

EMU proposal
July 19, 2006, revised September 4, 2006, revised September 5, 2006
5:00 pm

ARTICLE XX. RETIREMENT BENEFITS

904 A. Types of Retirement Programs

905 During the term of this Agreement, Faculty Members may retire under one (1) of the University's regular retirement plans, subject to the terms, conditions, exclusions, and limitations hereinbelow set forth. Under no circumstances may a Faculty Member exercise more than one (1) option.

906 B. Retirement

907 1. Eligibility and Notice

908 If possible, a Faculty Member planning to retire should inform his/her Department Head one (1) year in advance of his/her anticipated date of retirement. Upon request, a retiring Faculty Member shall be provided a review and other considerations of retirement benefits (e.g., library, parking, Rec/IM, etc.) through EMU's Benefits Office.

909 2. Retirement Programs

910 a. Faculty Members may participate in one (1) of the following retirement programs:

911 (1) Michigan Public School Employees Retirement System (MPSERS); (available only to Faculty Members hired after January 1, 1996 who have prior MPSERS service at one of the following Michigan Universities: Central Michigan University, Eastern Michigan University, Ferris State University, Lake Superior State University, Michigan Technological University, Northern Michigan University and Western Michigan University.) Faculty who were enrolled in the plan as of December 31, 1995 are permitted to remain in the plan.

912 (2) Teachers Insurance and Annuities Association-College Retirement Equities Fund (TIAA-CREF).

913 (3) At least one additional defined contribution plan.

914 b. Each Faculty Member must elect to participate in one (1) of these retirement programs within ninety (90) calendar days of the commencement of his/her regular employment with EMU. A Faculty Member who does not make such an election within this time period shall automatically be enrolled in the TIAA-CREF Defined Contribution Plan. Once a Faculty Member has been so enrolled such enrollment is final and cannot be changed.

915 c. EMU Contributions

916 (1) EMU shall contribute the amount specified annually by the state of Michigan for each Faculty Member participating in the Michigan Public School Employees Retirement System.

917 (2) For Faculty Members who participate in one of the defined contribution plans, EMU shall contribute to the retirement plan ten percent (10%) of the Faculty Member's earnings for 2006-07, ten and one quarter percent (10.25%) for 2007-08, ten and one half percent (10.50%) for 2008-09, ten and three quarters percent (10.75%) for 2009-10, and eleven percent (11.00%) for 2010-2011.

918 (3) Tax Deferred Annuities

919 EMU agrees to continue to provide Tax Deferred Annuity Programs for Faculty Members.

920 3. Death Benefits

921 Faculty Members who terminate their employment with EMU for retirement purposes on or after September 1, 2000, and who, as of the date of separation, are at least fifty-five (55) years of age with fifteen (15) years of full time service at EMU, or are at least sixty (60) years of age with ten (10) years of full time service at EMU, shall be provided a death benefit in the amount of seven thousand (\$7,000) which shall be payable by EMU upon the Faculty Member's death to his/her designated beneficiary.

922 4. Group Medical Benefits

923 EMU's contribution to medical benefits, dental benefits, long-term disability benefits and all other fringe benefits shall terminate effective the day following the Faculty Member's last day of active employment with EMU [coverage for medical and dental benefits shall continue until the end of the current calendar year quarter (e.g., if a Faculty Member retires in April, his/her coverage will continue until June 30 unless otherwise provided in this Agreement. If a Faculty Member retires in December, his/her coverage will continue until December 31)]. EMU's contribution to the retirement plan will also terminate effective the day following the Faculty Member's last date of active employment with EMU.

924 Faculty Members who terminate their employment with EMU for retirement purposes and who, as of the date of separation, are at least fifty-five (55) years of age with fifteen (15) years of full-time service to EMU, or are at least sixty (60) years of age with ten (10) years of full time service at EMU, shall be eligible, until age sixty-five (65), to continue, at their own expense, group medical benefits if enrolled at the time of retirement, consistent with the terms of EMU's master plan document unless otherwise provided in this Agreement. Faculty Members electing to continue their group medical benefits shall pay the full cost of such continued benefits. Proper application and arrangements for payment of continued benefits must be made in the Benefits Office by no later than thirty (30) calendar days prior to the effective date of the Faculty Member's retirement. The Faculty Member shall pay the full cost of such benefits on a calendar year quarterly basis commencing with the date he/she is removed from the active payroll. The initial payment shall be for the period commencing with the date the Faculty Member is no longer eligible for benefits paid for by EMU, through the end of that calendar year quarter. Payments shall thereafter be remitted in full to EMU's Benefits Office at least fifteen (15) days prior to the beginning of each calendar year quarter.

925 5. Medical Benefits for Defined Contribution Plan Retirees

926 a. Faculty Members enrolled in a defined contribution plan who retire prior to age 65 have one of two insurance options available to them:

927 (1) Blue Cross/Blue Shield Option

928 Faculty Members who terminate their employment with EMU for retirement purposes and who, as of the date of separation, are at least fifty-five (55) years of age with fifteen (15) years of full-time service at EMU, or are at least sixty (60) years of age with ten (10) years of full time service at EMU, shall be eligible, until age sixty-five (65), to continue, at their own expense, group medical benefits if enrolled at the time of retirement, consistent with the terms of EMU's master plan document unless otherwise provided in this Agreement. Faculty Members electing to continue their group medical benefits shall pay the full cost of such continued benefits. Proper application and arrangements for payment of continued benefits must be made in the Benefits Office by no later than thirty (30) calendar days prior to the effective date of the Faculty Member's retirement. The Faculty Member shall pay the full cost of such benefits on a calendar year quarterly basis commencing with the date he/she is removed from the active payroll. The initial payment shall be for the period commencing with the date the Faculty Member is no longer eligible for benefits paid for by EMU, through the end of that calendar year quarter. Payments shall thereafter be remitted in full to EMU's Benefits Office at least fifteen (15) days prior to the beginning of each calendar year quarter.

929 (2) HMO Option

930 Faculty Members who terminate their employment with EMU for retirement purposes who are enrolled in an HMO offered through the University during their last year of active employment, and who, as of the date of separation, are at least fifty-five (55) years of age with fifteen (15) years of full-time service at EMU, or are at least sixty (60) years of age with ten (10) years of full time service at EMU, shall be eligible until age sixty-five (65) to continue group HMO benefits if enrolled at the time of retirement, consistent with the terms of the contract between EMU and the HMO provider unless otherwise provided in this Agreement.

931 EMU shall supplement the cost of such coverage up to but not to exceed one hundred ~~twenty~~ twenty dollars (~~\$100~~ \$120) per month, ~~for academic years 2000-2001 and 2001-2002. Effective September 1, 2002 EMU shall supplement the cost of such coverage up to but not to exceed one hundred ten dollars (\$110) per month. Effective September 1, 2003 EMU shall supplement the cost of such coverage up to but not to exceed one hundred twenty dollars (\$120) per month.~~ The remainder of any cost for such coverage is to be borne by the retiree.

932 In order to be eligible for supplemental HMO coverage, proper application and arrangements for payment for continued benefits must be made in the Benefits Office by no later than thirty (30) calendar days prior to the effective date of the Faculty Member's retirement. The Faculty Member shall pay his/her portion of such benefits on a calendar year quarterly basis commencing with the date he/she is removed from the active payroll. The initial payment shall be for the period commencing with the date the Faculty Member is no longer eligible for full benefits paid for by EMU, through the end of that calendar year quarter. Payments shall thereafter be remitted to EMU's Benefits Office at least fifteen (15) days prior to the beginning of each calendar year quarter.

933 In the event that a retiree becomes eligible for or is covered by any other medical benefits plan after termination of his/her employment with EMU, he/she shall forfeit all rights to the HMO benefits coverage herein provided.

934 b. Medical Benefits for Defined Contribution Plan Retirees at Age 65

935 The University shall reimburse Bargaining Unit members enrolled in a defined contribution plan who separate from employment with EMU for retirement purposes for costs associated with medical insurance that supplements Medicare Part A, ~~and Part B, and Part D~~ subject to the following limitations:

936 (1) The Bargaining Unit member shall have attained at least sixty-five (65) years of age and shall have completed at least ten (10) years of regular full-time service at EMU.

937 (2) EMU shall supplement the cost of such coverage up to but not to exceed one hundred ~~twenty~~ twenty dollars (~~\$100~~ \$120) per month, ~~for academic years 2000-2001 and 2001-2002. Effective September 1, 2002 EMU shall supplement the cost of such coverage up to but not to exceed one hundred ten dollars (\$110) per month. Effective September 1, 2003 EMU shall supplement the cost of such coverage up to but not to exceed one hundred twenty dollars (\$120) per month.~~ The remainder of any cost for such coverage is to be borne by the retiree.

938 (3) In the event that the retiree becomes eligible for or is covered by any other medical benefits plan after having attained age sixty-five (65), he/she shall forfeit all rights to said EMU provided reimbursement for supplemental insurance for the period of time that he/she is eligible for, or is covered by, any other medical benefits plan.

939 (4) The retiree must pay for the coverage and provide the Benefits Office with proof of payment for said supplemental insurance on a calendar year quarterly basis to be eligible for reimbursement.

940 (5) Retirees shall receive reimbursement for the above provided supplemental insurance within thirty (30) days following each calendar year quarter that proof of payment is submitted to EMU's Benefits

Office.

941 6. A Retiree who meets the age and service requirements described in Paragraphs B.4. and 5. above, and who is eligible to continue his/her group medical benefits under COBRA will be offered the opportunity to continue those benefits at his/her own expense at a premium permitted by COBRA (see XIX.C.11., above), for the period mandated in the Retiree's circumstances by COBRA (which will usually be the shorter period of: (1) eighteen (18) months from the period between the last date of employment, or (2) the Retiree's last date of employment and the date upon which the Retiree becomes entitled to Medicare), as an alternative to the contractual retirement benefits described in paragraphs B.4. and 5., above. Such Retirees who are eligible to continue dental benefits under COBRA will be offered the opportunity to continue those benefits at their own expense at a premium permitted by COBRA for the period mandated in the Retiree's circumstances by COBRA.

942 The election to continue medical and/or dental benefits under COBRA must be made within sixty (60) days from the later of: (1) the date upon which the Retiree's medical and/or dental benefits terminate due to his/her retirement, or (2) the date upon which the Retiree receives a notice from EMU's Benefits Office that he/she is entitled to continue coverage under COBRA.

943 7. A Retiree who does not meet the age and service requirements described in Paragraphs B.4. and 5., above, and who is eligible to continue his/her group medical benefits under COBRA will be offered the opportunity to continue those benefits at his/her own expense at a premium permitted by COBRA (See XIX.C.11., above) for the period mandated in the Retiree's circumstances by COBRA (which will usually be the shorter period of: (1) eighteen (18) months from the Retiree's last date of employment or (2) the period between the last date of employment and the date upon which the Retiree becomes entitled to Medicare).

944 The election to continue medical and/or dental benefits under COBRA must be made within the period described in paragraph B.5.b.6., Marginal Paragraph ~~979~~ 941, above.

945 8. Dental Benefits for Defined Contribution Plan Retirees

946 a. Faculty Members enrolled in a defined contribution plan who retire on or after the date of the contract ratification shall have one dental plan available to them:

947 (1) Delta Dental Plan

948 Faculty Members who terminate their employment with EMU for retirement purposes and who, as of the date of separation, are at least fifty-five (55) years of age with fifteen (15) years of full-time service at EMU, or are at least sixty (60) years of age with ten (10) years of full time service at EMU, shall be eligible to continue dental benefits if enrolled at the time of retirement, consistent with the terms of EMU's master plan document. Faculty Members electing to continue their dental benefits shall be placed in a separate group for rating purposes comprised of retirees only. The retiree shall pay the full cost of such continued dental benefits. Proper application and arrangements for payment of continued benefits must be made in the Benefits Office by no later than thirty (30) calendar days prior to the effective date of the Faculty Member's retirement. The Faculty Member shall pay the full cost of such benefits on a calendar year quarterly basis commencing with the date he/she is removed from the active payroll. The initial payment shall be for the period commencing with the date the Faculty Member is no longer eligible for benefits paid for by EMU, through the end of that calendar year quarter. Payments shall thereafter be remitted in full to EMU's Benefits Office at least fifteen (15) days prior to the beginning of each calendar year quarter.

INSERT new marginal paragraphs temporarily numbered 3000-3023 after current MP 948

3000 C. VOLUNTARY PHASED RETIREMENT (VPR)

3001 1. Eligibility

- 3002 Faculty Members who are at least fifty five (55) years of age with fifteen (15) years of full time service to EMU, or at least sixty (60) years of age with ten (10) years of full time service at EMU, shall be eligible for Voluntary Phased Retirement (VPR).
- 3003 2. Application
- 3004 A. To participate in the program, the faculty member must submit a signed written application to EMU by February 1 of the academic year immediately preceding the academic year in which the faculty member desires to participate in VPR. EMU shall provide EMU-AAUP with written notification of all VPR applications no later than May 15 of the same year.
- 3005 B. The Faculty Member's application for VPR shall be on a form approved by EMU, which form shall include the faculty member's irrevocable agreement to retire at the end of the VPR period, or such earlier date as may thereafter be mutually agreed between EMU and the faculty member.
- 3006 C. The Faculty Member shall sign an irrevocable agreement with EMU to retire at the end of the VPR period.
- 3007 3. VPR Options
- 3008 The VPR agreement will be for a maximum period of two academic years. The Faculty Member shall carry a minimum half-time teaching load in each of the two years. Pay shall be proportional to the yearly appointment percentage and shall not be payable in advance of services to be rendered under the agreement.
- 3009 Distribution of each year's appointment may include any combination of fall, winter, spring, or summer terms as is agreeable to the Faculty Member requesting said appointment and EMU.
- 3010 VPR Conditions
- 3011 Faculty Members who participate in VPR shall:
- 3012 A. Retain tenure and remain members of the bargaining unit through the end of the VPR period.
- 3013 B. Continue their service and scholarly activity responsibilities in proportion to their reduced teaching load.
- 3014 C. Be eligible for EMU paid and unpaid leave programs available to full time faculty members as described in Article XI and Article XII.
- 3015 D. Remain eligible for appointment in spring and summer terms as if they were full time faculty members according to the selection criteria used by their departments.
- 3016 5. Retirement Benefits and Health Care
- 3017 During VPR, the following conditions shall apply:
- 3018 A. Faculty Members shall remain eligible for group medical and dental care benefits.
- 3019 B. Retirement plan contributions will continue to be paid on actual earnings.
- 3020 C. EMU shall continue to pay for group life and accidental death and dismemberment benefits based on the Faculty Member's unreduced base salary.

- 3021 EMU shall pay for group long-term disability insurance pursuant to the provisions contained in Article XIX. F.
- 3022 E. EMU shall provide tuition waiver benefits for participants as provided for in Article XIX. M and XIX. N.
- 3023 The Faculty Member may continue medical and dental coverage at his/her expense as a retiree or under COBRA pursuant to Article XIX and Article XX. The faculty member retains COBRA rights to continue health care coverage for spouse, domestic partners, and dependent children upon the death of a Faculty Member.

949 9. Emeritus Status

950 Any member of the department, including the Department Head, may nominate for emeritus status a retiring colleague who has served the University for at least fifteen (15) years. The Department Head shall forward the nomination with his/her recommendation to the Dean of the appropriate college. The Dean shall forward the nomination with his/her recommendation to the Provost and Vice President for Academic Affairs. If the Provost supports the nomination, he/she shall forward it to the EMU Board of Regents. Once the Regents have acted on the nomination, the Provost will notify the retiring Faculty Member of the Regents' decision.

951 The University will encourage Emeritus Faculty to remain a part of the academic community through a variety of benefits:

An Emeritus Faculty Photo ID Card

An annual parking permit

A campus mail box in his/her former department upon written request to the Department Head.

A retiree life insurance benefit pursuant to this Agreement

Two complimentary tickets to each sporting event

Two complimentary tickets to each EMU production (plays, concerts, etc.). Campus Life, Guest Artists and Speakers series are excluded.

A subscription to Focus EMU and other institutional publications including the annual University Directory

A campus e-mail address

The right to participate in academic processions and convocations

Use of the library

The opportunity to audit classes without credit, tuition, or the need to follow regular enrollment procedures. However, approval to audit must be granted by the instructor and program fees may be assessed

952 10. Waiver of Employment Rights

953 In consideration of EMU's acceptance and approval of a Faculty Member's application for retirement, the Faculty Member shall waive any and all claims of whatever nature, whether under state or federal laws, this collective bargaining agreement, or EMU policies, which arise out of his/her employment with EMU. By way of illustration and not by way of limitation, Faculty Members shall waive any and all retention priority and tenure rights, all entitlements to future wage and benefit increases, all rights to participate in any and all group benefits plans other than group medical benefits as hereinabove provided, and any and all rights he/she may have to continued employment or reemployment with EMU.

954 11. Irrevocability

955 Once an individual's notice of retirement has been tendered to and is accepted by EMU, it shall be

irrevocable.