

Incentive Payment for Faculty Choosing the Post-Retirement Option

In consideration of the current budgetary constraints being faced by East Tennessee State University, a monetary incentive for faculty who voluntarily elect to retire from the University and enter into the Post-Retirement Service Program with the University will be made available during a limited time period in Spring 2009.

This incentive payment is designed to encourage eligible faculty to elect to participate in the Post-Retirement Service Program (TBR Guideline P-160). The incentive payment, a strategy to be used in addressing the University's reduction in state funding, will seek to optimize the number of eligible faculty who elect initial participation in the Program in FY 2009-10 during the period of March 30, 2009 to May 15, 2009. The following understandings and features characterize the incentive:

1. The period of eligibility for receiving the incentive payment for the Faculty Post-Retirement Option will be concurrent with the period of eligibility for the Voluntary Buyout Plan.
2. Those electing initial participation in the post retirement program for FY 2009-10 who enroll in the program between March 30, 2009 and May 15, 2009 will receive a one-time incentive payment of \$500 per year of University service* up to and not to exceed \$15,000 whether they elect to participate in the program for 1, 2, 3, or 4 years. Eligibility will be limited to new applicants for post-retirement and will not be retroactive to those who previously had elected to participate in the post-retirement program. This incentive payment will not impact the calculation of retirement benefits for those participants who are members of TCRS. **The May 15, 2009 deadline for receipt of application by the respective college deans is final.**
3. All requirements of the Post-Retirement program as described in Guideline P-160 will apply, and the sole distinction of the incentive program will be the incentive payment and the understanding that maintaining departmental teaching resources will be a primary determinant in approval of participants in the incentive program.
4. The Office of Human Resources notes that the attractiveness of the post-retirement program is generally not known by potential participants until they express interest and receive personal counseling from HR as to features of the program. **In that light, communication of the incentive program and of the features of the post-retirement program will be an immediate priority.**

*For purposes of this incentive payment "years of University service" is the total number of years (or partial years that will be rounded up) of employment with the University in a regular budgeted faculty position. Creditable service includes any time off on approved leave but does not include unused accruals such as annual leave or sick leave.

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