

**Iowa State University**  
**Specialized Retirement Incentive Program**  
**Frequently Asked Questions for Eligible Tenured Faculty**  
**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 are my Specialized Retirement Incentive 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.

**3. What if I have self+Child(ren) coverage or Self+Family coverage for medical and/or dental insurance?**

ISU will pay the premium for self and spouse/partner. Faculty member will be responsible for the premium cost to cover child(ren). This amount will be billed to you through Accounts Receivable in AccessPlus.

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### 4. When can I apply?

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 December 2, 2022 will not be accepted.

### 5. Am I eligible for the Specialized Retirement Incentive Program?

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.

### 6. What is the process to apply?

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. A faculty member who wishes to express interest will submit the electronic form by 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).

### 7. If I submit an expression of interest for the SRIP, is my 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

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cost/savings and workforce planning will have knowledge of the employee's request; aside from those persons involved in the review/approval process, the request is a confidential personnel matter.

### **8. If I express interest, is my request subject to approval?**

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.

### **9. Once I express interest, is there a possibility that my requested date of retirement could be changed by management?**

Yes. Approval of any SRIP request involves approval of the requested date and is contingent upon your department chair/school director's ability to manage the transition and meet the unit's mission or business needs. Your expression of interest should include an estimated and desired retirement date; your department chair/school director will discuss the requested retirement date with you and may 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).

For faculty requests, department chairs 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 and 12-month faculty should retire on December 31 or June 30). (See also Q.21-23 for further information about retirement dates)

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

### **10. How will I know if my request is approved or denied?**

Faculty will receive notification within 30 days of submitting the expression of interest form. If your request is approved, you will be asked to sign a retirement agreement: **TBD**

The date of retirement must be mutually agreed upon with your supervisor. If your request is denied, you will be notified.

### **11. If I am approved for SRIP, can I be rehired in the future?**

You would not be eligible to be rehired at the university while within the terms of the option you chose and its incentive period. Any exceptions would require you to repay the value of the SRIP incentives you've received.

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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.

### **12. After my retirement incentive ends, what are my options for health and dental insurance coverage?**

When your SRIP period ends, you can choose to continue participating in the health and dental insurance coverage available to other university retirees. In that event, you will be responsible for insurance premium payments in the same manner as existing retirees.

**Note:** This assumes that existing policies for retirees remain in force; policies can and do change.

### **13. I have only been in the medical plan for 5 continuous years prior to my retirement, but not the dental plan. Am I still eligible?**

Yes, but you would only be eligible to participate in the ISU Retiree medical plan, not the dental plan.

### **14. If I select Option 2, can I still join the ISU Retiree plan for medical and/or dental coverage at my own cost?**

Yes, provided that you meet the eligibility of 5 years of continuous participation in the applicable plans prior to your retirement.

### **15. What happens when I (or my enrolled spouse/dependent) become eligible for Medicare?**

If continuing the ISU medical plan, eligibility for Medicare requires enrollment in Medicare A&B as primary insurance as well as the ISU Group Part D Prescription Drug Plan. **Note: If/when you or your spouse becomes 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.**

### **16. What happens to my SRIP benefits if I pass away?**

The university's obligation to pay the SRIP benefit will cease on the first day of the month following your date of death. Your surviving spouse or dependent(s) may elect to continue available health and dental insurance coverage at their own expense, as provided by other university policies or by law.

### **17. What else should I be aware of – such as taxes?**

We encourage all employees who are considering retirement — the SRIP, or otherwise — to visit with a financial professional to understand potential impacts applicable to their situation. Employees are responsible for any tax consequences resulting from retirement decisions.

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**18. I participate in the defined contribution plan (TIAA). Will I have access to my retirement funds while I am still receiving contributions through SRIP?**

Yes. You will have access to your retirement plan funds (up to 99% of balances). You are encouraged to visit with your TIAA representative to understand your options for taking distributions.

**19. Who can I contact if I have more questions on the Specialized Retirement Incentive Program?**

<b>Questions about</b>	<b>Contact</b>
<i>Your participation in the SRIP</i>	Your manager
<i>Health and Dental Insurance in Retirement</i>	ISU Benefits Office: 515-294-4800 or <a href="mailto:benefits@iastate.edu">benefits@iastate.edu</a>
<i>Assistance with retirement plan limitations and impacts to payroll and associated deductions and taxes</i>	Payroll, Benefits and Tax 515-294-7662 or <a href="mailto:fbac@iastate.edu">fbac@iastate.edu</a>
<i>Assistance with Retirement Planning and Investment Options if in TIAA</i>	Ames TIAA Office: 800-732-8353
<i>Assistance if you are in IPERS</i>	IPERS: 800-622-3849 or <a href="http://www.IPERS.org">www.IPERS.org</a>

**20. 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>.

**21. I’m a faculty member currently on Faculty Professional Development Assignment (FPDA). Can I be approved for the SRIP?**

Faculty on FPDA are obligated to remain at the university for “twice the length of the assignment” after the FPDA ends. Because the SRIP program requires full retirement no later than June 30, 2023, a current FPDA recipient who wishes to express interest in the SRIP program would be required to pay back the full costs of the FPDA salary and benefits. It would then be possible for the faculty member to be considered for SRIP approval. Also, a faculty member who has been approved for a future-year FPDA has the option to cancel the FPDA request in order to express interest and be considered for approval for the SRIP program.

**22. I’m a 9-month faculty member. Will I be paid summer salary if approved for the SRIP?**

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

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**23. I'm 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.

**24. I'm 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.