

2010 Early Retirement Incentive Program Outline

Part A (Chapter 105) (ERS/NYSTRS and ORP members)

Open Periods:

Classified Employees (CSEA, Council 82, PEF, and NYSCOPBA):

July 22, 2010 through September 29 (close of business)

Unclassified Employees (UUP and M/C):

October 14, 2010 through December 22, 2010 (close of business)

Eligibility for ERS/NYSTRS members: Be at least 50 years of age or older by the date of retirement with 10 years or more of credited service *or* at least 55 years of age with 5 years of service (**Tier 1 ERS/NYSTRS**), or retirement eligible.

Benefit for ERS/NYSTRS members: would receive one month's additional retirement service credit for each year of credited service to a maximum of 36 months.

Note: Tier 2, 3, & 4 ERS/NYSTRS members are subject to "age penalties" with less than 30 years of service. All Members under age 55 are subject to "special age penalties."

Age penalties: The chart below illustrates early retirement penalties that may be applied to you in the program. For more information about possible early retirement penalties, ERS members go to <http://www.osc.state.ny.us/retire/members/projecting-your-pension.htm> or please contact the retirement system at (866) 805-0990. NYSTRS members go to <http://www.nystrs.org/> or call (800) 348-7298.

<u>Age</u>	<u>Tier*</u>	<u>Service Years</u>	<u>Penalty</u>
55 or greater	1	5 or more	None
55-62	2, 3, 4	30 or more	None
55-62	2, 3, 4	Less than 30	Normal age reductions
50-55	1	5 or more	5% per year under 55
50-55	2, 3, 4	30 or more	5% per year under 55
50-55	2, 3, 4	Less than 30	3% per year under 55 plus normal age reductions
* Tier 1: joined before July 1, 1973. Tier 2: joined July 1, 1973-July 26, 1976. Tier 3: joined July 27, 1976 through August 31, 1983. Tier 4: joined September 1, 1983 or after.			

The additional service credit (as well as other service credit i.e. Article 19 for Tier 1 and Tier 2 members, veterans credits, etc.) could allow the member to reach his or her 30-year mark and avoid penalty if under age 62. Additional service credit will also allow some members to reach the 20-year mark to receive a higher pension calculation of 2 percent.

CLASSIFIED SERVICE PART A TIMELINE:

- Classified employees submit the enclosed non-binding letter of interest to Human Resources by: *Anytime between now and September 8, 2010 (close of business)*
- Human Resources will confirm eligibility and provide to those determined to be eligible the Notice of Intent Form.
- ERS/NYSTRS members who officially file a Notice of Intent Form will receive additional materials required to file a service retirement application with ERS or NYSTRS which must be filed no later than 14 days prior to your retirement date.
- Final Commitment Deadline (Notice of Intent): At least 21 days prior to your retirement date
- Last possible day on payroll for Classified Employees: September 29, 2010 (close of business)

TIAA (ORP) Benefit: ORP members would receive an employer contribution to the member's retirement account of one-twelfth for each year of service multiplied by 15 percent multiplied by their salary as of March 31, 2010, divided by 12; the result not to exceed 45 percent of salary. ORP members would need to verify with their investment representatives or tax advisors when a distribution may be taken without IRS penalty.

$$\text{ORP Formula: } \frac{\text{yrs of service} \times .15 (15\%) \times \text{annual salary (as of 3/31/2010)}}{12}$$

ORP PART A TIMELINE:

- Unclassified employees submit the enclosed non-binding letter of interest to Human Resources by: *Anytime between now and September 14, 2010 (close of business)*
- Human Resources will confirm eligibility and provide to those determined to be eligible the Notice of Intent Form.
- ORP members who officially file a Notice of Intent Form will receive a projected employer contribution amount.
- Final Commitment Deadline (Notice of Intent): At least 21 days prior to your retirement date
- Last possible day on payroll for Unclassified Employees: December 22, 2010 (close of business)

Part B (Chapter 105) (ERS/NYSTRS Tiers 2, 3, and 4 members only)

Open Period: *July 2, 2010 through September 29, 2010 (close of business)*

Eligibility: **ERS/NYSTRS only Tiers 2, 3, and 4;** Be between 55 and 61 years of age with at least 25 but less than 30 years of credited service. Eligible Tier 2 members can use Article 19 credit to get to 25 years.

Benefit: Eligible employees can retire without penalty or benefit reduction if between the ages 55 and 61 with 25-29 years of credited service as of the date of retirement.

PART B TIMELINE:

- Submit the enclosed non-binding letter of interest to Human Resources by:
Anytime between now and September 8, 2010 (close of business)
- Human Resources will confirm eligibility and provide to those determined to be eligible the Notice of Intent Form.
- ERS/NYSTRS members who officially file a Notice of Intent Form will receive additional materials required to file a service retirement application with ERS or NYSTRS no later than 14 days prior to your retirement date.
- **File a service retirement application with ERS or NYSTRS no later than 14 days prior to your retirement date**
- Final Commitment Deadline (Notice of Intent): At least 14 days prior to your retirement date
- Last possible day on payroll: September 29, 2010 (close of business)

Chapter 45 (UUP ERS/NYSTRS Tiers 2, 3, and 4 members only)

Open Period: *October 3, 2010 through December 30, 2010 (close of business)*

Eligibility: **UUP - ERS/NYSTRS only Tiers 2, 3, and 4;** Be between 55 and 61 years of age with at least 25 but less than 30 years of credited service who are in a UUP-represented position. **Be on the payroll on March 1, 2010 and have no more than 12 weeks approved leave without pay between February 1, 2010 and date of retirement.**

Benefit: Eligible employees can retire without penalty or benefit reduction if between the ages 55 and 61 with less than 30 years of credited service.

CHAPTER 45 TIMELINE:

- Submit the enclosed non-binding letter of interest to Human Resources by:
Anytime between now and September 17, 2010 (close of business)
- ERS/NYSTRS members who officially file a Notice of Intent Form will receive additional materials required to file a service retirement application with ERS or NYSTRS no later than 14 days prior to your retirement date.
- **File a service retirement application with NYS ERS or NYSTRS no later than 14 days prior to your retirement date**
- Final Commitment Deadline (Notice of Intent): at least 14 days prior to your retirement date
- Last possible day on payroll: Wednesday, December 30, 2010 (close of business)

Health insurance benefits will also be available to participants in the 2010 Retirement Incentive Program. This means that you may retire as early as age 50 and retain your health benefits into retirement. To be eligible to continue your health insurance at the time of retirement, you must currently be enrolled in New York State Health Insurance program as an enrollee or dependent, and complete a minimum service requirement of 10 years.

The Office of Human Resources will notify everyone who submits a Notice of Interest of his/her eligibility to participate in the program. This notice will include additional information about the steps to be taken if an individual decides to retire. Eligible faculty who opt for the incentive might also consider a "Bartle Professorship" as an intermediate step before assuming emeritus status. Details are available through the Provost's Office (777-2143). Please keep in mind that future retirement incentive programs are not guaranteed.

For additional information about ERS, please visit: www.osc.state.ny.us/retire/. For NYSTRS, visit www.nystrs.org. For additional health insurance information visit www.cs.state.ny.us/ebd.