1. **What is the Special Voluntary Retirement Incentive Program (sometimes herein the “SVRI Program” or “SVRI”)?**

Voluntary retirement incentive programs are often used by organizations who wish to enter into a mutually beneficial separation agreement by providing an incentive for employees to end their employment with the organization. This is often used strategically to reduce the recurring portion of the operating budget. Waivers of liability are usually built into these programs as well. Enrollment is voluntary and is available to employees who qualify based on eligibility requirements.

2. **Who is eligible for UNA’s Special Voluntary Retirement Incentive Program?**

Unless prohibited as described below, all full-time employees are eligible to participate in the SVRI if they are considered “retirement eligible” by the Teachers’ Retirement System (“TRS”) by May 31, 2015. To be considered retirement eligible by the TRS, an employee must:

- Have 25 years of full-time service; OR
- Be at least age 60 with at least 10 years of full-time service.

An employee who satisfies one of the above eligibility requirements by May 31, 2015 may participate in the SVRI even if he or she has already given notice of his or her intention to retire or otherwise terminate employment except as noted below.

3. **Which employees are excluded from participating in the Special Voluntary Retirement Incentive Program?**

The following employees are excluded from participating in the Special Voluntary Retirement Incentive Program:

- Part-Time and Temporary employees, including adjunct, and
- Externally-funded employees.
4. How do eligible employees enroll in the SVRI Program?

In order to complete the enrollment process, the employee must:
- Complete the SVRI Application for Consideration and submit to HR by **noon on December 12, 2014**.
- Complete and sign the Benefits Disclosure and Election Form and submit to HR by **4:30 p.m. on January 16, 2015**.
- Submit the following **IN PERSON** on or before **Friday, April 17, 2015 at 4:30 p.m.**:
  - The SVRI Letter of Intent to Retire effective June 1, 2015
  - An unsigned, completed TRS Retirement Application*
  - Confidential Separation Agreement and Release of All Claims (herein “Separation Agreement and Release”)*

*These documents must be notarized in the Office of Human Resources, so they should not be signed prior.*

5. When can I submit my application?

The SVRI application period begins on November 3, 2014. A completed and signed Application For Consideration must be received in the Office of Human Resources by no later than **noon on Friday, December 12, 2014**.

6. How do I send in my completed forms?

The SVRI Application for Consideration and the Benefits Disclosure and Election Form may be submitted via campus mail, US mail, electronic mail, or in person. The SVRI Letter of Intent to Retire, the completed, unsigned TRS Application for Retirement and the unsigned Separation Agreement and Release must be submitted **IN PERSON** to the Office of Human Resources.

7. What legal agreement will be required?

The Separation Agreement and Release sets out the terms and conditions of the employee's separation from the University. To participate in the SVRI Program and receive the incentives [separation payment(s)], an employee must sign a Separation Agreement and Release, which releases the University from any and all claims, including but not limited to, any and all claims that may arise from the participant’s employment with, or retirement or separation from, the University.

Prior to the execution of the Separation Agreement and Release, the Employee is advised to consult with legal counsel of employee’s own choice. The employee will have at least 45 calendar days to consider the Separation Agreement and Release prior to signing same.
8. Is the Separation Agreement and Release binding?

The employee has seven (7) calendar days to revoke (that is, to cancel) the Separation Agreement and Release after signing it. On the eighth (8th) calendar day after the Separation Agreement and Release is signed, the Separation Agreement and Release becomes a legally binding contract which cannot be unilaterally rescinded or changed by either party.

9. What payment will the employee receive upon retiring from the University through the Special Voluntary Retirement Incentive Program?

Participants in the program will receive:

A. A lump-sum amount, less applicable taxes and deductions. Only an individual’s base salary as of November 3, 2014 will be used to calculate the lump-sum payment. If the individual is receiving a payment outside of base salary (overtime, shift differential, summer pay, stipends, and/or supplements) on the separation date, these payments will not be included in the calculation. The incentive payment will be calculated as follows:

- 2% x Years of UNA Service x Base Salary as of 11/03/14 = Lump-Sum Payment*
- Example: 2% x 25 years x $40,000 = $20,000

B. All accrued and unused annual leave and/or compensatory time (if applicable), paid out in accordance with University policy. The employee will receive the leave payout after a final leave audit is conducted, which is usually approximately 30 days after the separation date.

* not to exceed 100% of base salary

10. Will the SVRI Program be offered annually?

No, there is no plan to offer the SVRI Program in subsequent years. This is a one-time only program being offered to eligible employees.

11. Who can I contact to get more information about the SVRI Program?

General program information can be found on the SVRI website at

Revised: December 8, 2014
12. How will my lump sum annualized salary payment be taxed?

It will be taxed as a supplemental wage payment at the IRS supplemental tax rate of 25%. Additionally, Social Security and Medicare taxes will be withheld up to the taxable wage base limits.

13. Is there a way to delay part of the payment until a subsequent year to minimize the tax impact?

Yes, payment can be made in one lump-sum on June 12, 2015 or in two equal installments, one on June 12, 2015 and the balance on January 15, 2016.

14. Who can I contact if I have additional questions regarding the personal tax and financial impact of the lump sum payment?

The University cannot provide individual tax, financial or investment advice and recommends that you contact qualified tax counsel and financial and investment advisors for assistance with individual questions regarding tax, financial and investment planning.

15. Are the lump sum payments eligible for retirement contributions and service credit?

No, the payments are excluded from the TRS’s definition of compensation, and retirement contributions will not be made.

16. Can contributions be made to my 403(b) or 457 Deferred Compensation account(s)?

Yes, you may contribute to your 403(b) and/or 457 accounts up to the IRS annual limits.

17. When will my university insurance coverage end?

Coverage on all university group insurance plans will end on May 31, 2015. You will have the opportunity to port coverage on an individual basis. You will receive information in the mail from Human Resources detailing these options.
18. Will I be eligible for COBRA insurance?

Yes, you will be eligible for COBRA insurance continuation for a period of up to 18 months. However, upon retirement, you will be eligible to participate in the Public Education Employees’ Health Insurance Program (PEEHIP). COBRA is also available to continue your dental insurance.

19. Will I receive a copy of my forms after my forms have been received by HR?

Yes, you will be provided with a copy of all forms. However, employees are strongly encouraged to make and retain a copy for themselves prior to submission.

20. How will I receive a receipt for an electronic submission?

A copy of the e-mail that transmitted the attached form(s) will serve as your receipt.

21. If I choose to hand deliver, can someone else bring my (A) Application for Consideration, (B) Benefits Disclosure and Election Form, (C) TRS Retirement Application, (D) SVRI Letter of Intent to Retire, and/or (E) signed Separation Agreement and Release to HR during the submission period?

A. Yes. However, be sure that the person obtains a copy of the application form that will serve as your receipt.
B. Yes. However, be sure that the person obtains a copy of the application form that will serve as your receipt.
C. No. You must be present at the time of submission so that the form can be signed and notarized.
D. No. You must be present at the time of submission so that the form can be signed and notarized.
E. No. You must be present at the time of submission so that the form can be signed and notarized.

22. How can I determine the amount I would receive through the SVRI Program?

The Office of Human Resources will provide you with an SVRI Benefits Disclosure and Election Form that details the calculated lump-sum payment and estimated accrued sick leave as of May 31, 2015.

23. Who will calculate the salary to determine my official payout amount?
Human Resources, in conjunction with Business and Financial Affairs, will determine all salary and UNA service periods used in the benefit calculations.

24. Will my election to participate in the SVRI Program serve as my resignation?

No. You are required to turn in to Human Resources the SVRI Letter of Intent to Retire on June 1, 2015, a completed TRS Retirement Application and a Separation Agreement and Release.

25. Can I be rehired by the University at some point in the future as an adjunct instructor?

Any future employment with the University is subject to Section 36-27-8.2 of the Alabama Code (Performance of Duties By Retired Persons).

26. What is the maximum number of accrued annual leave hours I can be paid upon retirement?

In accordance with University policy, you can be paid for up to 320 hours of accrued annual leave.

27. Will I lose accrued annual leave hours in excess of 320 hours at the time of retirement?

Yes.