

AN OVERVIEW OF RETIREMENT ISSUES
FOR MEMBERS OF THE AAUP COLLECTIVE BARGAINING UNIT
AT THE UNIVERSITY OF CINCINNATI

December 13, 2011

Most inquiries into the AAUP office at the University of Cincinnati can be categorized under a few headings, one of which is “Retirement.” This guide is intended to provide Faculty Members with some general information regarding retirement, including things to consider in the years prior to retirement as well as those related to decisions at the time of retirement.

This document is merely a descriptive overview of the basic AAUP-UC contractual rules and of University policies related to retirement and should not be considered as legal or financial advice. Consult early and often with your personal financial advisor(s) in order to make decisions about your individual situation.

Contractual Considerations

Contractual matters related to retirement from the Faculty at UC are covered in Articles 17 and 18 of the Collective Bargaining Agreement between the University of Cincinnati and the UC Chapter AAUP. In addition, Article 34.2 incorporates the Rules of the Board of Trustees into the CBA, and at least two rules are applicable to this discussion. The applicable rules are Rule 3361:30-28-01 (Retirement: definitions) and Rule 3361:30-28-04 (Retirement: emeritus status). The latter rule is now also paralleled by language in Article 18.6 of the 2010 – 2013 CBA.

- A. **Definition of Retirement** is provided in Board Rule 3361:30-28-01: “An employee whose university employment is terminated for purposes of retirement, whose retirement is approved by the president and by the board of trustees, and who applies for pension benefits from a university-sponsored retirement system and whose application for that pension benefit has been approved shall be considered to be a retiree of the university.” So the act of retirement has three components: termination of employment for purposes of retirement; approval of retirement by the President and the Board of Trustees; and application for and approval of retirement benefits under a University-sponsored retirement plan. The second

component is rather perfunctory. The first and third components require action initiated by the Faculty Member.

- B. **Basic Retirement Procedure** is described in Article 18.1 of the CBA: “Any Bargaining Unit member electing to take retirement under a retirement system identified in 18.2 of this (Collective Bargaining) Agreement, should give the Dean or appropriate administrator and University Human Resources six months notice, in writing, of the anticipated date of retirement.” While the language in this Article is not imperative (“should” rather than “shall”), it behooves the Faculty Member to give as much notice as possible for personal reasons as well as to provide the Faculty Member’s academic unit sufficient time to identify a replacement. Early notice by the Faculty Member allows sufficient time for the procedures which follow and ensures that retirement can take place as scheduled. Once the Faculty Member gives notice of the anticipated date of retirement, “within ten (10) days after receipt of the notice, the Dean or appropriate administrator shall notify the Bargaining Unit member of the benefits available to the Bargaining Unit member and any application or other procedural requirements. After receipt of this information, the Bargaining Unit member shall have thirty (30) days to rescind in writing his or her notice of retirement. If not so rescinded, the retirement notice shall become effective according to its terms.” In addition to allowing sufficient time for this process to run its course, the Faculty Member will also have to apply for retirement, and receipt of retirement benefits, under the retirement system in which they were participating while employed at the University of Cincinnati.
- C. **University Retirement Plans** are described in Article 18.2 of the CBA. While active on the Faculty, Faculty Members participate in and pay into one of the following five plans: State Teachers Retirement System (STRS); Ohio Public Employees Retirement System (OPERS); City of Cincinnati Retirement System; TIAA retirement system (or alternatives); or Ohio Alternative Retirement Program (ARP). In addition to the Faculty Member’s contribution to retirement, the University also contributes to the appropriate system. The percent (of salary) contributions of both Faculty Member and University are described in Article 18.2.

Retirement Plans

Basic Retirement Programs: The University of Cincinnati became a state university on July 1, 1977. Prior to July 1, 1977, it was a city university. As a city university, Faculty Members paid into retirement either through the city retirement plan or TIAA-CREF (or a related 403b). In the

transition to a state university, continuing Faculty Members could either remain in their existing plans or transfer into STRS or OPERS. All Faculty Members hired after July 1, 1977 had either STRS or OPERS defined benefits as their retirement plan. In 1998, Ohio established another alternative, the ARP (Alternative Retirement Plan), which newly employed STRS-eligible or OPERS-eligible individuals could elect. The ARP provided more flexibility by establishing defined contribution plans. Since then, STRS and OPERS have increased the variety of their basic plans to include defined contribution plans as well as mixed defined benefit/contribution plans.

Please note: the rates noted in the sections below ((a) through (e)) are current as of January 1, 2012.

- a) **State Teachers Retirement System (STRS)** – Under the provisions of Article 18.2.1, Faculty Members participating in the STRS contribute 10% of their salary annually. The University contributes an additional 14% of salary. The traditional retirement plan is a defined benefit plan, but STRS recently added defined contribution and mixed plans as options. The only Faculty Members who may opt for one of the latter two options are newly hired Faculty Members and Faculty Members moving from part-time status to 100% FTE status. The defined benefits plan calculates the annual retirement benefit on a formula based on years of service, final average salary, and age. The defined benefits plan also currently includes provisions for health care, although that is not mandated by law.
- b) **Ohio Public Employees Retirement System (OPERS)** – Contribution and benefits provisions in OPERS are similar to those in STRS. Contribution rates are 10.0% for Faculty Members and 14.0% for the University. The library faculty at UC participates in OPERS rather than in STRS.
- c) **Alternative Retirement Program (ARP)** – The ARP is administered by various private companies under the auspices of STRS. The ARP is a defined contribution plan. Money available at retirement is dependent upon the earning history of the company funds selected. There is no associated health care. The ARP is available only to newly hired Faculty Members and Faculty Members moving from part-time status to 100% FTE status. The option to participate in the ARP must be exercised around the time of hiring, and participation is irrevocable. Participating Faculty members contribute 10% of annual salary to the ARP while the University contributes 10.5%. An additional 3.5% of University contribution goes to STRS to help fund that organization’s unfunded liability.
- d) **Grandfathered TIAA** – Many Faculty Members hired prior to July 1, 1977 participated in retirement plans offered by TIAA-CREF (or Fidelity or Vanguard) and opted to remain in those plans when UC became a state university on July 1, 1977. For those Faculty

Members, their contribution to the plan is 7.05% (on the first \$8000 of salary), 11.05% (on salary between \$8000 and \$16500), and 7.5% (on salary over \$16500). The matching University contribution rates are 12.75%, 16.25%, and 10.50%. Money available at retirement is dependent upon the earnings history of the company funds selected. There is no associated health care.

- e) **City of Cincinnati** – Some Faculty Members hired prior to July 1, 1977 participated in the City of Cincinnati retirement system, and elected to remain in that system when UC became a state university. For participants in that retirement system, the Faculty Member contributes 8.5% of annual salary while the University contributes 17.0%. The plan is a defined benefits plan, and includes health care.

Supplementary Programs – While at UC, you can contribute, with tax-deferred money, to one or more supplementary retirement accounts approved by the University. These include supplementary 403b accounts (such as TIAA-CREF, Fidelity, etc) and 457 accounts (Ohio Deferred Compensation). Contributions may be made up to the legal limits. There are separate limits for 403b accounts and 457 accounts, so a considerable amount of money can be set aside. The University does not match these contributions.

Social Security – Faculty Members at the University of Cincinnati do not pay into Social Security. Ohio is one of only a handful of states where public employees pay into state (or related) retirement systems **instead of** Social Security. You will be eligible for Social Security at retirement only if you have other qualifying employment for which you paid into Social Security before coming to UC, or as a result of collateral employment or summer employment. To be eligible for Social Security benefits you need to have paid into Social Security for the equivalent of 40 quarters (10 years).

Medicare – Faculty Members at the University of Cincinnati hired April 1, 1986 or after contribute 1.45% to Medicare, and the University contributes 1.45%.

Planning for Retirement

Both long-term and short-term planning are important for a successful retirement.

Long-term planning should include consideration of whether or not to contribute funds to supplemental retirement accounts (in addition to your primary retirement plan) while employed at UC. UC offers supplemental, tax-deferred retirement plans under both 403b and 457 of the IRS Code. In fact, an individual can contribute to both types since the maximum annual deferral to each is independent of the other. Such supplemental deferrals can increase

the funds available to you at retirement while decreasing your tax liability while working at UC. Information about supplemental plans can be obtained from the UC Human Resources Service Center or their website at <http://www.uc.edu/hr>.

Long-term planning, for those in State or City retirement systems, should include consideration of how long to work before retiring. The defined benefit options of those retirement systems have benefits calculated, in part, on the number of years of credit in the system. Number of years in the system may also have an impact on the amount of health insurance subsidy provided by the system. Information about retirement system details can be obtained from your retirement system and/or from the UC Human Resources Service Center. In any case, you should schedule a meeting with a representative of your retirement system at least five (5) years before your planned retirement in order to go over such details.

Long-term planning should include consideration of how you (and your dependents) will be covered by health insurance, and what the cost will be. Those covered by State or City retirement systems will have coverage available to them through those systems, generally at reasonable costs. Those in grand-fathered retirement plans may use the UC retiree plans, which may have a considerable cost, or must find outside, private insurance. ARP participants have outside, private coverage as the only option. Everyone should understand what their coverage may or may not be under Medicare, and at what point they will be eligible for such coverage. You should schedule a meeting with at a Social Security office at least five (5) years before your planned retirement in order to go over these details. In any event, to avoid paying a penalty on your Medicare premium, you must register for Medicare within three (3) months prior to your 65th birthday or within three (3) months of retiring, whichever is later. We recommend completing such registration within three (3) months prior to your 65th birthday even if you aren't going to immediately use Medicare coverage, just to be on the safe side. If you work at UC past age 65 before retiring, you will continue to be covered under the UC plans until retirement; Medicare coverage, if applicable, would start at retirement so long as timely application is made.

Long-term planning should include consideration of whether or not you are eligible to purchase additional service credit in STRS or OPERS, and whether or not it is valuable to do so. STRS and OPERS participating Faculty Members may purchase qualifying service from when they were employed outside of the STRS or OPERS systems. Qualifying service can include such things as teaching in another state or government employment. Even work while a graduate assistant or fellow may be purchasable on a partial basis. Military service may also be purchased. Purchasable service is limited to five (5) years of military service and five (5) years of other qualifying service. Purchase of prior service may allow someone to retire earlier than they otherwise could have and/or may increase the amount per month that they receive upon

retirement. The possible financial gain must be weighed against the cost of purchase; the balance varies from individual to individual.

Long-term planning should include consideration of what you will do after retirement. This includes both financial and psychological considerations. Are there options for continued part-time or full-time work? Are there other activities in which you can start to be, or continue to be, involved?

Short-term planning should include selection of a retirement date. Selection of a retirement date should include consideration of when retirement benefits begin, optimizing the combination of regular University pay and retirement pay, and coordinating retirement date with the start of replacement health insurance. The retirement date is usually the first of a month. For those in STRS or OPERS, retirement on the first of the month may make it possible for them to collect their first retirement payment on that date. For STRS and OPERS participants on a 9-month appointment, it may make sense to retire on July 1 instead of on September 1. In either case you get your full University pay for the year but, under the former option (but not the latter), you also get retirement pay for July and August. Retiring September 1 instead of July 1 also gives you two additional months of University health insurance coverage. These are only a couple of examples of the considerations. Their application will vary from case to case and some won't apply to those in the grand-fathered plans or to those on a 12-month appointment.

Short-term planning should include exploration of retirement incentive possibilities. While the Collective Bargaining Agreement may not contain a general retirement incentive plan, Article 18.5 permits negotiations on "early" retirement to occur between a Faculty Member and the Administration. While there is no obligation on the part of Administration to provide a retirement incentive, incentives are sometimes provided when it is in the best long-term financial interests of the University to induce the Faculty Member to retire earlier than originally planned. Any retirement incentive "will be granted only upon the written agreement of the Bargaining Unit member, the Academic Unit Head, the Dean, and the University Contract Administrator."

Short-term planning should include follow-up consultations with your retirement system, Social Security, and UC Human Resources.

Immediate planning is needed by all of those who participate in STRS or OPERS!!

At the time of this writing (December 2011), the Ohio legislature is currently studying these retirement plans. This study is expected to be delivered to the Legislature

for review and possible action by July 2012. Significant changes in some retirement provisions of those systems could result from this process. Among the potential changes to STRS and OPERS that have been mentioned in various settings:

.....increase in the age/service requirements for retirement;

..... increase in the cost of purchasing service;

.....changes to the benefit formula;

.....calculation of the final average salary on 4 or 5 years rather than 3; and

.....reducing the cost of living increases ; and, for new retirees, eliminating cost of living increases in the first 5 years after retirement.

If legislation is passed in 2012 or 2013, it is possible that some changes could take effect immediately, others could be delayed, and some could be phased in over time. **For those close to retirement, you should look very carefully at whether retiring now or putting off retirement for a few years is best for your financial interests.** Again, the situation will vary from case to case.

For those considering purchase of prior service, it is especially important to make a decision about that now rather than later. You can purchase service any time up until retirement, but it is possible that purchase of service might be more expensive for you if new legislation is passed in 2012 or 2013. You should consider making a decision now and possibly locking the purchase price at current costs. For more information, contact STRS or OPERS.

Steps to Retirement at UC

1. Set a date to retire, and notify your academic unit head, dean, and UC Human Resources of such, in writing, six (6) months prior to that date. If this is not possible, notify those individuals as soon as you know you will retire. Keep in mind that your official retirement date does not necessarily have to coincide with the last day that you must provide services to the University. For example, a Faculty Member on academic year (9 month) appointment can retire on September 1st even though he/she is not scheduled to provide any service to the University after the end of the spring quarter. The best date to retire varies from individual to individual and is dependent upon the financial details of the retirement of that individual. The retirement date is the first day that you are no longer employed by the University. It is usually the first day of a month, but is not necessarily so.

2. Three to six months prior to retirement, schedule a Pre-retirement Consultation with the UC Human Resources Center. Call (513) 556-6381 to schedule this appointment so that you can go over various benefits that are affected upon retirement and so that the retirement process can be explained to you. This consultation is likely to take at least an hour, and quite possibly longer.
3. If your retirement system is OPERS or STRS, begin your application process through them three (3) months in advance of your planned retirement date. You can obtain application materials from them by phone or on-line. You will need to completely fill out the application form and submit it, with all required documentation, to your retirement system. If you are in one of the grandfathered plans (TIAA-CREF, Fidelity, Vanguard), you must make application to withdraw a minimum of \$1000 in order for UC to approve your retirement.
4. One (1) month before your retirement, schedule an Exit Interview with the UC Human Resources Service Center. You can call (513) 556-6381 to schedule the Interview. You must complete a Separation Clearance Form which can be obtained on-line at www.uc.edu/hr/forms. Instructions are provided with the form. The retiring Faculty Member must visit each clearance location (your academic unit, Public Safety, Parking Services and Human Resources) to obtain the necessary "sign-off." The completed form should be returned to the UC Human Resources Service Center during your Exit Interview or by mail (Mail Location 0039). Completing the Exit Interview provides the authorization for UC Payroll to issue the final check for allowable compensation for unused sick leave and vacation leave.
5. Attend your Exit Interview as scheduled. The Exit Interview is held in the UC Human Resources Service Center which is located in University Hall, Suite 340. University Hall is located at 51 Goodman Drive, next door to the Marriott Kingsgate Hotel, and at the corner of Vine Street and Goodman Drive. Parking, at your expense, is available in the Kingsgate/University Hall Parking Garage. You should bring the following items to your Exit Interview:
 - a) Letter from your Retirement System confirming your retirement date;
 - b) Copy of your retirement letter submitted to your academic unit head and dean;
 - c) Completed Separation Clearance Form, with the appropriate signatures;

- d) Voided Personal Check or Deposit Slip to Savings or Checking Account (only if you are retiring under one of the grandfathered plans and you are opting to purchase UC medical and/or dental coverage);
 - e) Copy of your application to withdraw a minimum of \$1000 from your retirement plan (only if you are retiring under one of the grandfathered plans or the ARP).
6. Your academic unit enters the Retirement PCR in UC Flex, and the UC Human Resources Data Operations Department processes the Retirement PCR in UC Flex. You are then identified as a retiree in the system.
7. ESS and email access terminates upon retirement; your access ceases on the last day of your employment. An exception applies to those who have been granted emeritus status. Emeriti email accounts should remain active. If there are questions about this, call UCit at 513-556-4357.

Compensation at Retirement

- a) **Regular pay** – You can expect a final, regular paycheck based on your last day of employment. In other words, your final regular paycheck should come at the end of the month that includes your last day of employment.

Your last regular paycheck should “make you whole.” In other words, if you are on 9-month (academic year) appointment and you retire on January 1, you will have completed the fall quarter and will have worked 1/3 of the academic year. You will therefore have been paid 4 monthly payments (end of September, October, November, December) which represents 1/3 of your annual base salary. If you retire on April 1, you will have completed the fall and winter quarters and will have worked 2/3 of the academic year, but, through the end of February, you will have received only 6 monthly payments. That means you will be due the equivalent of 2 monthly payments at the end of March (total of 8 monthly payments equals 2/3 annual base salary). If you retire on July 1, you will have completed the entire academic year, but, through the end of May, you will have received only 9 monthly payments. That means you will be due the equivalent of 3 monthly payments at the end of June (total of 12 payments equals annual base salary). If you retire on September 1, your end of August regular pay will be the 12th of the academic year and you will be paid up for the year.

Once UC moves to a semester system, in fall 2012, parallel calculations can be made based on whether you've completed one or two semesters and how many monthly paychecks you have already received.

Faculty Members on 12-month appointment are paid monthly as they provide service. Therefore they will always be current with pay.

- b) **Vacation payout** – Vacation leave is described in Article 19.3 of the Collective Bargaining Agreement. Vacation time is earned only by Faculty Members on a 12-month appointment. They earn one and five-sixths (1 and 5/6) days of vacation for each month worked and their earned vacation may accrue for a maximum of sixty-six (66) days. On retirement, they are compensated for any earned, but unused vacation leave up to the 66 day maximum.

If the retiring Faculty Member has completed the retirement exit interview and returned the Separation Clearance Form timely, he/she will receive payout for unused vacation leave in the pay period following issuance of their final regular paycheck. If he/she has not timely completed the retirement exit interview and/or returned the Separation Clearance form, payout for unused vacation leave will be delayed by an additional pay period.

- c) **Sick leave payout** – Sick leave is described in Article 17 of the Collective Bargaining Agreement. Sick leave is earned by all Faculty Members at the rate of fifteen (15) days per year, pro-rated on a monthly basis.

Article 17.13.1 provides: "At the time of retirement from active service, Bargaining Unit members who are members of a retirement system and who meet the age and service or disability requirements to be eligible for retirement under the applicable system, and have applied for and will begin drawing a pension benefit from the applicable retirement plan, and with ten or more years service with the University, the State, or any of its political subdivisions, may elect to be paid in cash for one-fourth of the value of unused, accrued sick leave credit, up to a maximum of thirty (30) days." In other words, if you have at least 120 days of accrued sick leave at the time of retirement, you will be paid out for 30 days. If you have something less than 120 days of accrued sick leave, your payout will be proportionately lower.

Faculty Members who were initially employed prior to July 1, 1977, and have at least 25 years of continuous service with the University immediately preceding retirement, get paid out for one-half of their accrued sick leave up to a maximum of sixty (60) days. (Article 17.13.2) In other words, if you were hired prior to July 1,

1977 and you have at least 120 days of accrued sick leave, you will be paid out for 60 days.

If the retiring Faculty Member has completed the retirement exit interview and returned the Separation Clearance Form timely, he/she will receive payout for unused vacation leave in the pay period following issuance of their final regular paycheck. If he/she has not timely completed the retirement exit interview and/or returned the Separation Clearance form, payout for unused vacation leave will be delayed by an additional pay period.

- d) **Retirement incentive** – Article 18.5 permits, but does not require, individual negotiations over a retirement incentive. If such negotiations occur, a retirement incentive is granted only upon agreement of the Faculty Member, the Academic Unit Head, the Dean, and the University Contract Administrator. From time to time, the University may establish a general retirement incentive program for which it will provide details and application guidelines. If a retirement incentive has been granted, payment will be on the same schedule as for sick leave pay and vacation pay.
- e) **Taxes on payouts at retirement**– Taxes on regular pay will continue to be withheld from final regular pay at the same rates as previously withheld. On severance payments (sick leave payout, vacation leave payout, retirement incentive) at retirement, federal income tax will be withheld at the 25% tax bracket while Ohio income tax will be withheld at 3.5%.
- f) **Retirement system contributions at the time of retirement** – For those whose retirement system is STRS, OPERS, or the ARP contributions by both Faculty member and University are made only on the regular pay provided at retirement. For those in the “grandfathered” plans, they have always had the option of having retirement contributions made on just **base** salary or on **all** compensation (including such pay as overload, summer, etc.). If they have chosen the “base” option, contributions will be made only on the regular pay provided at retirement. If they have chosen the “all” option, contributions will be made on all pay (including sick leave and vacation payouts) provided at retirement. Those on the “base” option can change to the “all” option before retirement. By doing so, they will increase the amount of money contributed by the Faculty Member and the University to their retirement plan.
- g) **Other deferred contributions at the time of retirement** – All retiring Faculty members can (continue to) make voluntary deferred payments to supplementary retirement plans, such as 403b plans, from their regular pay provided at retirement.

They can also make deferrals from sick leave payouts and vacation leave payouts but not from retirement incentive payments. Faculty members can also make separate deferrals to “Ohio Deferred Compensation.” This latter option effectively doubles the amount of money that may be deferred under IRS regulations.

Health Insurance and Related Matters, After Retirement

- a) **Medical insurance** – Eligible retirees under State and City retirement systems have medical coverage available through those systems. **Only** Faculty Members who retire under the grandfathered TIAA/Fidelity/Vanguard option can continue to participate in University group medical plans after retirement as long as financial arrangements are made with the Human Resources Service Center. Other retiring Faculty members must either be covered under their retirement system or must purchase private insurance.

Plans available for retirees are not identical to the plans available for active Faculty Members, and retirees pay all of the premium cost. Details are available from the Human Resources Service Center and retirees under the grandfathered option should discuss coverage with Human Resources prior to retirement.

Faculty Members who are covered by Medicare should also make sure that they have appropriately signed up for Medicare, and are coordinating insurance options with Medicare coverage. Faculty Members hired on or after April 1, 1986 have been contributing to Medicare (even though they don’t pay into Social Security) and should have Medicare coverage when they retire. Faculty Members hired prior to April 1, 1986 are not paying into Medicare through the University; they will need the required credits from other employment in order to be fully covered under Medicare (they may be partly covered otherwise).

Faculty Members who are retired, and younger than 65, should register for Medicare at least three (3) months prior to their 65th birthday. Faculty members who retire after age 65 can wait until three months before their retirement date in order to sign up for Medicare; however, it is strongly recommended that everyone sign up in the three months prior to the 65th birthday even if you are not going to actively use the coverage until you retire.

- b) **Dental insurance** - Eligible retirees under State and City retirement systems have dental coverage available through those systems. **Only** Faculty Members who retire under the grandfathered TIAA/Fidelity/Vanguard option can continue to participate

in University group dental plans after retirement as long as financial arrangements are made with the Human Resources Service Center. Other retiring Faculty members must either be covered under their retirement system or must purchase private insurance.

Plans available for retirees are not identical to the plans available for active Faculty Members, and retirees pay all of the premium cost. Details on the University plans are available from the Human Resources Service Center and retirees under the grandfathered option should discuss dental coverage with Human Resources prior to retirement. Faculty Members retiring under the grandfathered option might wish to consider “self-insuring” rather than paying for limited dental coverage (i.e., pay the costs directly rather than purchasing insurance).

- c) **Long-term disability insurance** – Long-term disability insurance is designed to protect your salary before you retire. If you are participating in long-term disability insurance while employed, it will cease upon retirement. It is not available (and is not needed) after retirement.
- d) **Life insurance** (including family life insurance) – Eligible retirees may convert the amount of their current term life insurance (through the University) and that of their eligible dependents to a private insurance policy. Application to convert without proof of insurability must be made within 31 days to termination of coverage (retirement). Life insurance coverage is continued for disability retirees if a waiver of premium application is completed and submitted with one (1) year from the last day worked, contingent upon approval by the insurance company.
- e) **Flexible spending accounts** – Flexible spending accounts are closed out upon retirement. In planning for retirement, do not have withheld for flexible spending amounts more than what you expect to spend up until the date of retirement, which, depending on the retirement date, may be a partial year rather than the full year. **Any amount withheld but not spent will be forfeited upon retirement.**
- f) **Long-term care insurance** – Eligible retirees and their spouse may apply for Long-Term coverage contingent upon insurance company approval.

If you have Long-Term coverage at the time of retirement, you, your spouse, and eligible parents and parents-in-law may continue this coverage through a bill-at-home policy.

Tuition Remission after Retirement

Tuition remission benefits for Faculty Members are covered in Article 11 of the UC/AAUP Collective Bargaining Agreement.

Section 11.1.3 states that “Faculty Members who have begun to draw a pension benefits continue to be eligible for the same tuition remission benefits for which they were eligible before retirement. This means that they can take up to six (6) credit hours per quarter, at the undergraduate or graduate/professional level, and have those hours covered by tuition remission. If they are retired from a full-time faculty position and are enrolled in a clearly defined graduate or professional program, they are eligible for remission of all courses “taken within the limits imposed by the appropriate Academic Unit Head, Dean, or provost.”

With regard to tuition remission benefits for dependents, they also continue. Tuition remission benefits for dependents also apply to “spouses, domestic partners and unmarried dependents of former Faculty Members who have retired and have begun to draw a retirement benefit.” (Section 11.2.2 ©)

Other Benefits Accorded to Retirees by the University:

- a) **Parking** – Retirees may obtain limited parking (3 hours at a time) upon presentation at Parking Services of a valid UC Retiree I.D. card. For restrictions and limitations, contact Parking services at 513-556-2283.
- b) **Ticket purchase** – The same discounts that apply to Faculty Members also apply to retirees. For information regarding ticket purchase for athletic events, contact 1110 Edwards Center, 513-556-2287, www.UCBearcats.com. For information regarding ticket purchase for cultural events, contact CCM Box Office, 513-556-4183, www.CCDM.uc.edu.
- c) **ID cards** – Retirees may obtain identification cards from Public Safety to continue eligibility for discounts. They may also obtain a GCLC (Greater Cincinnati Library Consortium) card from the Langsam Library Circulation Desk in order to allow direct borrowing of UC library books.
- d) **Faculty Club Membership** – Retirees who were active members of the Faculty Club for the five years preceding the date of their retirement may continue such membership for free. Any retiree not previously a Faculty Club member is eligible

for such membership at regular dues rates. The Faculty Club may be contacted at 513-556-4154.

- e) **Invitation to Academic Events** – Retirees receive invitations to University academic events in the same manner as Faculty Members on active status, and are welcome to participate in academic processions of the University.
- f) **Service on committees** – Retirees may serve as consultant to various standing and ad hoc committees of the University when called upon by a committee chairperson.

Emeritus Status – “Emeritus rank” is defined as a non-salaried academic title of honor of a retired Faculty Member, usually corresponding to the rank held by the Faculty Member just prior to retirement. Appointment of a retired Faculty Member to emeritus rank is based on a recommendation initiated by the Faculty of the Faculty Member’s academic unit. That recommendation is subject to approval by the Dean and the Provost. Final granting of emeritus rank is by the UC Board of Trustees.

Additional Provisions for Those with Emeritus Status:

- a) **Parking** – Retired Faculty Members who are granted Emeritus status, and who paid for University parking immediately prior to retirement, can continue to park at the University (same decal/pass) without charge. The decal/pass must still be obtained and renewed at University Parking Services. For details, contact Parking Services at 513-556-2283.
- b) **Email accounts** – Retired Faculty Members who are granted Emeritus status can retain their UC email account and continue to use UC email services.
- c) **Office space** – Retired Faculty Members who continue to teach, perform scholarly work, and/or provide service to UC may be provided with office space depending on the availability of appropriate space and the needs of the academic unit. Requests for office space should be made through the academic unit head.

Re-employment Guidelines – Any re-employment after retirement must be mutually agreed upon by the retiree and the University. Retirees of the City of Cincinnati, State Teachers Retirement System of Ohio, and the Ohio Public Employees Retirement System have a waiting period of two (2) months before re-employment. If re-employment occurs prior to the expiration of the waiting period, the retiree forfeits retirement benefits for each month of early

re-employment. Faculty Members who retire under the Grandfathered TIAA Plan or the Alternative Retirement Plan (ARP) have no waiting period.

Re-employed retirees who work part-time are required to contribute to either STRS or OPERS, depending upon their position. Re-employed retirees working full-time are required to contribute to STRS, OPERS, or the ARP, depending upon their position.

Retirement Exit Seminars - As provided in Article 18.3 of the CBA, each year the AAUP and the University Human Resources jointly sponsor at least one Retirement Exit Seminar. These seminars cover the basic financial aspects of the retirement process, including tax implications and health insurance options. They also cover various other benefits and provisions such as emeritus status, parking, library use, etc. Faculty Members thinking of retiring should seriously consider attending one of these seminars early enough to make full use of the information in long-term retirement plans.

Contacts/Websites

a) Retirement Systems

1. State Teachers Retirement System (STRS)
275 E. Broad Street, Columbus, OH 43215-4090
1-888-227-7877 or 614-277-4090
www.strsoh.org
2. Ohio Public Employees Retirement System
277 East Town Street, Columbus, OH 43215-4642
1-800-222-7377 or 614-466-2085
www.opers.org
3. Alternative Retirement Program – contact the representative of the company you have selected to make arrangements concerning your retirement funds
4. (Grandfathered) Teachers Insurance and Annuity Association (TIAA-CREF)
730 Third Avenue, New York, NY 10017
1-800-842-2776
www.tiaa-cref.org

5. (Grandfathered) Fidelity Investments
P.O. Box 1823, Boston, MA 02105
1-800-343-0860
www.fidelity.com

6. (Grandfathered) Vanguard Fiduciary Trust Company
Att: Retirement Plan Department
P.O. Box 2600, Valley Forge, PA 19482
1-800-345-1172
www.vanguard.com

7. City of Cincinnati Employees Retirement system (CRS)
City of Cincinnati Retirement System
801 Plum Street, Room 240, Cincinnati, OH 45202
(513) 352-3227
www.ci.cincinnati.oh.us/finance/pages/-7388/

b) **UC Human Resources**

Human Resources Service Center
51 Goodman Drive (University Hall) – Suite 340
(513) 556-6381
www.uc.edu/hr

As noted above, this document does not constitute legal or financial advice. You should consult with the appropriate UC Human Resources advisors and your personal financial advisor(s) on a regular basis as part of your planning for retirement.



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