

## What to Expect Once You Begin Your FERP Appointment

- **Your Salary – Pay Warrants**

In addition to your retirement disbursements paid by CalPERS, you will receive a salary warrant per the following schedule based on your FERP participation. Your pay warrants, proportionate to your time-base, will arrive as follows:

<b>FERP SALARY PAY WARRANT SCHEDULE</b>	
<b>Teaching Period:</b>	<b>Pay Schedule:</b>
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

- **Direct Deposit:**

FERP participants may elect to have their pay warrants deposited directly into a designated bank account. FERP participants that teach only one semester per academic year will need to re-enroll prior to or at the start of each semester.

<b>WITHHOLDING DEDUCTIONS FROM YOUR FERP &amp; CALPERS EARNINGS</b>			
<b>Withholdings:</b>	<b>FERP Earnings:</b>	<b>CalPERS Earnings:</b>	<b>Notes:</b>
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.

▪ **Your Benefits:**

You must be eligible for CalPERS health benefits in retirement to continue your health insurance coverage or to have the right to enroll in the future after retirement.

Additionally, to be eligible, you must retire within 120 days of your separation from employment.

→ **Medical Insurance**

FERP participants receive their health care benefits through the state as a retiree. A FERP participant who becomes eligible for Medicare after January 1, 2001, may no longer be enrolled in a CalPERS "basic" health plan. To remain eligible for a CalPERS health plan, the FERP participant must enroll both in the federal Medicare program and in his/her health plan's Medicare plan. Enrollment in Part A of Medicare is automatic, but the FERP participant must personally apply for Medicare Part B. If the FERP participant does not apply for Medicare Part B when initially eligible, a penalty will be assessed for late enrollment.

→ **Dental Insurance**

FERP participants are eligible for enhanced dental benefit coverage during the full five-year work period. Eligibility for *Enhanced* dental benefit coverage is based on the standard CSU benefits eligibility criteria of a time base of at least half-time. After participating in FERP, dental coverage reverts to *Basic* level coverage as provided by CalPERS.

→ **Vision Insurance**

FERP participants are eligible for vision coverage during the full five-year period. Eligibility for vision coverage is based on the standard CSU benefits eligibility criteria of a time base of at least half-time. After participating in FERP, you will have the option to continue vision benefits through the CSU Retiree Voluntary Vision Plan or COBRA.

→ **Fee Waiver Program**

Faculty participating in (FERP) are considered tenured faculty and are eligible for fee waiver during only the semester(s) in which they are in active pay status.

▪ **Additional Important Information:**

→ **Working After Completing or Separating from FERP:**

Government Code provisions permit former CSU academic and staff/management employees who retire and receive retirement benefits from the California Public Employees Retirement System (CalPERS) to accept limited CSU employment without jeopardizing retirement benefits or requiring reinstatement from retirement.

As a result of [SB1439](#), retirees may be appointed as rehired annuitants to staff/management positions but are restricted to working 960 hours or 50 percent of the employee's regular time base in the year preceding retirement, whichever is less. The hourly restriction is cumulative for all CalPERS covered employers in either a fiscal year or calendar year. **PLEASE NOTE:** The FERP article [FERP Article](#) in the CSU-CFA Collective Bargaining Agreement (CBA) is more restrictive and limits FERP employment to 90 days or 50 percent of the employee's regular time base in the year preceding retirement.

For additional clarification on post-retirement employment, please refer to the [CSU Employment Letter](#)

→ **Health and Dependent Care Reimbursement Accounts (HCRA/DCRA):**

Rehired annuitants and employees under the Faculty Early Retirement Program (FERP) are not eligible to participate in either the HCRA or DCRA.

→ **Tax Sheltered Annuities (TSA) and Savings Plus Program (SPP):**

FERP participants may enroll to have voluntary contributions to a [Tax Sheltered Annuity](#) (403[b]) and [Savings Plus Program](#) (401[k] and 457) deducted from their FERP earnings while in active pay status. FERP participants that teach only one semester per academic year and contribute to a TSA 403[b] will need to re-enroll prior to or at the start of each semester through [Retirement Manager](#).