



## Faculty Early Retirement Program (FERP) or Pre-retirement Reduction in Time Base Program

This handout is intended for faculty members participating in the Faculty Early Retirement Program (FERP) or the Pre-retirement Reduction in Time Base Program. This handout briefly outlines some of the features of the program and is not a complete guide to retirement. The law, regulations and memorandum of understanding (MOU) supersede any statements made in this handout.

- Contact Payroll & Benefits for questions concerning payroll or benefit programs (707)664-2793
- Contact the California Relay Service for TTY assistance (877)735-2929
- Online information for CalPERS is available at [www.calpers.ca.gov](http://www.calpers.ca.gov)
- CalPERS Retirement Services Division, P.O.Box 942716, Sacramento, CA 94227 (888)225-7377

| Feature   | Faculty Early Retirement Program (FERP)   | Pre-retirement Reduction in Time Base   |
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| MOU Reference   | Article 29  | Article 30  |
| Basic Process   | Faculty member retires and works up to five years beyond retirement at no more than 50% of the time base worked in the year before retirement (one semester or half-time through the year, for most faculty)  | Faculty member reduces his/her time base to 2/3, 1/2, or 1/3 time but remains in medical benefits as if full time. Pays into PERS retirement as if full-time and earns full service credit.   |
| Who is eligible?  | Tenured faculty and librarians age 55 or older at entry into program; does not include Counselor Faculty unit employees   | Tenured members of the bargaining unit age 55 or older and younger than age 65 (includes Counselor Faculty unit employees) who have worked for the CSU at least ten years (full-time for the last five)   |
| How much notice must I give or when is the deadline to apply? | MOU deadline is 6 months before beginning of academic year in which faculty member will begin to participate; may be waived<br><br>A faculty member who is eligible notifies the President of his/her desire to enter the program and proposed working schedule; President may alter period of employment | MOU deadline is 6 months before beginning of academic year in which faculty member will begin to participate; may be waived<br><br>This program is not an entitlement; the President's approval is required and is based on recommendations from department, Dean and upon administrative considerations. |
| What is my status during semesters in which I teach?          | Tenured faculty member at same range and step at which paid at time of entry into program, with normal responsibilities, during work periods.   | Tenured faculty member at same range and step at which paid at time of entry into program, with normal responsibilities in proportion to time base and during work periods.   |

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| <p>May I work in the CSU in addition to this appointment?</p> | <p>In addition to this appointment, may also teach through Extension only during periods when teaching or working through FERP. Outside of semesters in which the faculty member teaches or works, s/he may not teach through Extension or have other CSU appointments.</p>  | <p>In addition to this appointment and during the same, may also teach through Extension. Faculty member is considered full-time for purposes of other employment (e.g., may not accept a part-time assignment at another CSU campus in excess of policy limits).</p>   |
| <p>What about income?</p>                                     | <p>Faculty member will receive retirement income from PERS for 12 months of the year, and income from the University for the period(s) in which s/he teaches or works. FERP faculty must be compensated only for those periods in which an appointment is in effect. Therefore, appointments for only one term per year must be separated at the end of each term and reappointed at the start of the next period of employment.<br/>       Retirement income is based on salary, age (at the time of retirement), and years of service. This program fixes the retirement income at the date of entry into the program.</p>   | <p>Faculty member will receive income from University at the based on rate; fraction working in program, deductions for PERS at full-time rate, deductions for taxes and Social Security at rate proportional to time base. Income is paid in 12 equal installments regardless of working pattern, thus ensuring continuation of medical benefits.<br/><br/>       Retirement income is based on salary, age (at time of retirement), and years of service. This program permits increasing some or all of these factors, at the cost of reduced income during the program.</p> |
| <p>What about benefits and leave balances?</p>                | <p>Health benefits continue through PERS.</p> <ul style="list-style-type: none"> <li>• Enhanced dental coverage and vision coverage is based on the standard CSU benefits eligibility criteria of a timebase of at least half-time and continues through the University.</li> <li>• Time-base reductions below half-time will result in a reduction of the dental benefit to the basic plan and a loss of vision coverage.</li> </ul> <p>If you choose to begin the FERP program in the Spring, following retirement, the Fall period will not include the enhanced dental benefit or vision coverage.</p> <p>University paid Life insurance and long-term disabilities coverage terminates upon retirement.</p> | <p>Health, dental, and vision benefits continue as if full-time.<br/><br/>       Sick leave is accrued in proportion to time base worked.</p>   |

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| <p>What about benefits and leave balances? (continued)</p> | <p>FERP participants may carry up to 48 hours of sick leave into FERP and may accrue up to 160 hours (total) of sick leave while on FERP.</p>  |   |
| <p>At the end of the program.....</p>                      | <p>At the end of the FERP program, the faculty member is no longer entitled to employment. If rehired as a lecturer or temporary unit member, the period of work possible is restricted and the range/step at which hired will be similar to that of other non-tenured employees.</p> <p>Dental coverage (basic plan) continues through PERS and the vision coverage terminates.</p> | <p>At the end of PRTB, a faculty member who does not retire continues at the same time base as in the program, but pays into PERS and earns service credit at the time base worked, rather than at full-time.</p> |