

RETIREMENT/FERP INFO SESSION



TODAY WE WILL COVER

- ❖ Best Retirement Date
- ❖ CalPERS Pension Options
- ❖ Benefits & Medicare
- ❖ Your Retirement Application
- ❖ Faculty Early Retirement (FERP)
- ❖ Questions

Things to consider when choosing the best retirement date



THINGS TO CONSIDER WHEN CHOOSING YOUR RETIREMENT DATE

 Academic year faculty should refer to the academic calendar to determine their retirement date.

 Twelve-month faculty, after considering the benefit factor and age, can choose any desirable date.

 The current academic year ends **May 26, 2023**. To continue benefits and earn service credit, your retirement date can be **August 16th**.

 Summer Session

10W 05-31 thru 08-16
6W1 05-31 thru 07-06
6W2 07-07 thru 08-16

Your retirement date may be the last day summer session ends **August 16, 2023**.

 The **2023/2024** academic semester term begins **August 17th**. If you want to FERP during this academic year you must retire **before** the fall semester term begins.

THINGS TO CONSIDER WHEN CHOOSING YOUR RETIREMENT DATE

- ❖ Benefit Factor (formula)
- ❖ Final Compensation (highest 12mo consecutive salary earned)
- ❖ Service Credit

Benefit Factor:

Two percent at age 55 (2% @55), reaches the maximum at age 63 at 2.5%. If you are already age 63 or better, then a date based on age does not matter.

BENEFIT FACTOR EXAMPLES FOR 2% @ 55 FORMULA

- Age 55
- 20 years of service
- Using minimum benefit factor (2% @55):

$$2 \times 20 = 40\%$$

(highest 12 months consecutive salary earned)

- Age 63
- 28 years of service
- Using maximum benefit factor (2.5% @63):

$$2.5 \times 28 = 70\%$$

(highest 12 months consecutive salary earned)

THINGS TO CONSIDER WHEN CHOOSING YOUR RETIREMENT DATE

Highest 12-month compensation

- Next to consider in the formula is the highest 12-months of compensation. CalPERS looks back 12 consecutive months from the retirement date to capture the highest 12-months of compensation for 2% @ 55. Other formulas will either average or look back at 36 consecutive months.
- Finally look at and/or consider your Service Credit.

SICK LEAVE BALANCE

Your Sick leave balance is reported and converted into additional service credit. To know the conversion equivalency, take your sick leave balance (hours) and divide by 2,000;

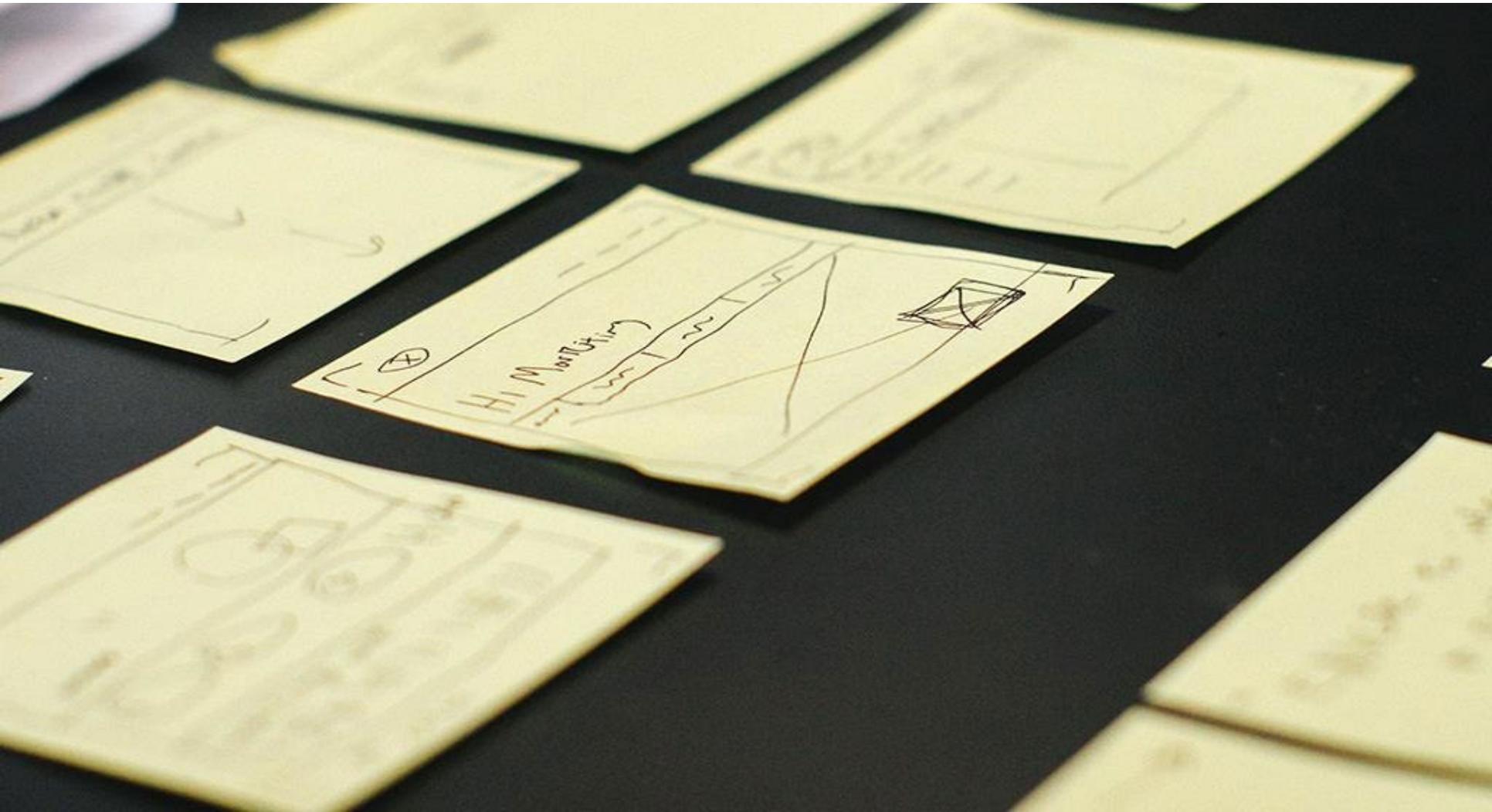
Another method of converting hours is by dividing your total sick leave hours by 8 (total days) and multiply by .004

State Miscellaneous & Industrial Benefits

<https://www.calpers.ca.gov/docs/forms-publications/state-misc-industrial-benefits.pdf>

CALPERS PENSION

Your options & how they affect your monthly pension



CALPERS PENSION OPTIONS

Unmodified Allowance

Provides the **highest** "Monthly Amount". There is no continuing monthly benefit "To Your Beneficiary" (may be different from your Survivor) and no return of unused member contributions upon your death.

Note, "To Your Survivor" a slight "Monthly Amount", **no** reduction in members "Monthly Amount".

Return of Remaining Contribution Option 1

Upon your death, provides a **lump-sum payout of any remaining member contributions** in your account to your named **beneficiaries**. This option does not provide your beneficiary an ongoing monthly benefit (see example below).

Note, "To Your Survivor" slight "Monthly Amount", **slight reduction** in members "Monthly Amount".

Your Retirement Benefits - Standard Options			Payments Made After Your Death	
Option Type	Monthly Amount	For You if Beneficiary Dies Before You	To Your Beneficiary	To Your Survivor
<u>Unmodified Allowance</u>	\$5,581	N/A	No Monthly Benefit	\$1,395
<u>Return of Remaining Contributions</u>	\$5,549	N/A	No Monthly Benefit	\$1,395

CALPERS PENSION OPTIONS

100 Percent Beneficiary Option 2

Provides 100 percent of the “Monthly Amount” to your named beneficiary upon your death (*usually same as Survivor*). Upon both your deaths (member & Survivor), a lump-sum payout of any remaining member contributions in your account will be paid to one or more named secondary beneficiaries.

Note, Survivor receives same “Monthly Amount” (combined payments), reduction in members monthly benefit.

100 Percent Beneficiary with Benefit Allowance Increase Option 2W

Provides 100 percent of the “Monthly Amount” to your named beneficiary (*usually same as Survivor*) upon your death. If your beneficiary dies before you, or you have another qualifying event, such as a change in marital status, your “Monthly Amount” will increase to the Unmodified Allowance (slide 11). No lump-sum payout option.

Note, Survivor receives same “Monthly Amount” (combined payments), reduction in members monthly benefit.

Your Retirement Benefits - Standard Options			Payments Made After Your Death	
Option Type	Monthly Amount	For You if Beneficiary Dies Before You	To Your Beneficiary	To Your Survivor
<u>100% Beneficiary</u>	\$4,454	\$4,454	\$3,059	\$1,395
<u>100% Beneficiary w/Allowance Increase</u>	\$4,449	\$5,581	\$3,054	\$1,395

CALPERS PENSION OPTIONS

50 Percent Beneficiary Option 3

Provides **50 percent** of the “Monthly Amount” to your named beneficiary upon your death (*usually same as Survivor*). **Upon both your deaths** (member & Survivor), a **lump-sum payout** of any remaining member contributions in your account will be paid to one or more named **secondary beneficiaries**.

Note, Survivor receives half of your “Monthly Amount” (combined payments), **reduction** in members monthly benefit.

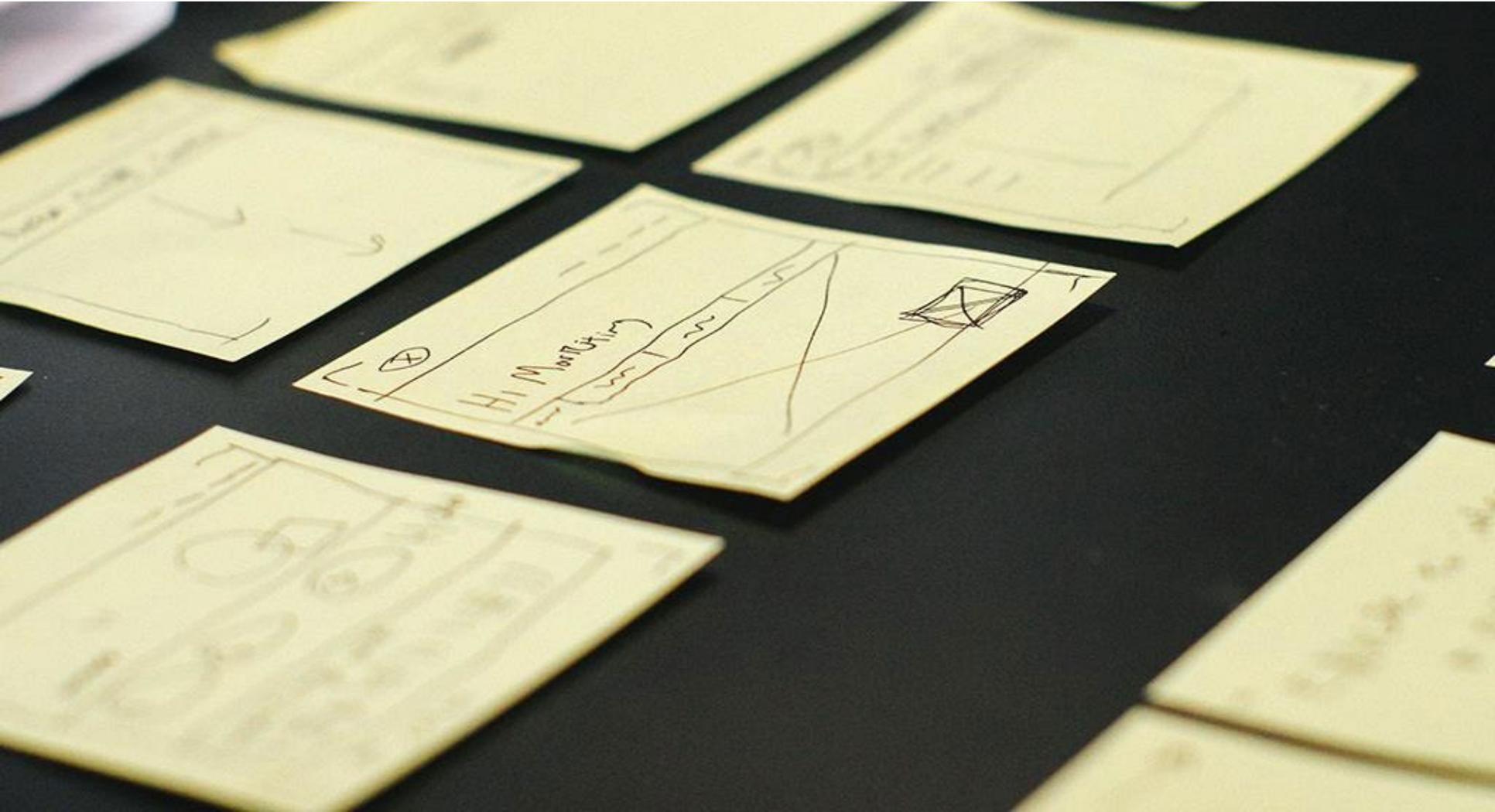
50 Percent Beneficiary with Benefit Allowance Increase Option 3W

Provides **50 percent** of the “Monthly Amount” to your named beneficiary (*usually same as Survivor*) upon your death. **If your beneficiary dies before you**, or you have another qualifying event, such as a change in marital status, your “Monthly Amount” **will increase to the Unmodified Allowance** (*slide 11*). No lump-sum payout option.

Note, Survivor receives half of your “Monthly Amount” (combined payments), **reduction** in members monthly benefit.

Your Retirement Benefits - Standard Options			Payments Made After Your Death	
Option Type	Monthly Amount	For You if Beneficiary Dies Before You	To Your Beneficiary	To Your Survivor
50% Beneficiary	\$4,930	\$4,930	\$1,767	\$1,395
50% Beneficiary w/Allowance Increase	\$4,927	\$5,581	\$1,766	\$1,395

BENEFITS & MEDICARE



BENEFITS & MEDICARE

- ❖ Your CalPERS health & dental plans continue into retirement. You can elect vision and enhanced dental and continue them by paying additional plan costs.
- ❖ If Medicare eligible (age 65 or better), you must enroll in both Medicare A & B. *Do **not** elect C (Medicare Advantage) or D (Prescription Drug plan).*
- ❖ Dental benefits continue into retirement at the Basic Level of coverage unless you are participating in the Faculty Early Retirement Program (FERP).
- ❖ If you participate in the FERP program .5 time base each semester or 1.0 for one semester, vision will be paid for 1 year and enhanced dental continues monthly while you are FERPing.

BENEFITS & MEDICARE

[Retiree CalPERS Health Benefits](#)

[Retiree Dental Benefits](#)

[Retiree Vision](#)

Medicare Enrollment deferred until retirement and retirement is after age 65, you will have a Special Enrollment Period and to avoid penalty, we must complete the Request for Employment Information form from Social Security.

<https://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/Downloads/CMS-L564E.pdf>

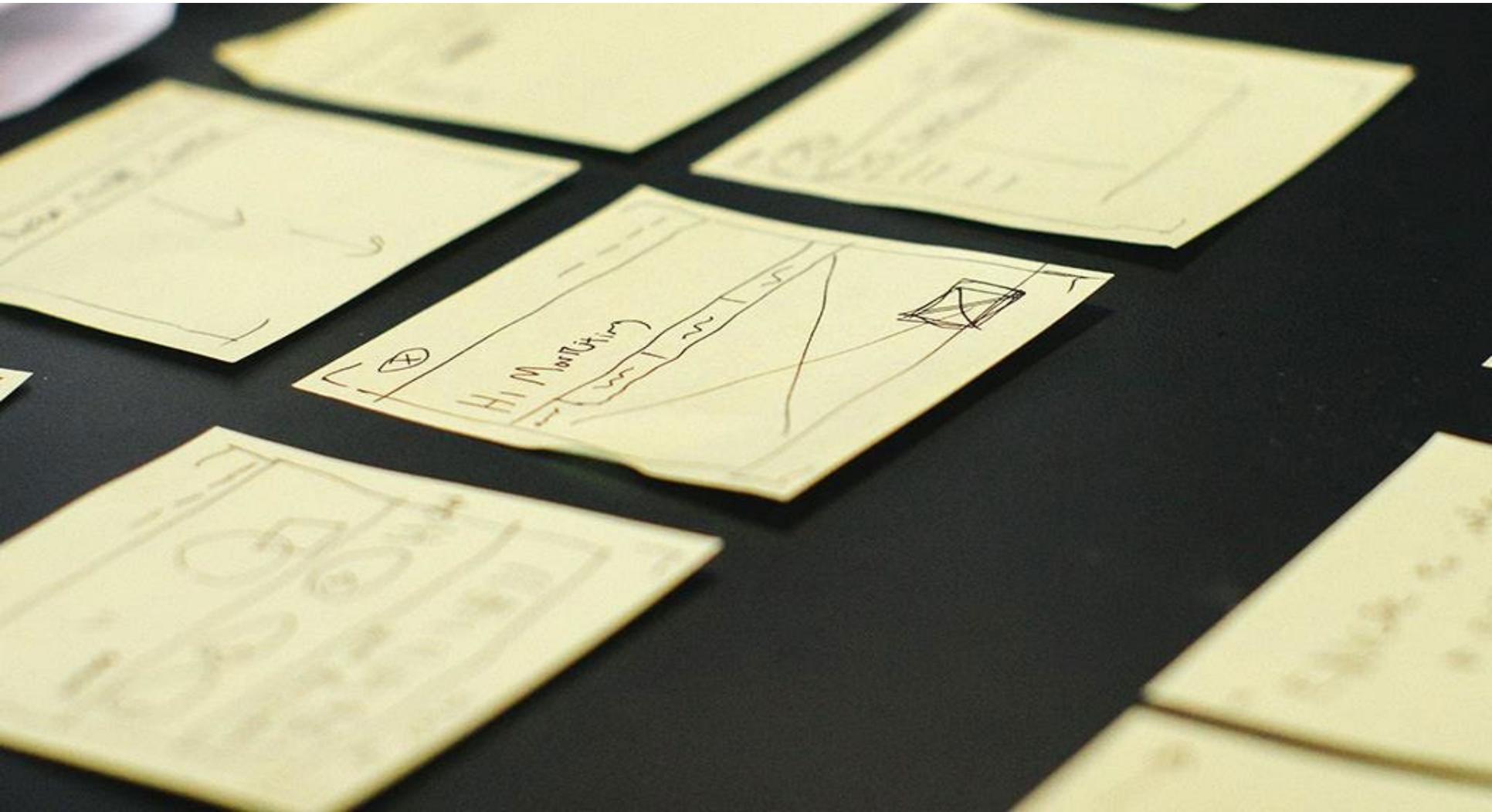
CONTRIBUTIONS TO THE 403(B) PLAN

If you plan to contribute to a Fidelity 403(b) account, your appointment must show as active in their system. Due to short time frames, we need to coordinate your semester appointment in both the PeopleSoft and Payroll systems and notify Chancellor's Office to update Fidelity's system.

So we can assist you, we request you do the following:

1. Two weeks before you return to FERP, email HR Benefits benefits@csusb.edu so we can begin the notifications.
2. By the 5th of September/February, log in to your Fidelity account. <https://nb.fidelity.com/public/nb/calstate/home>
3. Change your deduction amount by at least \$1.00.
4. Review your next pay warrant to see if the deduction was successful. If not, notify HR Benefits.

YOUR RETIREMENT APPLICATION



YOUR RETIREMENT APPLICATION

You must complete your retirement application through CalPERS no later than 90 days before your retirement date, and prior to your FERP start date.

You can apply for service retirement online using MyCalPERS at www.calpers.ca.gov or contact CalPERS directly by calling (888) 225-7377 (Cal-PERS). Please note this must be completed by the employee and cannot be submitted by CSUSB.

The regional office locations are:

San Bernardino Regional Office

6500 East Hospitality Lane, Suite 330
San Bernardino CA 91203

Glendale Regional Office

655 North Central Avenue, Suite 1400
Glendale CA 91203

Orange Regional Office

Orange Center Tower
500 N. State College Blvd., Suite 750
Orange CA 92868

YOUR RETIREMENT APPLICATION

My|CalPERS

<https://my.calpers.ca.gov/web/ept/public/systemaccess/selectLoginType.html>

Service Retirement Election
Application

<https://www.calpers.ca.gov/docs/forms-publications/service-retirement-election-app.pdf>

YouTube Your Retirement Options &
Online Application

https://www.youtube.com/watch?v=Fdc_vLoXwlo&t=605s

<https://www.youtube.com/watch?v=Uwu8oTXjnPc>



RESOURCES

[CalPERS 2023 Health Premiums – State Only](#)

[CalPERS 2023 Health Premiums – Out of State](#)

[Medicare B Premium](#)

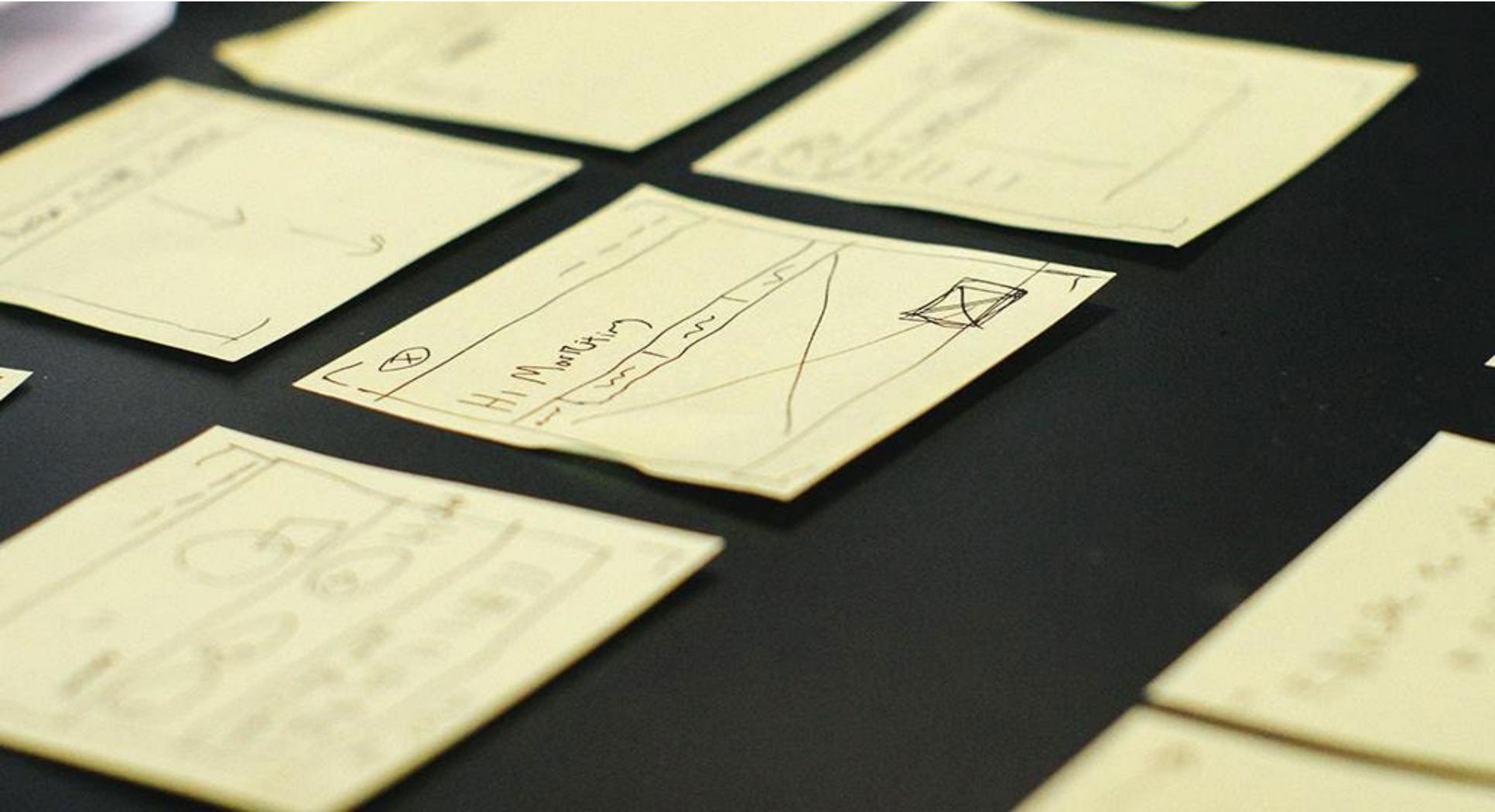
HR Benefits Team

Phone: (909) 537-5143

Email: benefits@csusb.edu



FACULTY EARLY RETIREMENT (FERP)



FACULTY EARLY RETIREMENT (FERP)

The Faculty Early Retirement Program (FERP), provides eligible, tenured retired faculty members an opportunity to earn income for a limited duration for post-retirement CSU employment.

FACULTY EARLY RETIREMENT (FERP)

- ❖ The FERP retirement application deadline for the 2020/2021 academic year is **February 15, 2023**.
- ❖ The period of employment are based on the needs of the department and must be approved by the Dept. Chair, the College Dean and the Provost.
 - FT/1.0 workload is 30 WTUs
 - FT/1.0 FERP @ .50 time-base is 15 WTUs
 - ½ workload is 7.5 WTU (Fall and Spring Semester) 7.5 x 2 semesters equals 15 WTUs

If your workload is 4 classes @ 3 WTU = This consists of 12 WTUs direct instruction and 3 indirect, totaling 15 WTU's.
- ❖ The approved workload schedule should be attached to the FERP application.
- ❖ The current duration for FERP is a maximum of five years.
- ❖ You may elect to keep up to 48 hours of sick leave into FERP

FACULTY EARLY RETIREMENT (FERP) APPLICATION

CALIFORNIA STATE UNIVERSITY SAN BERNARDINO **FACULTY EARLY RETIREMENT PROGRAM**
Application

INSTRUCTIONS: This form is to be used by any faculty who wishes to request participation in the Faculty Early Retirement Program (FERP) or to request a change in FERP status. (Consultation with your Department Chair and College Administrative Analyst (AA/S) is recommended).

Applicants are urged to read FAF Policy No. 625.7 (<http://www.csb.edu/FAF/Policy/FS01-02/FERP.pdf>) as well as Article 29 of the Unit 3 Collective Bargaining Agreement prior to completing this application (http://www.csb.edu/~hr/policies/collective_bargaining_agreement_cba04-2014-2017/article_29).

Name: _____ Department: _____
Signature: _____ Date: _____

Prior to the time of the service retirement and appointment in FERP, a participant may elect to carry over up to forty-eight (48) hours of sick leave into the FERP appointment if the participant elects to reduce his/her accumulated sick leave by that amount for service retirement credit.
 I elect to carry over _____ sick hours (maximum of 48) into the FERP program.
(Initial)

PERIOD OF ANNUAL PARTICIPATION
EFFECTIVE DATE: _____

TERM	TIME BASE
<input type="checkbox"/> Fall Semester	Select
<input type="checkbox"/> Spring Semester	Select
TOTAL (max of 15 WYUs)	Select

Special Note: Full-Time workload is 30 WYUs per year. If .5 FERP time base would equate to 15 WYUs which is comprised of a mix of direct instructional activities and indirect activities, attach the approved workload schedule to this application.
 - Select FT/1.0 for one (1) semester term only, or
 - Select 1/2 for either semester or both terms.

TIME BASE
FT = 15/15 WYUs per Semester

CHANGE PERIOD OF PARTICIPATION/TIMEBASE
EFFECTIVE DATE: _____

FROM:	TO:
TERM	TERM
<input type="checkbox"/> Fall Semester	<input type="checkbox"/> Fall Semester
<input type="checkbox"/> Spring Semester	<input type="checkbox"/> Spring Semester
TOTAL: (max of 15 WYUs)	TOTAL: (max of 15 WYUs)

(List each semester separately)

LEAVE WITHOUT PAY (For Personal Medical Reasons only)
 Academic Year From _____
 Academic Term/Term(s) Select _____
 Amount of Leave _____
 Full
 Partial Specify % of leave _____

END OF FERP PARTICIPATION
 I wish to end my FERP participation early
 Effective _____

FACULTY EARLY RETIREMENT PROGRAM **Application**

AA/S Verification Name: _____
Date: _____

Department Chair Recommendation Recommend Do Not Recommend
(Attach additional pages if more space is needed)

Department Chair Comments:

 Department Chair's Signature _____ Date _____
(Please forward to College Administrative Analyst)

College Dean Recommendation Recommend Do Not Recommend
(Attach additional pages if more space is needed)

College Dean Comments:

 College Dean's Signature _____ Date _____
(Please forward to Academic Affairs)

VPAA's Recommendation Approve Do Not Approve
(Attach additional pages if more space is needed)

VPAA's Comments:

 Vice President's Signature _____ Date _____
(Please forward to Faculty Affairs and Development)

Revised 10/2019

FACULTY EARLY RETIREMENT (FERP)

- ❖ The Collective Bargaining Agreement (CBA) between the CSU and the California Faculty Association states that eligible tenured faculty members who have reached the age of 55 may participate in the FERP program.
- ❖ However, this language predates the 2011 and 2013 changes to CalPERS retirement formulas. Faculty hired on or after January 1, 2011 are not eligible to enter FERP until they reach the age of their respective retirement formula (age 60 or 62).

- ❖ Below is additional information about restrictions for those considering FERP who were hired on or after 1/1/2011.

These individuals are CalPERS members whose retirement formula is either 2% at age 60 (2011) or 2% at age 62 (2013).

CONVERSION OF CURRENT FERP FACULTY

AY 2020-21

- Full-time workload is 30 WTUs per year, at .5 FERP time base would equate to 15 WTUs which is comprised of a mix of direct instructional activities and indirect activities.
- 1.0 or 15 WTUs for one (1) semester term, or
- .50 (1/2) or 7.5 WTUs for each semester term

A FERP timebase reduction may be requested. If granted, the reduction shall continue for the remaining duration of FERP. This will impact your FERP benefits for dental and vision.

To work .50 each semester or 1.0 one semester, you must work (appointed) full-time (1.0) in the year preceding retirement. Per the CBA, the permissible "period of employment" shall refer to one (1) academic term not to exceed a total of ninety (90) workdays or fifty percent (50%) of the employee's regular time base in the year preceding retirement.

FACULTY EARLY RETIREMENT (FERP)

Faculty Affairs and Development, FERP program information -
<https://www.csusb.edu/faculty-affairs-development/faculty-resources/ferp>

Faculty Affairs and Development -
<https://www.csusb.edu/faculty-affairs-development>

- FERP application form:

AY

12 Month

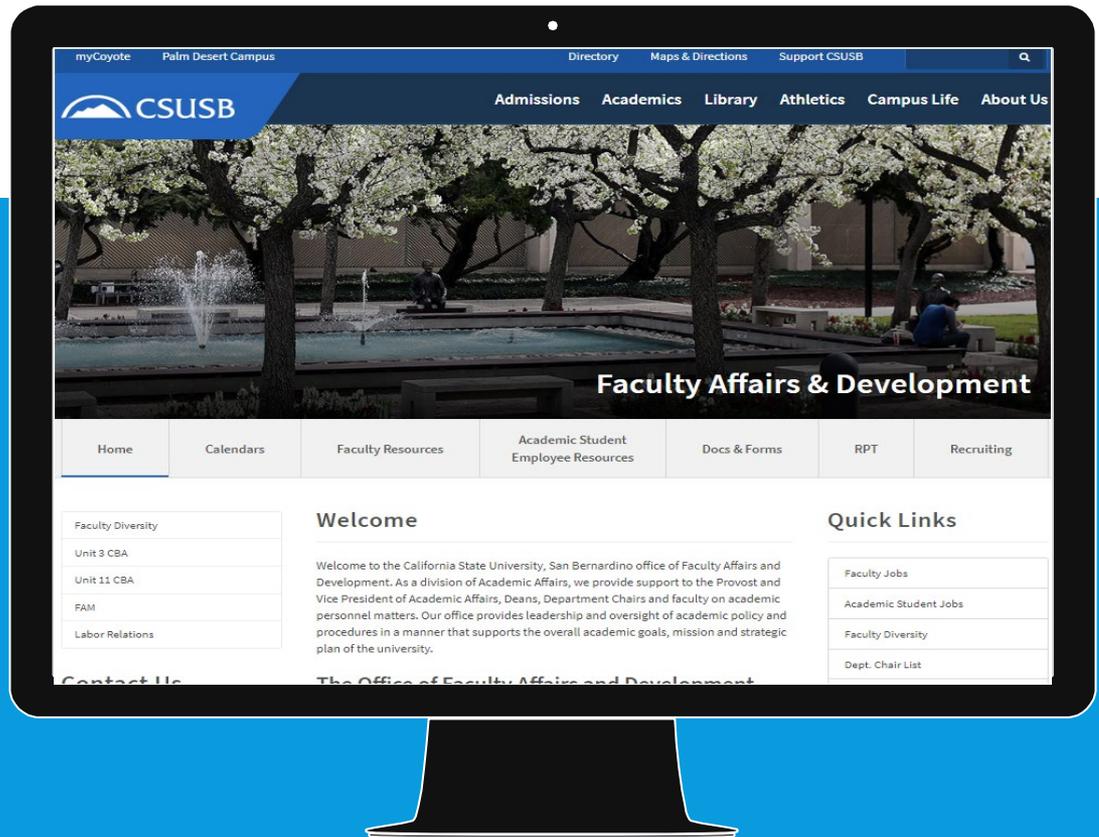
FERP checklist

CBA -
Article 29

FACULTY AFFAIRS AND DEVELOPMENT

Phone: (909) 537-5029

Email:
facultyaffairsanddevelopment
@csusb.edu



THANK YOU!

Any questions?

HR Benefits Team 909-537-5143

Lisa White

Faculty Affairs and Development 909-537-5029

Winsome Laos