

2009 Early Retirement Incentive Program University of Northern Iowa

The Early Retirement Incentive Program (ERIP) is a one-time program in which employees have a defined window period for application. This program will provide approved applicants paid health insurance, dental insurance and TIAA CREF benefits for up to five years after their retirement date. The program is voluntary. Each application will be reviewed on an individual basis and will be subject to the approval of the appropriate supervisor, department head, and division head. The request to participate in the program may not be approved if it is deemed not in the best interest of the University of Northern Iowa. Those who are accepted into the program shall start their voluntary retirement effective on the date cited by the applicant on the agreement form.

1. Proposed Benefits:

- (a) Payment of accrued vacation.
- (b) Payment of accrued sick leave, not to exceed \$2,000 in accordance with Iowa Code 70A.23 and AFSCME Collective Bargaining Agreement.
- (c) Health and Dental insurance incentive - The University will contribute the employer and employee shares of health and dental insurance for employee (single) and spouse/domestic partner (additional single) for five years (60 months). After eligibility for Medicare, the university will continue to pay the Incentive at the retiree health and dental insurance rates for the balance (if any) of the five-year period. Employees with additional dependents (beyond spouse/domestic partner) will be provided the opportunity to make additional contributions toward family coverage.
- (d) In the event of the employee's death, the University's obligation to pay the cost of health and dental coverage will cease on the first day of the month following the date of death. The employee's surviving spouse or dependent may elect to continue coverage as provided by law.
- (e) As an alternative to the health and dental insurance benefit incentive participants may elect to receive a lump sum cash payment equal to the net present value of the health and dental insurance contributions specified as an incentive in item 1(c) in lieu of continuing the University's health and dental plans.
- (f) Retirement incentive – The University will contribute the employer's retirement contribution based on her/his annual salary as of May 1, 2009 to TIAA-CREF for five years (60 months).
- (g) In the event of the employee's death, the University's obligation to pay the cost of the TIAA-CREF contribution will cease on the first day of the month following the date of death.

2. **Eligibility** - University regular employees (benefit eligible):

- (a) Must be fifty-seven (57) years of age or older and whose age and years of service equals 70 or more on or before her/his retirement date.

3. **Application Requirements:**

- (a) Employees who meet the eligibility requirement must apply for the ERIP by July 31, 2009. No applications will be accepted after July 31, 2009. The decision to request such a benefit is voluntary and initiated by the employee. Employees who elect to participate will be provided seven (7) calendar days to revoke their election.

4. **Commencement of Early Retirement:**

- (a) Employees must retire between June 1, 2009 and December 31, 2009.

5. **Re-employment:**

- (a) Re-employment into a benefits eligible position during the participation period is not permitted. Such employment may be permitted after the participation period.

6. **Backfill of Vacated Positions:**

- (a) Restricted based upon need.