



## **Voluntary Faculty Early Retirement Incentive (ERI) Plan Frequently Asked Questions and Answers**

### **Summary of the Plan**

#### **What is the Faculty Early Retirement Incentive Plan (ERI)?**

William & Mary's Faculty Early Retirement Incentive Plan (ERI or the "Plan") provides eligible tenured instructional and research faculty members an incentive to voluntarily retire from the University.

#### **What is the incentive benefit?**

Eligible employees approved for the ERI will receive an employer contribution to the William & Mary Tax-Deferred Annuity ("TDA") equal to three percent of their base salary multiplied by their years of service up to a cap of \$100,000.

The employee's base salary and years of service are based on data provided by University Human Resources' as of the retirement date. Base annual salary does not include any bonuses, awards, stipends, imputed income, incentive pay, summer pay, or any other supplemental compensation. Employer contributions to the TDA will be made over at least a two-year period commencing on the Eligible Employee's Retirement Date, up to the IRS annual additions limit for the calendar year ("Annual Limit"), until the full Retirement Incentive has been made to the Eligible Employee's account.

#### **What are the retirement dates?**

Two retirement cycles have been approved for the ERI. The first application cycle requires retirement in 2025. The second application cycle requires retirement in summer 2026.

### **Eligibility**

#### **Who is an eligible employee?**

Full-time tenured, benefited faculty members of William & Mary (in active status or on an approved leave of absence) who meet the following requirements are eligible to participate in the ERI if they:

- (i) are participants in William & Mary's Optional Retirement Plan ("ORP"); or
- (ii) are participants in the Virginia Retirement System ("VRS") defined benefit plan or Hybrid Plan; and
- (iii) have reached the age 60 and have at least 10 years of continuous benefited service with the University as of their retirement date. ("Eligible Employee").

No other classes of employees are eligible for the ERI.

**Can I combine my years of service to the Commonwealth with my W&M service if I do not have 10 years of service with the University?**

No. To qualify for the ERI, eligible faculty members must have completed at least 10 years of continuous benefits eligible service at W&M as of their anticipated application date, in accordance with the Code of Virginia §23.1-1302.

**How can I confirm that I am eligible for the ERI?**

The Associate Provost for Faculty Affairs & Development notifies each faculty member who University Human Resources has determined is a potential Eligible Employee based on age, service and full-time status. If you think you meet the eligibility requirements, but don't receive an ERI announcement letter, contact [askhr@wm.edu](mailto:askhr@wm.edu).

**Does my eligibility for the ERI mean that my ERI application will be approved?**

The University may deny an ERI Application for any reason in its sole and absolute discretion if deemed in the best interest of the University.

**Am I eligible if I have already applied for retirement or have agreed to a phased retirement in the Faculty Voluntary Transition Plan (FVTP)?**

You are not eligible for the ERI if you:

- have already applied for retirement; or
- are covered by a written agreement under which you have agreed to terminate employment with the University; or
- have been approved for the Faculty Voluntary Transition Plan.

## Application and Deadline

**How do I apply for the ERI?**

University Human Resources (UHR) will post for Eligible Employees the online application for the ERI. Eligible Employees must complete the ERI application during the open application period and submit it to UHR.

<https://www.wm.edu/offices/uhr/employees/retirees/>

**When is the application period?**

The final application period for ERI plan is March 31<sup>st</sup> – May 16<sup>th</sup>. No late applications will be accepted. An eligible employee who misses the open application timeframe will not be eligible to participate in the Plan.

**What happens after I apply for the ERI?**

UHR confirms eligibility for employees who have submitted an application during the open application period. Deans will review the applications and evaluate the impact to the eligible employee's department. Recommendations will be approved or denied centrally by the Provost and the Executive Vice President for Finance & Administration based on State law restrictions and the University's strategic needs.

**How will I know if my application has been approved?**

UHR will notify eligible employees of the approval or denial of their ERI application.

- If the ERI application is approved, UHR will notify the eligible employee of the approval and provide an ERI agreement. The ERI agreement must be submitted in a timely manner to UHR by all approved eligible employees.
- If the ERI application is denied, UHR will notify the eligible employee.

**Do I have to do anything else if my ERI application is approved?**

Yes, eligible employees must submit their signed ERI Plan Agreement to UHR. An ERI Plan Agreement must be signed and submitted during the 45-day period beginning the day after approval of their ERI Application. Next, an approved employee must apply for retirement working with UHR retirement specialist (VRS or ORP) and, at their retirement date, must complete a Supplemental ERI agreement.

If approved for the ERI, Eligible Employees:

- Will receive an approval notification via email.
- Must schedule an appointment with a UHR Retirement Specialist to discuss applying for retirement.
- Must apply for retirement which is a separate process from applying for the ERI.
- Must timely submit an executed ERI Agreement to University Human Resources. An executed ERI Agreement shall be binding on both the University and the Eligible Employee, subject only to timely revocation as provided in the ERI Agreement.
- Must complete an executed ERI Supplemental Plan Agreement and submit it to University Human Resources no later than forty-five days after their Retirement Date, as applicable, in order to receive the retirement incentive under the ERI.
- If a VRS member, must waive rights to the Transitional Severance Benefits.
- If a VRS member, must agree to withdraw from active membership in VRS.

**If I participate in ERI, am I also eligible for Transitional Severance Benefits under the Workforce Transition Act and ERI?**

No. The ERI is a voluntary incentive program. Transitional Severance Benefits, a Workforce Transition Act program, are available for those involuntarily separated whose positions have been eliminated due to budget reductions where reemployment reassignment is not possible.

## Additional Information

Who can assist me with information about my investments? Eligible Employees may schedule one-on-one sessions with Fidelity, TIAA, and Mission Square consultants to discuss retirement planning.

To schedule a phone consultation, call:

- 800-732-8353 to reach a TIAA Consultant. You may also schedule a consultation at <https://shared.tiaa.org/public/publictools/events/meetingatworkplace#>
- 800-642-7131 to reach a Fidelity Retirement Planner. You may also schedule a consultation at [www.fidelity.com/schedule](http://www.fidelity.com/schedule). Enter “College of William and Mary” for employer prompt.
- 877-327-5261 to reach VOYA/VRS Defined Contribution Plans Service Center. More information is found at [dcp.varetire.org](http://dcp.varetire.org)

Eligible Employees participating in VRS can register for a MyVRS account (<https://myvrs.varetire.org/login/>), from which they can calculate retirement monthly benefit estimates.

### **What happens if I die or become disabled after being approved for the IRP?**

In the event an Eligible Employee becomes permanently and totally disabled after being approved for the Plan and signing the ERI Agreement, but before any or all of the incentive

### **Can I be rehired after I retire?**

An Eligible Employee must agree to retire from all service with the Commonwealth of Virginia and/or any of its agencies effective as of their Retirement Date in order to participate in the Plan. An Eligible Employee must agree to withdraw from active membership under the ORP or VRS as applicable, effective as of their Retirement Date. An Eligible Employee who retires under the ERI may be reemployed by the University or with another Commonwealth of Virginia agency or institution on a part-time, temporary basis in a position not eligible for participation in the VRS or ORP.

However, any reemployment must be in accordance with the Affordable Care Act (ACA) criteria and procedures outlined in DHRM’s ACA Guidance document.

- Reemployment with the University is not permitted unless the Eligible Employee has a bona fide break in service that is at least 26 weeks after their Retirement Date.
- Reemployment with any other Commonwealth of Virginia employer must be after a bona fide break in service that is at least one full calendar month during a period when the Eligible Employee would normally have worked in the job from which they retired.
- The reemployment agreement must be for a limited term. The retiree cannot work more than 29 hours, on average, per week to comply with the Commonwealth of Virginia’s Manpower Control Program.

Future employment may NOT be discussed informally or formally with the University or any other Commonwealth of Virginia or agency employer until after the required break in service is complete.