

# **IMPORTANT INFORMATION REGARDING FACULTY EARLY RETIREMENT PROGRAM (FERP) PARTICIPATION**

## ***Information regarding the program***

Faculty who are granted service retirement from the California Employee Retirement System (CalPERS) may participate in FERP. Faculty who may be in both CalPERS and in the State Teachers' Retirement System (STRS) must also have been granted simultaneous STRS service retirement to participate in the FERP program. The retirement date in both systems must be the same. FERP applications are coordinated through the Faculty Affairs office and are due six (6) months prior to the beginning of a faculty members first FERP semester.

## ***Length of participation***

FERP entitles faculty to five (5) years of consecutive employment following retirement commencing at the beginning of the campus academic year. During the five years, faculty have two options for employment:

- Full-time employment in the Fall or Spring semester, not to exceed a total of 90 workdays. Normally 12 units of instruction, plus 3 units of instructionally related activities.
- Half-time employment for the academic year (not to exceed 50% of the employee's time base in the year preceding retirement, equivalent to 12 units of instruction and 3 units of instructionally related activities). Normally, 6 units per semester, plus 1.5 units of instructionally related activities. **Note:** Faculty can elect a lesser time base than stated above, but cannot increase their time base throughout the five year period.

## ***Compensation***

As retired faculty, you will receive a monthly retirement check from CalPERS. In addition, FERP faculty will receive a monthly FERP employee pay check. Payment will be at your faculty rank and salary immediately prior to retirement and at the time base approved. FERP faculty are eligible to receive general salary increases, as negotiated, during the five year period.

## ***Paycheck Deductions***

FERP paychecks consist of:

- Deductions for state and federal taxes and union dues.
- No deductions for retirement
- No deductions for medical benefits
- No deductions for Social Security
- Since life insurance and long-term disability are neither retirement or FERP benefits, you will not have deductions for these programs. However, you may covert your life insurance to an individual policy after retirement.
- Tax sheltered annuities (403b plans). FERP participants may continue to participate in this program, but will need to notify Human Resources to re-start their deduction. FERP faculty cannot contribute to 401K and 457 plans.

### ***FERP Faculty Benefits***

- **Medical** – Covered by CalPERS through your monthly retirement check.
- **Vision** – Covered by the CSU at commencement of a faculty's first FERP semester.
- **Dental** – Enhanced dental is covered by the CSU during the period before FERP begins and during the five-year FERP period. After FERP, coverage for the basic level of coverage will be provided by CalPERS.

**Note:** Please refer to the chart below regarding waiting periods for FERP benefits:

End of Regular Teaching Career:	Spring	Fall
FERP semester begins:	Fall	Spring
Vision Begins:	October 1 <sup>st</sup>	March 1 <sup>st</sup>
Enhanced Dental Begins:	Continuous	Continuous

During the period while you are waiting for your FERP semester to begin, you will not have vision coverage although you may continue your current vision plan during this waiting period by contacting Human Resources Management and paying monthly COBRA premiums.

### ***Sick Leave***

As well as the option of carrying over up to 48 hours of sick leave credits at the time of retirement, FERP faculty also continue to accumulate sick credits (8 hours per month; prorated for less than full-time.) to a maximum of 160 hours or 208 hours, if the retiring faculty member elects to carry over the maximum of 48 hours.

### ***Leave of Absence***

A participant shall be granted one (1) leave of absence without pay for personal illness for all or part of the period of employment. Such leaves shall not affect future participation in FERP.

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### Resource Links:

Unit 3 Collective Bargaining Unit, Article 29

[http://www.calstate.edu/LaborRel/Contracts\\_HTML/CFA\\_CONTRACT/article29.shtml](http://www.calstate.edu/LaborRel/Contracts_HTML/CFA_CONTRACT/article29.shtml)

Chancellor's Office FERP Summary

<http://www.calstate.edu/HRAdm/pdf2004/TL-BEN2004-08.pdf>