

**ITHACA COLLEGE
FACULTY RETIREMENT INCENTIVE
PROGRAM SUMMARY**

(11/2023)

PROGRAM SUMMARY

Ithaca College is offering a voluntary program to eligible faculty members of the College that will provide an incentive for committing to a future retirement date ("Retirement Date") by December 31 two years before the faculty member plans to retire. The program is called The Ithaca College Faculty Retirement Incentive Program.

The faculty member who elects to participate in this program will enter into an agreement with the College to retire at a specific Retirement Date and to be paid 30% of the salary they received for their final full academic year of teaching while on a leave of absence in the final semester prior to the Retirement Date.

Key points of the program:

- The faculty member must teach for a full academic year at full-time workload immediately prior to their final semester of employment.
- The faculty member shall be granted a paid leave of absence for the semester prior to the Retirement Date.
- Sabbatic leaves granted prior to the Faculty Member's election to participate in the Program shall be honored as long as they are scheduled prior to the last full academic year of work.
- The specific terms of the agreement will be arranged between the faculty member, their Dean, and the Provost and Senior Vice President for Academic Affairs. Any proposed agreements shall be reviewed by and are subject to approval by the Provost and Senior Vice President for Academic Affairs.
- Faculty members will receive normally applicable benefits per College policy for the remainder of their employment with the College and upon their retirement from employment with the College.
- To elect to participate in the Program, an eligible faculty member must sign a Faculty Retirement Incentive Agreement and Release, available through their Dean's Office.
- Faculty members electing to participate in this program are not eligible to participate in any other incentive retirement program.

PROGRAM QUESTIONS & ANSWERS

WHO IS ELIGIBLE TO PARTICIPATE IN THIS PROGRAM?

ANSWER:

All faculty are eligible to submit a proposal to participate in the Program if they meet the following criteria as of December 31 of the academic year in which they give notice of their intent to retire:

1. are an active, benefits-eligible faculty member;
2. will have completed at least 20 years of benefits-eligible service at the College; and
3. have attained the age of 59 or older and will be at least age 60 at the time of separation.

WHAT IS THE RETIREMENT DATE?

ANSWER:

The retirement date will be a mutually agreed upon date between the faculty member and the appropriate Dean and Provost and Senior Vice President for Academic Affairs once eligibility has been established by the Office of Human Resources but will generally be December 31 two years after notice is given.

WHAT ARE THE WORK RESPONSIBILITIES UNDER THIS PROGRAM?

ANSWER:

The faculty member will be expected to work full-time for the semester following the signing of the agreement, and one full academic year thereafter.

HOW DO FACULTY PARTICIPATE IN THE FACULTY RETIREMENT INCENTIVE PROGRAM?

ANSWER:

Any faculty member who is interested in applying for participation in the Faculty Retirement Incentive Program should meet with the Office of Human Resources to confirm eligibility and to have any questions answered.

Timeline: A request for participation in the Program must be made by the Faculty member to their Dean no later than December 31 two years before the intended Retirement Date. If the Dean is supportive of the request, they must send a written memo to the Provost and Senior Vice President for Academic Affairs that includes the proposed terms of the agreement. All proposed agreements must be approved by the Provost and Senior Vice President for Academic Affairs in order to be valid. A signed Faculty Retirement Incentive Agreement and Release must be completed and signed by all necessary parties prior to the first day of pre-registration for the semester following the submission of the Agreement by the faculty member.

No request shall be granted which would cause a hardship for the program or department due to curricular needs. Such proposed agreements shall be reviewed by and are subject to approval by the Provost and Senior Vice President for Academic Affairs.

CAN THE AGREEMENT BE REVOKED OR MODIFIED?

ANSWER:

A faculty member may request modification or withdrawal of the Agreement at any time prior to final approval or denial of the proposed Agreement. Once an Agreement is signed by all parties, participation shall be irrevocable.

HOW MUCH SALARY WILL A FACULTY MEMBER RECEIVE BY PARTICIPATING IN THE FACULTY RETIREMENT INCENTIVE PROGRAM?

ANSWER:

For the three semesters immediately following execution of the Agreement, the faculty member will receive their full-time salary while working full-time (or one semester of previously approved sabbatic leave followed by two semesters of full-time teaching). The faculty member will receive 30% of their annual salary while on a paid leave of absence for the semester prior to the Retirement Date.

WHAT HAPPENS TO THE FACULTY MEMBER’S BENEFITS?

ANSWER:

For the remainder of their employment with the College, a faculty member may continue to participate in the College’s benefit plans for active employees.

Faculty members will not be treated any differently than other employees with regard to enhancements, reductions or changes to the College’s benefits plans.

WHAT HAPPENS TO MY BENEFITS ON MY RETIREMENT DATE?

ANSWER:

At the Retirement Date, the faculty member will be designated as a “Retiree.” Once designated as a Retiree, the faculty member will be eligible for the [benefits available to an Ithaca College Retiree](#).

WHAT ARE THE CIRCUMSTANCES THAT COULD CAUSE LOSS OF BENEFITS?

ANSWER:

The benefits described in this Program will be forfeited by any faculty member who is discharged for misconduct or violation of the College’s policies at any time on or before the Retirement Date. Further, the College reserves the right to deny the benefits described under this Program to any faculty member who separates from service prior to, or fails to provide the services required of the faculty member through the Retirement Date.

WHAT ARE MY TENURE RIGHTS AS A FACULTY MEMBER?

ANSWER:

A faculty member who participates in the Program maintains their tenure status through the Retirement Date.

HOW LONG WILL THIS PROGRAM BE AVAILABLE TO FACULTY?

ANSWER:

The College reserves the right to discontinue the program at any time, but will give one year's notice of such termination. Should the College elect to discontinue the program, it will honor any agreements that have already been approved and signed.

AFTER THE RETIREMENT DATE, CAN A FACULTY MEMBER CHANGE HEALTH INSURANCE COVERAGE DURING THE ANNUAL RE-ENROLLMENT PERIOD?

ANSWER:

As long as a retiree is an active member in one of the College's medical/dental plans at the time of separation of service, the retiree will be given the option (the same as all active employees) of changing to another medical/dental plan offered by the College during the re-enrollment period until the age of 65 or Medicare eligibility (whichever occurs first).

MAY A FACULTY MEMBER WHO HAS SIGNED AN AGREEMENT UNDER THIS PROGRAM MODIFY OR WITHDRAW FROM THE AGREEMENT?

ANSWER:

No. Once an agreement is executed, it is irrevocable.

HOW WILL A FACULTY MEMBER'S SALARY BE CALCULATED FOR THE FINAL SEMESTER (PAID LEAVE OF ABSENCE)?

ANSWER:

Example:

If a faculty member earns an annual salary of \$80,000 during their final year of teaching, they will receive \$24,000 paid out during their final semester following their final full year of teaching as a paid leave of absence. Benefits will continue as normal during this final paid leave of absence semester.

WHAT AMOUNT OF SALARY WILL THE COLLEGE'S CONTRIBUTION TO THE ITHACA COLLEGE 403(B) RETIREMENT PLAN BE BASED UPON?

ANSWER:

The College's contribution is based upon the faculty member's base salary. In order to receive the College's contribution, a 403(b) plan participant must be actively contributing the same percentage as an active employee would be required to contribute in order to receive the College contribution during the semester of paid leave of absence.

WHAT ARE THE TAX CONSEQUENCES FOR FACULTY MEMBERS WHO PARTICIPATE?

ANSWER:

The College does not render tax or investment advice. Therefore, faculty members should consult with an advisor regarding tax treatment of the benefits described under this Program.

This Summary is meant for informational purposes only. The terms of the incentive can found in the Agreement between the Employee and the College. Please call the Human Resources Department for further information at 274-8000.

Effective Date: November 30, 2023