**United Faculty** **- Separation Incentive Program Spring 2017**

**Questions and Answers (Q&A)**

The following Q&A has been developed to answer some common questions about the Separation Incentive Program. The Separation Incentive Program is under negotiations with all employee groups and must be approved by them and the Governing Board before anything will officially be offered to any group or individual.

**Q - Why is the District considering a Separation Incentive Program?**

A –The District is facing some fiscal challenges and is attempting to cut ongoing spending in fiscal year 2017-2018. A Separation Incentive Program should generate vacancies, and some of those could be not filled, or filled at a lower level, as a way to cut costs. This does not mean that no full-time positions will be replaced. Decisions about replacements will be made at the college level.

**Q – Do I need to resign or retiree in order to participate in the Separation Incentive Program?**

A – Yes, you will need to resign or retire from the District to participate in this program.

**Q – How do I know if I am eligible to retire from the District?**

A – In order to be eligible to retire from the District, you must be eligible to retire from STRS or PERS.

**Q – What are the terms and conditions of the Separation Incentive Program?**

A – The following are the terms and conditions of the Separation Incentive Program.

* Notification of the intent to separate under the program by the employee must be submitted on the Request to Separate Form no later than 4:30 PM on Monday April 3, 2017.
* The requested separation date (last day of work) must be on or between April 4, 2017 and June 30, 2017.
* Requests to separate become void should the Separation Incentive Program not have a net savings.
* Requests to separate are irrevocable should the Separation Incentive Program have a net savings and thus go into effect.
* The separation incentive provides $1000 per year of full-time service prorated by FTE, up to a maximum of 20 years of credit.
* Employees must have at least 5 years of full-time District service to be eligible.
* If the Separation Incentive Program is offered, those granted a request to separate will not be considered for permanent employment in the District for two years.

**Q – If I plan to retire under this incentive, what date should I list as my date of separation?**

A – You may select any effective date between April 4, 2017 and June 30, 2017, but the last of day of instruction for 2017 is May 26, 2017, and many faculty will choose to list this date as the effective date of separation on their Request-to-Separate form so that their retirement will officially begin on the first day after classes end.

**Q – If I resign from the District will I still be eligible for medical and dental coverage through the District when I retire from STRS or PERS?**

A – No, in order to be eligible for medical and dental benefits from the District you must retire from the District.

**Q - How does the Separation Incentive Program impact my STRS or PERS pension?**

A –The Separation Incentive Program does not offer any additional service credit for STRS or PERS.

**Q – What are the cutoff dates if I want to participate in the Separation Incentive Program?**

A – Notification of the intent to separate under the program by the employee (on the Request-to-Separate Form) must be received at the District Office no later than 4:30 PM on Monday April 3, 2017.

**Q – Do I have to resign or retire at a certain time to be approved for the Separation Incentive Program?**

A – Yes, the requested separation (last day of work) date must be on or between April 4, 2017 and June 30, 2017. Please see the terms and conditions for more information.

**Q – When will I know if the Separation Incentive Program will be offered?**

A –The District will do a financial analysis and send notices out to all applicants by the week of April 24, 2017. If the analysis shows that there is a savings to the District, the Separation Incentive Program will be offered. If there is no savings, the Separation Incentive Program will not be offered.

**Q – If I submit a request form to participate in the Separation Incentive Program and it is offered, can I change my mind and not resign or retire?**

A – No, once an application for the Separation Incentive Program has been submitted it cannot be revoked if the Separation Incentive Program is offered.

**Q – If the analysis is done and the Separation Incentive Program is not offered, do I still have to resign or retire?**

A – No, if the Separation Incentive Program is not offered, all the applications and requests will be voided. If you still want to resign or retire another request must be generated. You may also stop or reverse any retirement actions started with PERS or STRS.

**Q – If I participate in the Separation Incentive Program and it is approved, can I still work in the District?**

A – You will not be considered for any permanent (full-time) position in the District for two years after your date of separation. However, you may apply to teach part-time after retirement or separation.

**Q – I don’t know if my STRS or PERS allowance will be enough. How do I find out?**

A – Because the Separation Incentive Program does not involve STRS or PERS, the District is not coordinating anything through them. You need to contact the appropriate agency and review your status with them. You can do this by phone or by appointment by contacting STRS at 800-228-5453 or PERS at 888-225-7377.

**Q – Are there ways to take the incentive that would lower my tax liability?**

A – Yes, you may be able to deposit your incentive-money into a tax-deferred 403b or 457 plan, if you have not already reached your contribution limit for those plans.

**Q – Can I use my A/C or banked load to get credit for more than one year in a single calendar year if I am cashing out now in order to retire?**

A – No, only full-time, “A” load will count toward the incentive. No more than one year of credit can be earned in a single calendar year.

**Q – What happens if the incentive goes into effect but not until April 24th? Does this mean I can't retire effective April 10 as an example?**

A – No, the final analysis will be completed the week of April 24th, but your resignation or retirement date can be any day between **April 4, 2017 and June 30, 2017.**

**Q – If I list April 10, 2017 as my last day of work, and then I don't receive confirmation from the District that the incentive has gone into effect until the week of April 24th, will this affect my situation with STRS?**

A – No, if you are taking the incentive and also retiring with STRS, your retirement date is the day they will use.

**Q – What if the incentive does not go into effect? Will STRS penalize me or force me to retire?**

A – No, there is no penalty from STRS if the incentive is not offered, and you may stop your retirement in June by contacting STRS.