regarding the transition for faculty into retirement.

19. May faculty currently on Faculty Professional Development Assignment (FPDA) be approved for SRIP?

Since there is an obligation for faculty on FPDA to remain at the University for “twice the length of the assignment” and due to SRIP requiring full retirement by June 30, 2023, a current FPDA recipient who may express interest in SRIP would be obligated to repay the full costs of the FPDA salary and benefits in order to express interest and be approved for SRIP. It would then be possible for a faculty member on FPDA to be approved.

Also, a faculty member who has been approved for a future year FPDA must cancel the FPDA request if approved for SRIP.

20. May 9-month faculty be paid summer salary if approved for SRIP?

Only in a rare circumstance should a summer appointment/salary be approved by a department chair/school director for a faculty member opting to participate in the SRIP; which would then allow for a retirement date of June 30, 2023, for that 9-month faculty member. (Per the *Faculty Handbook*, ordinarily 9-month faculty must retire at the end of the academic semester).

21. When discussing with a 9-month faculty member, what retirement date(s) would be an option for participation in the SRIP?

All 9-month faculty would be eligible for a December 31, 2022, or a May 15, 2023, retirement date. Per the *Faculty Handbook*, 9-month faculty must retire at the end of the academic semester. This will also eliminate the disruption to students during either academic semester.

22. When discussing with a 12-month faculty member, what retirement date(s) would be an option for participation in the SRIP?

All 12-month faculty would be eligible for a December 31, 2022, or a June 30, 2023, retirement date. These dates are selected to help lessen any effect on the department, college, or university through student, staff, and faculty disruptions.

23. Can I discuss the retirement with my faculty once final approval has been given?

Yes. After final approval of a SRIP request and the seven-day revocation period has ended, a department chair/school director and faculty member who has been approved should discuss the upcoming retirement date and a plan for transitioning work and responsibilities.

24. Will I receive notification of a faculty member who expressed an interest but was determined not to have been eligible?

Yes, you as department chair/school director will receive notification if a faculty member has expressed interest and was deemed to be ineligible.

25. If a faculty member submits an expression of interest for the SRIP program, is the request treated as a confidential matter?

Any eligible employee may submit an election form indicating interest for the specialized retirement incentive. The decision to submit the election form is voluntary and initiated by the employee. Approval is at the discretion of the Dean of Liberal Arts and Sciences or the Dean of the College of Agriculture and Life Sciences, based on the tenure home of the faculty member.

Each expression of interest will be shared with their respective department chair/school director and the Office of the Senior Vice President and Provost. Other persons in the unit involved in the analysis of cost/savings and workforce planning will have knowledge of the faculty member's request; aside from those persons involved in the review/approval process, the request is a confidential personnel matter.

26. What financial implications are there for an individual who is paid partially or completely on a grant?

All charges to the grant would cease when an individual retires (i.e. the grant could not pay for the retirement incentives for the period after retirement). An alternative funding source would need to be identified to cover the incentive costs. In addition, any vacation payout would be completed based on an evaluation/calculation of the vacation allocation among pay sources over the life of their employment as long as not restricted due to language on their LOI. Any vacation payout not allowable on currently active grant funds based on the evaluation/calculation would have to be paid from unrestricted funds. Please contact the Sponsored Programs Accounting office to discuss specific situations.

27. If I still have questions about SRIP, whom should I contact?

Please refer your questions to the respective HR Partner.