

RETIREMENT

1. GENERAL

- a. The University regards the establishment and impartial administration of a retirement program, and the provision of annuities after retirement, as matters conducive to the progress and efficiency of the University and of interest to the faculty and staff of the University.
- b. "Retirement" means full termination of the regular compensated service of an employee at least 62 years of age with ten or more years of creditable service or at least 65 years of age with five or more years of creditable service.
- c. "Early Retirement" means retirement prior to age 65.
- d. "Normal" retirement age means the age contemplated by University retirement programs at which many University employees consider retiring. The "normal" retirement age for faculty and staff is 65 years of age.
- e. "Full retirement age" as defined by the Social Security Administration for determining benefits is 65 years of age for persons born before 1938, gradually increasing to age 67 for persons born in 1960 and later.
- f. Faculty and staff shall not be required to retire because of age; provided, however, the University may require an employee to retire if the employee holds an executive or other position for which age may be legally considered.

2. FACULTY

After the commencement of retirement, there shall be no obligation on the part of the University to provide assistance in any form except as authorized through the University's retirement program, provided that the University's administration may, at its discretion, employ from year to year, or for lesser periods, any faculty members who have fully retired but whose services are needed by the University so long as such employment remains less than half-time (.5FTE) during any continuous 12 month period.

3. STAFF

The employment of retired staff employees may be authorized by the Director of Human Resources for periods of less than 1000 hours in any continuous 12-month period when this employment is essential to the continued operation of the employing department. Requests for extension of employment of retirees should be submitted by department supervisors to the Director of Human Resources. The request must present appropriate justification, and approval will be based on the needs of the University.

RETIREMENT

4. PRE-RETIREMENT PROCEDURES AND PLANNING

- a. The Human Resources Department (Benefits Office) should be notified by the department head 90 days prior to an individual's proposed retirement date to facilitate initiation of retirement plan benefit payments and other arrangements relating to retired status.
- b. Individual counseling is available through the Human Resources Department (Benefits Office) to answer questions regarding retirement, social security, Medicare, and continuation or conversion of insurance coverage. Additionally, group pre-retirement training sessions are conducted periodically for faculty and staff.

5. UNIVERSITY BENEFITS

The University recognizes the importance of a benefits program for its retirees. The retiree benefits described in this policy summarize the most important currently available benefits, however, the individual plan document and benefit provisions are controlling with respect to their specific items. Effective July 1, 2003, regular employees who are at least 62 years of age with ten or more years of creditable service or at least 65 years of age with five or more years of creditable service are eligible to receive retirement benefits from the University as follows:

a. Medical Insurance

- (1) Eligible employees under age 65 who at retirement have medical insurance coverage provided by the University may continue to participate in the University Medical Plan for Active Employees until age 65 (at which time the retiree may enroll in the Retiree Medical Plan) by paying the full monthly premium, less the amounts listed below, so long as continuous coverage is maintained:

(a) Retiree - \$87.00

(b) Retiree's spouse - no reduction from full monthly premium

- (2) Eligible employees age 65 and older who at retirement have medical insurance coverage by the University and enroll in Medicare will be offered the opportunity to participate in the Retiree Medical Plan that includes a Medicare Supplement of the retiree's choice and a prescription drug benefit that is self-insured by the University. Retirees pay the full cost of this plan less the following amounts:

RETIREMENT

(a) Retiree - \$87.00

(b) Retiree's Spouse - \$87.00

(3) The University has capped (no longer increases) its contribution to the monthly premiums paid by retirees. Note: On January 1, 2008, the University increased its contributions from \$84.00 to \$87.00.

(4) An eligible employee who declines retiree medical insurance benefits at the time of retirement may not enroll at a later date.

b. Dental Insurance

(1) Eligible employees who at retirement have dental insurance coverage provided by the University may maintain the coverage in effect at retirement by paying the full monthly cost. The addition or removal of dependents is authorized.

(2) An eligible employee who declines dental insurance benefits at the time of retirement may not enroll at a later date.

c. Group Life and Accidental Death and Dismemberment ("AD & D") Insurance

Eligible employees who at retirement have group life and AD & D insurance in effect may continue coverage in such plan on an individually billed basis by the insurance carrier. Application for conversion must be made within 31 days of retirement. Assistance in converting this insurance is available from the Human Resources Department (Benefits).

d. Tuition Concession Plan for Dependent Children

Faculty and staff who meet the eligibility requirements for retirement will continue to receive tuition concession benefits for their dependent children qualifying for present and future assistance at the time of their retirement, in accordance with the plan.

e. Elder Care Choices

The Elder Care Choices service is available to retirees for consultation about and referral to older adult programs and services.

RETIREMENT

f. Group Long Term Disability Insurance

Group Long Term Disability coverage provided by the University ends on the employee's retirement date. Retired employees may convert to an individual long term disability insurance policy if application is made within 31 days after coverage ends. Assistance in converting this insurance is available from the Human Resources Department (Benefits Office).

g. Unused Paid Time Off (PTO)

Staff employees will be paid in accordance with University policy for unused PTO upon retirement. Payment will be included in the employee's final paycheck. Payment is not made for unused sick leave reserve.

h. Business Travel Accident Insurance

Business Travel Accident Insurance coverage ends on an employee's retirement date.

i. Employee Assistance Program (EAP)

Employee Assistance Program services provided by the University will not extend beyond the employee's retirement date.

j. Flexible Spending Accounts

Requests for reimbursement from any employee's Flexible Spending Accounts may be submitted for qualifying expenses or benefits incurred through an employee's retirement date. Retiring employees will receive written notification about their right to continue current year coverage (COBRA) for the Health Care Spending Account.

k. Supplemental Retirement Accounts

The employee's participation in any Supplemental Retirement Accounts through the University-provided salary reduction program ends on the employee's retirement date. Contributions will be deducted from an employee's last paycheck.

m. Retiree Death Benefit

At the time of a retiree's death, a benefit payment in the amount of \$2,000 will be made to the beneficiary designated by the employee at the time of retirement. This benefit is provided at no cost to the retiree.

RETIREMENT

n. Other Benefits

- (1) Football and basketball season tickets at reduced rates if the purchase is a renewal from the preceding season
- (2) Complimentary Secret Artist Series tickets
- (3) University Theatre tickets at discounted prices
- (4) Parking stickers
- (5) Use of the Z. Smith Reynolds Library
- (6) University Stores discounts
- (7) Continued membership (with applicable fees) at the Graylyn Pool for retirees and spouses of deceased faculty members.
- (8) Use of University facilities at the Reynolda Campus such as the gymnasium, pool, tennis courts, Miller Center and other recreational facilities is available upon application and payment of fees where applicable. Retiree ID Card is required.

6. SOCIAL SECURITY AND MEDICARE BENEFITS

- a. The Social Security Administration normally contacts individuals covered by social security approximately three months before their sixty-fifth birthday to provide information regarding retirement income benefits and Medicare. To find the closest Social Security Administration Office, go to www.ssa.gov.
- b. A comprehensive "Guide to Social Security and Medicare" is available upon request from the Human Resources Department (Benefits Office).

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