

COLORADO STATE UNIVERSITY – PUEBLO
EARLY RETIREMENT PLAN

I. INTRODUCTION:

The early retirement plan (ERP) is designed to provide a financial incentive for full-time ranked academic faculty to retire early and to provide flexibility in academic staffing.

II. PHILOSOPHY:

Effective July 1, 1982, the mandatory retirement age increased from 65 to 70 years of age. Effective December 31, 1993, the mandatory retirement age is scheduled to be eliminated by federal law. Many academic faculty would prefer to retire prior to the age of 70 and would be encourage to do so by this plan. Both the University and individual faculty members will benefit by an early retirement plan.

The benefits of the early retirement plan to the retiree are obvious. The benefits of the early retirement plan to the University an opportunity for reassignments into growth areas. Another benefit to the institution is the vitality brought by adding new faculty.

III. EFFECTIVE DATE:

This early retirement plan will be effective June 1, 1988. All applications for early retirements under this plan must be received on or before June 30 to take effect the following academic year.

IV. ELIGIBILITY:

Full-time ranked academic members are eligible to apply for retirement under this plan provided that they are eligible for retirement under PERA at the initiation of the agreement.

V. INITIATION:

Faculty members must initiate an early retirement application under this plan. No employee can be required to consider early retirement and any request for early retirement must be approved by the President. If early retirement is approved under this plan, the faculty member involved shall revoke any reemployment rights at CSU-Pueblo except as provided in this plan.

The faculty member requesting early retirement consideration under this plan must select one of the two options outlined below. Once an early retirement option has been implemented, the individual shall not change options and shall not return to full-time status.

VI. AVAILABLE OPTIONS:

OPTION I TRANSITION AFTER RETIREMENT – 50% SERVICE FOR ONE, TWO, OR THREE YEARS

Eligibility Requirement: The applicant must retire under PERA at the initiation of this option.

Contract Obligation: The applicant must assume a 50% assignment for the academic year (full time for one semester) for the number of years selected (one, two, or three years).

Benefits of this Option: The retiree receives the percent of salary determined by age at retirement. If more than one year is chosen, percent of salary in years two and/or three is adjusted by the average salary

adjustment for that year for faculty receiving “meritorious” rating.

CSU-Pueblo and Retiree shall, with respect to Retiree’s salary during the Term, contribute to PERA to the extent required by Colorado law and to the CSU - Pueblo Defined Contribution Plan for Retirement (the “DCP”) to the extent required by the DCP, as it may be amended from time to time. Effective July 1, 2005, Colorado law (C.R.S. §24-51-1101(2) requires CSU-Pueblo to make an employer contribution (the “Required PERA Employer Contribution”) on the basis of Retiree’s salary during the Term. Further, the DCP currently requires participation by Retiree and provides for an employee contribution by Retiree as well as an employer contribution by CSU-Pueblo. Notwithstanding the foregoing, it is anticipated that the DCP may be amended to reduce CSU-Pueblo’s employer contribution to the DCP by the amount of any Required PERA Employer Contribution to PERA, subject to Board approval.

PERA Retirement is effective the first of the month following the last day worked. PERA Retirees must not work in any capacity for any PERA-affiliated employer during the first month of his or her retirement in order to receive a full month’s benefits. Retirees who return to work in the first month of retirement will have retirement benefits reduced 5% for each day worked. If a retiree works on the first business day of their retirement they will have their retirement date delayed to the following month.

The University will continue to contribute its share to group insurance for the duration of this option.

Colorado State University – Pueblo
SBA Meeting – May 10-11. 1988

Percentage of Salary for 50% Assignment

<u>Age at Retirement</u>	<u>One Year Plan</u>	<u>Two Year Plan</u>	<u>Three Year Plan</u>
55	100	90	70
56	97.5	87.5	67.5
57	95	85	65
58	92.5	82.5	62.5
59	90	80	60
60	87.5	77.5	57.5
61	85	75	57.5
62	82.5	72.5	57.5
63	80	70	57.5
64	75	65	N/A
65	70	60	N/A
66	65	57.5	N/A
67-69	60	N/A	N/A

OPTION II TRANSITION AFTER RETIREMENT – 25% SERVICE FOR ONE, TWO, OR THREE YEARS

- Eligibility Requirement: The applicant must retire under PERA at the initiation of this option.
- Contract Obligation: The applicant must assume a 25% assignment for the academic year (50% assignment for one semester) for the number of years selected (one, two three years).
- Benefits of this Option: The retiree receives the percent of salary determined by age at retirement. If more than one year is chosen, percent of salary in years two and three is adjusted by the average salary adjustment for that year for faculty receiving “meritorious” rating.

CSU-Pueblo and Retiree shall, with respect to Retiree’s salary during the Term, contribute to PERA to the extent required by Colorado law and to the CSU - Pueblo Defined Contribution Plan for Retirement (the “DCP”) to the extent required by the DCP, as it may be amended from time to time. Effective July 1, 2005, Colorado law (C.R.S. §24-51-1101(2) requires CSU-Pueblo to make an employer contribution (the “Required PERA Employer Contribution”) on the basis of Retiree’s salary during the Term. Further, the DCP currently requires participation by Retiree and provides for an employee contribution by Retiree as well as an employer contribution by CSU-Pueblo. Notwithstanding the foregoing, it is anticipated that the DCP may be amended to reduce CSU-Pueblo’s employer contribution to the DCP by the amount of any Required PERA Employer Contribution to PERA, subject to Board approval.

PERA Retirement is effective the first of the month following the last day worked. PERA Retirees must not work in any capacity for any PERA-affiliated employer during the first month of his or her retirement in order to receive a full month’s benefits. Retirees who return to work in the first month of retirement will have retirement benefits reduced 5% for each day worked. If a retiree works on the first business day of their retirement they will have their retirement date delayed to the following month.

The University will continue to contribute its share to group insurance for the duration of this option.

Percentage of Salary for 25% Assignment

<u>Age at Retirement</u>	<u>One Year Plan</u>	<u>Two Year Plan</u>	<u>Three Year Plan</u>
55	60	50	40
56	60	50	40
57	60	50	40
58	55	50	40
59	55	50	40
60	55	50	40
61	50	47.5	37.5
62	47.5	45	37.5
63	45	42.5	35
64	42.5	40	35
65	40	37.5	N/A
66	40	37.5	N/A
67	37.5	N/A	N/A
68-69	35	N/A	N/A

VII. IMPLEMENTATION:

The University reserves the right to establish the number of cases to be considered under each of these options recognizing the fiscal commitments of the institution to its on-going programs.

All provisions in this plan are subject to Colorado statutes relative to the Public Employees Retirement Association and to the relevant sections of the Faculty Handbook. Because of the Colorado fiscal rules restricting state debt, this plan is not intended to obligate future state legislatures for payment. Any faculty member retiring under this plan acknowledges that future payments are contingent upon legislative appropriation.

Release and Conditions

1. Acceptance of a part-time tenured position under the Early Retirement Plan constitutes a legally binding release, for yourself, your heirs, executors, administrators, successors, and assigns, and discharge of the CSU-Pueblo, the Board, the respective members, officers, agents and employees of such entities, from all claims, rights, and causes of action of any and every kind, nature and character, known or unknown, arising from or in any way connected with the offer and acceptance of this Application in return for agreement to fully retire from your part-time tenured position at the CSU-Pueblo at the end of the specified period. Such claims specifically include, but are not limited to, any claims under the Age Discrimination in Employment Act of 1987 and the Older Workers Benefit Protection Act of 1990 (the “OWBPA”).

2. Specifically, by execution of this Application you acknowledge that the release contained in paragraph 2.1 above follows and conforms to the criteria set forth in the OWBPA in that it:

- a. is entered into knowingly and voluntarily; and
- b. provides consideration beyond that to which you are otherwise entitled, including but not limited to CSU-Pueblo’s agreement to approval of your Application for a part-time tenured faculty position.

3. Notwithstanding the provisions of paragraph 1 above, execution of this Application does **not** waive any claims based on occurrences after the date the Agreement is executed.

4. Pursuant to the OWBPA, you must have twenty-one (21) calendar days from receipt of an agreement to retire to review and consider its terms and conditions before signing it. The terms and conditions of a transitional appointment are set forth in [insert reference to Faculty Manual], this Application, and the attached Agreement. By signing this Application you acknowledge and agree that you received notice of such terms and conditions, including those set forth in the *Manual*, this Application and the Agreement, at least twenty-one (21) days prior to the date set forth below next to your signature.

5. You may revoke this Application by delivering written notice of such revocation at any time within seven (7) calendar days after the date set forth below next to your signature. For a revocation to be effective, written notice must be delivered to the [Director of Human Resources?] and date-stamped as “received” within the seven (7) calendar- day period.

- 6. This Application constitutes notification and by signing it you acknowledge that you have the right to consult an attorney prior to signing this document and that you are hereby advised by the University as your employer to consult with an attorney of your choice before signing this Application.**

If this Application is approved, such approval will be deemed to be granted in consideration of the Applicant’s binding and enforceable promise to fully retire and resign from his/her tenured position at the University at the end of the period specified for the Option chosen. Upon such approval, the University and the Applicant will enter into the Agreement attached hereto.

I have read, understand, and accept the forgoing provisions pertaining to my Request for Transitional Appointment.

Applicant's Signature _____ Date _____

___ Approve ___ Disapprove _____
Department Chair or Immediate Supervisor

___ Approve ___ Disapprove _____
Dean or Director

___ Approve ___ Disapprove _____
Provost

Distribution: Human Resources Office, Provost's Office, Budget Office, and Payroll Office

June, 2005