

1 **ARTICLE XX. RETIREMENT OPTIONS AND BENEFITS**

2 **A. Phased Retirement**

3 1. Eligibility

4 Faculty members who are at least fifty-five (55) years of age and who have at least fifteen
5 (15) years of full-time service as EMU Faculty or who are at least sixty (60) years of age
6 and who have at least ten (10) years of full-time service as EMU Faculty have the option
7 to enter into a Voluntary Phased Retirement (VPR) agreement with EMU.

8 2. Notice and Approval

9 The Faculty Member must sign such an agreement by March 15 of the academic year
10 preceding participation in VPR. By signing this agreement, the Faculty Member agrees
11 to retire at the end of the VPR agreement under the provisions of the contract. The
12 agreement to retire by the end date of the agreement is binding; however, a Faculty
13 Member can decide to retire earlier than the end date of the agreement through the
14 standards procedure described in Article XX.C.

15 The Department Head or School Director shall approve a requested VPR by March 31
16 prior to the Fall semester in which VPR will be effective. However, the Department
17 Head or School Director may defer the start of a VPR by one calendar year due to core
18 programmatic requirements.

19 If approval is not granted in the first year, the requested VPR will commence the
20 following academic year. The Faculty Member will be given the opportunity to withdraw
21 the agreement or amend the appointment terms of the requested VPR by March 15 prior
22 to the revised academic year in which the agreement begins.

23 3. VPR Options

24 The VPR agreement creates an irrevocable intent to retire at the end of a period not to
25 exceed three academic years from the Fall semester in which the VPR commences. (for
26 example, Faculty signing an agreement by March 15, agree to retire by no later than the
27 last day of the first, second, or third academic year following the initial notification of
28 intent).

29 Participation in the VPR means that a Faculty Member’s workload will be reduced to
30 fifty percent (50%), which can be configured as:

- 31 A. 50% in both Fall and Winter semesters, or
- 32 B. 100% in the Fall semester and 0% in the Winter semester, or
- 33 C. 100% in the Winter semester and 0% in the Fall semester

	Year 1	Year 2	Year 3	Year 4
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Option	Fall	Winter	Fall	Winter	Fall	Winter	Fall	Winter
A	50%	50%	50%	50%	50%	50%	Retired	
B	100%	0%	100%	0%	100%	0%	Retired	
C	100%*	100%	0%	100%	0%	100%	0%	Retired

*Option C – Faculty must teach 100% in the Fall semester immediately **prior** to the start of their VPR.

34

35 Faculty choosing Option A or B will retire on August 31 of the last year of their VPR.

36 Faculty choosing Option C will retire on December 31 of the last year of their VPR.

37 The division of the appointment may be different in each year of the VPR agreement, but
38 must be set by the Faculty Member at the time the agreement is signed.

39 If the Faculty Member chooses Option C (100% in Winter and 0% in Fall), the VPR
40 agreement will be based on the calendar year. Thus, the Faculty Member will teach a
41 regular course load during the Fall semester immediately preceding the start of the VPR
42 agreement.

43 Faculty Members under a VPR agreement remain eligible for teaching in any Summer
44 semester.

45 The Faculty Member’s pay is fifty percent (50%) of their annual base salary and is paid
46 as allowed by the contract either over 24 pays or 16 pays as elected by the Faculty
47 Member. The employer retirement contribution is based on the Faculty Member’s
48 earning for the academic year.

49 Faculty Members on VPR retain all Faculty rights and benefits as allowed under the
50 EMU/EMU-AAUP Master Agreement, except eligibility for sabbaticals or FRFs.

51

52 **B. Types of Retirement Programs**

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

57

58 **C. Retirement**

59 1. Eligibility and Notice

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

64 2. Retirement Programs

- 65 a. Faculty Members may participate in either (1) the Michigan Public School Employers
66 Retirement System (MPSERS) subject to the eligibility requirements below, or (2) a
67 403(b) defined contribution plan. In addition, faculty have the option to participate in
68 a 457(b) deferred compensation plan~~one (1) of the following retirement Programs:~~

69 (1) Michigan Public School Employees Retirement System (MPSERS); (available
70 only to Faculty Members hired after January 1, 1996 who have prior MPSERS
71 service at one of the following Michigan Universities: Central Michigan
72 University, Eastern Michigan University, Ferris State University, Lake Superior
73 State University, Michigan Technological University, Northern Michigan
74 University and Western Michigan University.) Faculty who were enrolled in the
75 plan as of December 31, 1995 are permitted to remain in the plan. EMU shall
76 contribute the amount specified annually by the state of Michigan for each
77 Faculty Member participating in the Michigan Public School Employees
78 Retirement System.

79 ~~(1)(2)~~ A 403(b) defined contribution plan with Teachers Insurance and Annuities
80 Association-College Retirement Equities Fund (TIAA-CREF) as the current
81 recordkeeper. For Faculty Members who participate in the 403(b)~~one of the~~
82 defined contribution plans, EMU shall contribute to the retirement plan eleven
83 percent (11%) of the Faculty Member's earnings for the academic year.

84 (3) A 403(b) supplemental plan with TIAA-CREF as the current recordkeeper.
85 Participating Faculty Members may contribute to the 403(b) supplemental plan
86 subject to IRS rules and regulations. The 403(b) supplemental plan shall allow
87 Faculty Members to make both ROTH and non-Roth contributions to the plan.

(2)

88 (4) A 457(b) deferred compensation plan with TIAA-CREF as the current
89 recordkeeper. Participating members may contribute to the 457(b) plan subject to
90 IRS rules and regulations. The 457(b) deferred compensation plan shall allow
91 Faculty Members to make both ROTH and non-ROTH contributions to the
92 plan.~~At least one additional defined contribution plan.~~

93 ~~(3)(5)~~ The 403(b) and the 457(b) plans shall have a brokerage window option
94 that allows Faculty Members to invest the entire balance of their 403(b) plans or
95 their 457(b) plan (or any portion thereof) in any investment vehicle within the
96 investment options provided by TIAA-CREF and approved by the EMU
97 Investment Committee.. The University will strive to offer a selection of low-
98 cost, no-load index mutual funds.

- 99 b. Each Faculty Member must elect to participate in either the MPSERS or 403(b)
100 defined contribution plan~~one (1) of these retirement programs~~ within ninety (90)
101 calendar days of the commencement of ~~his/her~~ regular employment with EMU. A
102 Faculty Member who does not make such an election within this time period shall
103 automatically be enrolled in the 403(b) TIAA-CREF ~~d~~Defined ~~c~~Contribution ~~p~~Plan.

104 Once a Faculty Member has been so enrolled such enrollment is final and cannot be
105 changed.

106 ~~e. EMU Contributions~~

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

110 ~~(2)(1) For Faculty Members who participate in one of the defined contribution~~
111 ~~plans, EMU shall contribute to the retirement plan eleven percent (11%) of the~~
112 ~~Faculty Member's earnings for the academic year.~~

113 ~~(3) Tax Deferred Annuities~~

114 ~~EMU agrees to continue to provide Tax Deferred Annuity Programs for Faculty~~
115 ~~Members.~~

116 3. Death Benefits

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

123 4. Group Medical Benefits

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

133 Faculty Members who terminate their employment with EMU for retirement purposes
134 and who, as of the date of separation, are at least fifty-five (55) years of age with fifteen
135 (15) years of full-time service to EMU, or are at least sixty (60) years of age with ten (10)
136 years of full-time service at EMU, shall be eligible, until age sixty-five (65), to continue,
137 at their own expense, group medical benefits if enrolled at the time of retirement,
138 consistent with the terms of EMU's master plan document unless otherwise provided in
139 this Agreement. Faculty Members electing to continue their group medical benefits shall

140 pay the full cost of such continued benefits. Proper application and arrangements for
141 payment of continued benefits must be made in the Benefits Office by no later than thirty
142 (30) calendar days prior to the effective date of the Faculty Member's retirement. The
143 Faculty Member shall pay the full cost of such benefits on a calendar year quarterly basis
144 commencing with the date he/she is removed from the active payroll. The initial
145 payment shall be for the period commencing with the date the Faculty Member is no
146 longer eligible for benefits paid for by EMU, through the end of that calendar year
147 quarter. Payments shall thereafter be remitted in full to EMU's Benefits Office at least
148 fifteen (15) days prior to the beginning of each calendar year quarter.

149 5. Medical Benefits for Defined Contribution Plan Retirees

150 a. Faculty Members enrolled in a defined contribution plan who retire prior to age 65
151 have one (1) of two (2) insurance options available to them:

152 (1) Blue Cross/Blue Shield Option

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

171 EMU shall supplement the cost of such coverage up to but not to exceed one
172 hundred thirty dollars (\$130) per month. The remainder of any cost for such
173 coverage is to be borne by the retiree.

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

175 The University shall reimburse Bargaining Unit members enrolled in a defined
176 contribution plan who separate from employment with EMU for retirement purposes
177 for costs associated with medical insurance that supplements Medicare Part A, and
178 Part B, provides for prescription drug benefits under Part D, or replaces traditional

179 Medicare coverage with a federally-approved Medicare Advantage Plan subject to the
180 following limitations:

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

184 (2) EMU shall supplement the cost of such coverage up to but not to exceed one
185 hundred sixty dollars (\$160) per month. for all eligible retired faculty. The
186 remainder of any cost for such coverage is to be borne by the retiree.

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

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

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

198 6. A retiree who meets the age and service requirements described in Section C.4. and 5.
199 above, and who is eligible to continue his/her group medical benefits under COBRA will
200 be offered the opportunity to continue those benefits at his/her own expense at a premium
201 permitted by COBRA (see Article XIX.C.11., above), for the period mandated in the
202 retiree's circumstances by COBRA (which will usually be the shorter period of: (1)
203 eighteen (18) months from the period between the last date of employment, or (2) the
204 retiree's last date of employment and the date upon which the retiree becomes entitled to
205 Medicare), as an alternative to the contractual retirement benefits described in Section
206 C.4. and 5., above. Such retirees who are eligible to continue dental benefits under
207 COBRA will be offered the opportunity to continue those benefits at their own expense at
208 a premium permitted by COBRA for the period mandated in the retiree's circumstances
209 by COBRA.

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

215 7. A retiree who does not meet the age and service requirements described in Section C.4.
216 and 5., above, and who is eligible to continue his/her group medical benefits under

217 COBRA will be offered the opportunity to continue those benefits at his/her own expense
218 at a premium permitted by COBRA (See Article XIX.C.11., above) for the period
219 mandated in the retiree's circumstances by COBRA (which will usually be the shorter
220 period of: (1) eighteen (18) months from the retiree's last date of employment or (2) the
221 period between the last date of employment and the date upon which the retiree becomes
222 entitled to Medicare).

223 The election to continue medical and/or dental benefits under COBRA must be made
224 within the period described in Section C.5.b.5., above.

225 8. Dental Benefits for Defined Contribution Plan Retirees

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

228 (1) ~~Delta~~-Dental Plan

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

247 9. Emeritus Status

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

- 256 The University will encourage Emeritus Faculty to remain a part of the academic
257 community through a variety of benefits:
- 258 a. An Emeritus Faculty Photo ID Card
 - 259 b. An annual parking permit
 - 260 c. A campus mailbox in his/her former department upon written request to the
261 Department Head
 - 262 d. A retiree life insurance benefit pursuant to Article XX, Section C.3.
 - 263 e. Complimentary Rec IM membership
 - 264 f. Two complimentary tickets to each sporting event
 - 265 g. Two complimentary tickets to each EMU production (plays, concerts, etc.). Campus
266 Life, Guest Artists and Speakers series are excluded
 - 267 h. A subscription to Focus EMU and other institutional publications including the
268 annual University Directory
 - 269 i. A campus e-mail address
 - 270 j. The right to participate in academic processions and convocations
 - 271 k. Use of the Library
 - 272 l. The opportunity to audit classes without credit, tuition, or the need to follow regular
273 enrollment procedures. However, approval to audit must be granted by the instructor
274 and program fees may be assessed.

275 10. Waiver of Employment Rights

276 On the effective date of retirement, the Faculty Member shall waive any and all claims of
277 whatever nature, whether under state or federal laws, this Collective Bargaining
278 Agreement, or EMU policies, which arise out of his/her employment with EMU except as
279 otherwise enumerated in the Agreement. By way of illustration and not by way of
280 limitation, Faculty Members shall waive any and all retention of priority and tenure
281 rights, all entitlements to future wage and benefit increases, all rights to participate in any
282 and all group benefits plans other than group medical benefits as hereinabove provided,
283 and any and all rights he/she may have to continued employment or reemployment with
284 EMU.

285 11. Irrevocability

