PREPARING FOR RETIREMENT AND REEMPLOYMENT

A Joint Presentation by the Office of Academic Personnel and UW Human Resources Benefits

UNIVERSITY of WASHINGTON
AGENDA

UW Retirement Benefits Information

• Retirement Eligibility
• Applying to Retire
• Retirement Plan Restrictions on Reemployment

Academic Personnel Working After Retirement

• Emeritus Appointments
• Vested Rights
• Other Considerations
RETIREMENT PLAN TERMS CONTROLLING

• This presentation is current as of today’s date

• This presentation is informative only
  − Details are not exhaustive
  − Plan rules are abbreviated for clarity’s sake
  − Do not solely rely on the presentation examples for retirement planning
  − Actual limits will be determined in accordance with the plan under which the academic personnel employee retires
RETIREMENT ELIGIBILITY
ELIGIBILITY TO RETIRE FROM UW

- Dependent on rules of employee’s plan
  - UW Retirement Plan (UWRP)
  - Washington State Department of Retirement Systems (DRS)

- UWHR Benefits website has plan-specific information

- UW Retirement Plan UWRP: Preparing to Retire

- Teachers' Retirement System (TRS) 3: Preparing to Retire
APPLYING TO RETIRE
UW RETIREMENT APPLICATION

- Online application required
  - No sooner than 6 months prior of UW separation date
  - No later than 60 days after leaving employment
    - If application is submitted more than 60 days after employment end date, the former employee will NOT be a UW retiree
    - For Teachers’ Retirement System/Public Employees’ Retirement System (TRS/PERS) participants, there is an additional DRS Retirement Application that must be submitted to the DRS

- UW Retirement Checklist
RETIREMENT DATES

- Termination date: Last day of work*
- Retirement date: First day of month following termination
  - June 15 termination = July 1 retirement
  - December 31 termination = January 1 retirement

*Consult with UWHR Benefits if the planned termination date falls on a weekend or holiday
RETIREMENT PLAN
RESTRICTIONS ON REEMPLOYMENT
UW RETIREMENT PLAN (UWRP) RETURN-TO-WORK RETIREE

- Retirees must identify selves as UWRP retirees in order to return to work at UW

- UWRP has no restriction on how quickly you come back to work at UW
  - Immediate return to work may cause delays in gaining access to retirement funds

- Limited by UWRP Plan Document to working a maximum of 40% FTE over a plan/calendar year (Jan-Dec)
DEPT. OF RETIREMENT SYSTEMS
RETURN-TO-WORK RETIREE

- Washington State Dept. of Retirement Systems (DRS) retirement plans include TRS, PERS, or any other DRS retirement plans listed on the DRS website.


- TRS rules can be found on the Department of Retirement Systems website.
• Retirees must identify selves as DRS retirees in order to return to work at UW

• Must wait at least 30 days after retirement date to return to work
  – Retirement date is first of the month after termination of employment and the beginning of receiving a DRS benefit payment
• A return to work before 30 consecutive days have passed, will result in TRS 3 benefit being reduced by 5.5% for every 7 hours of work per month at UW

• The reduction will continue until work has stopped for 30 consecutive days

• Returning to work before retirement date will cancel DRS retirement application
DEPT. OF RETIREMENT SYSTEMS
RETURN-TO-WORK RETIREE

• Limited to working 867 hours each calendar year (January-December)

• Monthly benefit payment will stop if you work more than 867 hours in a calendar year
  - Benefit payment restarts when you end employment or at the beginning of next calendar year, whichever is first
FOR MORE RETIREMENT INFORMATION

• Academic Personnel considering retirement are encouraged to attend a retirement workshop, live stream or on-demand webinar
  – Attending a UW Benefits retirement workshop when planning for your retirement is critical in understanding the process of retiring from the University of Washington.

• Resources available at Prepare to retire from UW
RETIREMENT BENEFITS QUESTIONS?
WORKING AFTER RETIREMENT

Presented by Tyler Hitt, Academic Human Resources Business Partner
Office of Academic Personnel
GIVING NOTICE

Guidance for academic personnel providing notice of retirement is published on OAP’s Leaving the UW page

- Faculty and librarians: written notice to the dean/chancellor as soon as possible, preferably at least one quarter ahead of retirement date
- Other academic personnel: written notice to supervisor as soon as possible, preferably no less than two weeks ahead of retirement date
ACADEMIC REEMPLOYMENT

• Reemployed faculty must have an emeritus appointment or a retiree-version of their pre-retirement title

• Except for faculty with a vested right, reemployment is at the unit’s discretion

Pro Tip - Run Workday Report R0749 to determine if there is an outstanding sabbatical service obligation.

Contact Peg Stuart (mjstuart@uw.edu) if someone shows up as having an obligation
EMERITUS APPOINTMENTS
EMERITUS ELIGIBILITY

Retiring faculty members may be eligible for emeritus status, a lifelong honorary designation that recognizes achievements and service to the University

- Retiring faculty at full or associate professor rank in tenure, WOT, research, teaching, or clinical practice track; or retiring librarians with permanent or continuing status at the full or associate rank
- 10 or more years of service as a faculty member or librarian
- Additional considerations, information, and process steps can be found on OAP’s Emeritus Appointments and Re-employed Retirees webpage

UW Faculty Code Section 24-34 B.13
UW Librarian Personnel Code Chapter II Section B 4.a
EMERITUS BASICS

• Emeritus appointment should be requested and considered at the time of retirement

• Appointment may start the day after retirement and no later than one year following retirement

• Lifetime appointment

• May be unpaid or paid to align with active FTE
VESTED RIGHT TO REEMPLOY
Faculty retiring from tenured appointment as associate professor or professor and are age 62 or older at the time of retirement have a *vested right* to reemploy. Those with a vested right can expect that UW will honor their request to reemploy.*

*Some limitations apply.*
LIMITATIONS ON VESTED RIGHT TO REEMPLOY

- As summarized by UW Benefits, UWRP and DRS set specific limits on reemployment; subject to Benefit Plan FTE and UW compensation limitations governing reemployment.
- **UW commitment is limited to 40%** of the tenure value at the time of retirement; in partial tenure situations, vested right is only on the tenured portion.
- **Vested right is limited to the 5 academic years** immediately following retirement.
- **State-funded re-employment** must be classroom teaching.
- **More information** can be found on OAP's [Working After Retirement webpage](#).
ADDITIONAL CONSIDERATIONS

- **Retiring prior** to the end of an academic year does not extend the 5-year window; that year counts as Year 1 of the 5-year window.

- **Skipping a year** does not extend the 5-year period.

- **Faculty who retire** before age 62 forego their vested right to re-employ.

- **Faculty who don’t** have a vested right or who are beyond their 5-year vested right window can be reemployed at unit’s discretion.

- **Tenured faculty** with a Department of Retirement Systems (DRS) retirement plan do not have a vested right.

- **The University** retains the right to discontinue reemployment on evidence of failure to meet expectations.

- **Reemployment can be voided** if the reemploying program is eliminated, or in the event of a financial emergency.
OTHER CONSIDERATIONS
ACADEMIC PERSONNEL REEMPLOYMENT POLICIES

• UW policy limits reemployment compensation in any calendar year to 40% of the faculty member’s annualized base salary at the time of retirement
  – 40% compensation limit reflects total compensation from all fund sources and compensation plans

• Reemployed retired faculty members are subject to all applicable Benefits Plan limits and UW policies and procedures
  – Reemployment should adhere to the most restrictive limit
COMPENSATION

• **Base salary** must be the same as at time of retirement

• **The UW bases the 40% limit** on the faculty member’s appointment, service period, and base salary at the time of retirement

• **40% represents the maximum amount** of annual compensation a retiree can receive from all funding sources and compensation plans

• **Compensation** should come from sources appropriate to the nature of the assignment

• **9-month appointees** may request to have history of summer salary included in calculation

• **Reemployed retirees** are not eligible for merit-based salary increases
REHIRING IN WORKDAY

• Choose the appropriate title and rank based on retiree or emeritus status

• For Workday information, see:
  – Hire Emeritus user guide
  – Hire and Change Job For Unpaid Academics user guide
  – Emeritus Employee Type Decision Tree
RESOURCES

Leaving the UW
Emeritus and Retiree Ranks and Titles
Working after Retirement
Working After Retirement FAQ
UW Benefits retirement workshops

Contact your AHR Specialist
Email acadpers@uw.edu
QUESTIONS?