

Faculty Early Retirement Program (FERP) Q & A

What is FERP?

FERP is a program in the CSU that permits eligible tenured faculty who retire to continue to be employed after retirement. FERP is the Faculty Early Retirement Program and not to be confused with Golden Handshake provisions that are sometimes referred to as “Early Retirement.” Faculty who are granted service retirement from the California Employees Retirement System (CalPERS) may elect to participate in FERP.

How long can I teach while in FERP?

Faculty who participate in FERP are entitled to five years of consecutive employment.

Who is eligible to participate in FERP?

Tenured faculty and tenured Librarian faculty who have reached the age of 55 and are eligible for service retirement (five years of full-time service) with CalPERS are eligible to participate in FERP with approval of the President or designee.

When am I eligible for retirement and how is my CalPERS retirement salary calculated?

A formula based on your age (at least 50 years of age), years of service (at least five years of full-time service), and your highest 12 month salary during your employment determines your monthly retirement salary. Ten months of fulltime service equals one year of service. At age 63, age no longer makes a difference in the calculation of your retirement salary. At retirement, unused sick leave credit will be converted and added to your years of service. For an estimate on your retirement salary, visit the CalPERS web site <http://www.calpers.ca.gov>. Contact CalPERS if you are uncertain of your retirement eligibility at (888) 225-7377.

What are the deadlines for retirement notification?

The CalPERS Retirement Application must be completed, notarized, and received in Sacramento no sooner than 90 days (3 months) prior to your elected retirement date. The Sacramento address is on the application form. In addition to working with Human Resources and Faculty Affairs, you must notify your department chair & college dean. Your notice of retirement and FERP participation must be submitted during the Spring Semester for the following academic year.

How do I apply for retirement and subsequently FERP?

For assistance in selecting a retirement date and assistance with the completion of the CalPERS application contact Mary Saw, Retirement Specialist, at (415) 405-0572 .

After your retirement plans are in process, complete the FERP form (<http://facaffairs.sfsu.edu/sites/default/files/FERP%20FA16.pdf>) and submit to your department chair and college dean for signature. The form will be then be routed to the Office of Faculty Affairs.

How am I notified of my FERP appointment?

You will receive an appointment letter from the Office of Faculty Affairs acknowledging your retirement and appointment in FERP.

What about emeritus faculty status?

Your contact information will be included on the list of Emeritus for consideration during the last year in FERP. Department offices will submit this information to the Office of Faculty Affairs.

Can I retire and FERP following a sabbatical or difference-in-pay-leave?

Yes. Your notice of retirement and FERP should include your request to complete your return service obligation while on the FERP program.

What is the maximum FERP employment time base for instructional faculty?

FERP employment is available in two options:

Full-time employment in the Fall or the Spring semester *or*
Half-time employment for the academic year

What is my salary as an instructional FERP faculty?

In addition to retirement disbursements paid by CalPERS, FERP faculty will receive a salary based on the time base of their FERP participation. Throughout the five-year period, faculty will receive general salary increases as negotiated.

FERP SALARY PAY SCHEDULE	
Teaching Period:	Pay Schedule:
Teaching Only in the Fall Semester:	At the end of September, October, November, December, January, and February
Teaching Only in the Spring Semester:	At the end of February, March, April, May, June, and July
Teaching Both Semesters in the Academic Year:	At the end of September, October, November, December, January, February, March, April, May, June, July, and August

What deductions will my FERP paycheck contain?

WITHHOLDING DEDUCTIONS FROM YOUR FERP & CALPERS EARNINGS			
Withholdings:	FERP Earnings:	CalPERS Earnings:	Notes:
Federal Taxes	YES	YES	N/A
State Taxes	YES	YES	N/A
CalPERS Contributions	NO	NO	N/A
Social Security	NO	NO	N/A
Medicare	YES	NO	If hired before 04/01/86 with no service breaks, no deduction in FERP.
Health Premiums	NO	YES	N/A
Dental Premiums	NO	Premium paid by State	N/A
Vision Premiums	Premium paid by State	NO	N/A
Long Term Care	NO	YES*	N/A
CFA Dues/ Fair Share	YES	NO	N/A
403[b], 457, 401[k]	YES	NO	Voluntary Contribution
* You must make arrangements with CalPERS at least 30 days prior to retirement to have Long Term Care premiums taken from your CalPERS check following retirement.			

How do I maintain my benefits coverage during and after FERP?

Health benefits are covered from your monthly CalPERS retirement check through employee/employer deductions.

Vision coverage is paid 100% by the employer while on FERP. After FERP, vision coverage

discontinues with Medical Eyes Services and you will be offered COBRA (self-paid coverage) for 18 months.

If you are eligible for Medicare Part B (65 years or older), you will need to coordinate your benefits with CalPERS for the Medicare entitled vision coverage.

Enhanced dental coverage is 100% employer paid while on FERP. After FERP, the dental coverage reduces to the basic plan level of coverage.

Can I continue a Tax Shelter Annuity while on FERP?

Yes. However, FERP participants electing one semester of FERP employment must select an annuity company that accepts intermittent payments. Check with your annuity company.

403b – FERP faculty can continue contributions only during the semester they receive a paycheck.

401K and 457 – FERP faculty cannot contribute to these plans.

FERP faculty are not eligible for the following collective bargaining provisions:

Promotions

Sabbatical Leaves

Difference in Pay Leaves

Unlimited Sick Leave

Only up to 160 sick leave hours may be accrued while on FERP or 208 hours, if faculty elects to carry over the maximum of 48 hours of sick leave credits at the time of retirement.

Full-time, 1 semester, FERP faculty continue to accumulate 8 hours of sick credits hours per month; prorated for less than full-time. Catastrophic Leave Donations received may exceed the amounts noted above (**See Article 24.23.**)

May I take a leave of absence without pay while on FERP?

A FERP participant may be granted one (1) leave of absence without pay for personal illness, such leaves do **not** extend the FERP employment period.

What additional employment can I accept as a FERP participant?

The collective bargaining agreement restricts FERP faculty to 90 days employment or 50% employment over the academic year after your retirement date. Summer session employment is not permitted while on FERP. It is possible to teach a summer session prior to your initial FERP employment depending on your retirement date. If your retirement date is selected in late August, you could teach an early summer session since the restriction of employment is after your retirement date.

What if, if the year before I retire, I have a 12-month appointment?

If a faculty member unit employee is employed on a 12/12 basis, his/her FERP participation is based on the appropriate 10/12 payment rate or academic year appointment.

Can I change my semester of FERP employment?

Yes, in mutual agreement with the department chair and dean. Your written request is to be forwarded to the Office of Faculty Affairs and must indicate if the semester change is permanent or for one year only.

Can I reduce my FERP time base?

Yes, in mutual agreement with the Dean and Department Chair. Be advised that your reduction shall continue for the duration of your FERP appointment. You will not be able to increase your FERP time base once you have received a reduction. Your written request is required with Dean and Chair approval.

Can I separate from FERP before serving five years?

Yes. You must notify your college dean, department chair, and the Office of Faculty Affairs in writing.

Can I be terminated from FERP?

Only under the following conditions:

Dismissal for cause
Failure to meet the employment commitment
Layoff

Can I accept CSU employment after retirement or FERP?

Yes. You are restricted by CalPERS regulations not to exceed 960 hours or 50 percent of the hours you were employed during the last fiscal year of service prior to retirement. Full-time faculty calculations are based on 30 units. Fifteen units is the maximum workload a full-time faculty can teach within a year. Such employment would be in a Lecturer classification following selection by a search and subject to the order of hiring. Salary may be based on the advertised position.

Am I expected to serve on committees while on FERP? Are there any limitations as to the committees upon which I may be asked to serve?

By approval of the President you may be elected to a department RTP Committee or to a recruitment committee. Faculty members in the FERP program are considered tenured faculty and are expected to perform regular advising and other normal duties as part of their service agreement. When serving on a committee, FERP faculty have the same voting or other rights as any tenured faculty member.

Can faculty work as Part-Time lecturers in the years after they complete FERP?

Yes, after a waiting period of 180 days, such faculty can commence teaching as a part-time lecturer up to the maximum of half-time (50% of the regular time base in the last full year proceeding retirement), as described above. Therefore, a faculty member who had been full-time, and then 50% in the FERP program could, at the conclusion of the FERP appointment, work as a part-time lecturer at no more than 50%. However, the faculty member who was formerly in the FERP program would be in a new category for hiring, and that is the last category (See answer for **What Priority do I have for Course Assignments?**). So, as a part-time lecturer a new salary would be based on whatever the faculty member and his/her Department/School negotiates – the person does not automatically **resume** at the salary rate and rank at which s/he was previously paid. Also, part-time faculty are not compensated for committee work.

Who do I contact for additional retirement and FERP questions?

Mary Saw, Retirement Specialist, (415) 405-0572, msaw@sfsu.edu.

Sandy Lim, Benefits & Retirement Manager, Benefits & Retirement Services, (415) 338-7152, sandylim@sfsu.edu

Angie Lin Mendoza, Executive Assistant to the Dean of Faculty Affairs, (415) 338-2204, angielm@sfsu.edu

CalPERS general number: 888-225-7377