

VCU Faculty Early Retirement Incentive Program (FERIP)
IMPLEMENTATION GUIDELINES
General Process of Preparation and Approval of FERIP Agreements

Application:

1. The application consists of the faculty member's request to be considered for participation in the FERIP, as well as the recommendations of the department chair and dean.
2. The application period begins on the date the eligible faculty member submits a request to be considered for participation in the FERIP through the date the respective vice president makes a final decision on the application.

Timetable:

1. Each year that the FERIP is offered, the VCU Office of Budget, Analysis, and Financial Planning will advise on the number of slots that may be allocated. The Provost and Sr. Vice President for Academic Affairs and the Sr. Vice President for Health Sciences will consult on the preliminary distribution of available slots between campuses, and, if appropriate, whether any schools/colleges or departments are to receive special consideration.
2. A list of eligible faculty members will be provided to deans no later than **September 17**. Deans will then immediately notify all eligible faculty in their school/college.
3. An annual application period will be established by the university administration each year in which the program is offered. Until further notice or informed otherwise by their dean/department chair, faculty who desire to participate in the FERIP must submit applications through their school/college by **October 20**.
4. Deans will confer with their department chairs and make recommendations regarding proposed applications to the Provost and Sr. Vice President for Academic Affairs or the Sr. Vice President for Health Sciences, as applicable, not later than **November 17**. These recommendations must be in writing and must address selection criteria as well as specify how the ongoing instructional and research requirements of the school/college will be met in the event applications are approved.
5. In the event that the number of eligible applicants exceeds the number that the dean determines the school/college can support, or upon consideration of other circumstances, the dean may either (1) decide which applications will be submitted for approval, or (2) choose the option of referring the names of all eligible applicants and appropriate documentation, requesting that a university panel be appointed by the Provost and Sr. Vice President for Academic Affairs and the Sr. Vice President for Health Sciences in consultation with the President of the Faculty Senate. The panel would then determine which applicants from the particular school/college should be recommended to the respective Sr. Vice President.

6. By **December 15**, the Provost and Sr. Vice President for Academic Affairs and the Sr. Vice President for Health Sciences will make recommendations regarding the proposed agreements. These decisions will then be communicated to the respective deans.
7. By **January 15**, all faculty who have applied will be notified in writing by their dean whether acceptance of their respective application has been approved or disapproved. Those faculty selected to participate will receive a FERIP agreement from the respective senior vice president's office and will have 30 days from the date of the agreement to accept or decline.
8. The Provost and Senior Vice President for Academic Affairs has the authority to make exceptions to this timetable if he/she determines that such exceptions are justified and necessary.

Funding:

The funding source of each approved FERIP application will be the position budget from which the retiring faculty member is separating. If the participant's salary is paid from grant or contract funds, the share of the costs attributable to that fund source must be absorbed by other fund sources within the school/college. The cost includes the incentive payment plus FICA tax, as well as a \$300 monthly health care supplement until the participant is Medicare-eligible. Costs may also include the payout of any eligible annual leave balance upon separation from employment.

Health coverage:

1. Retiring or separating faculty will receive a health care supplement until the participant becomes Medicare eligible (currently age 65). The amount of the health care supplement is \$300 per month and will be paid through the Virginia Commonwealth University Supplemental Retirement Plan for Faculty ("Plan").
2. In the event a FERIP participant who is receiving the health care supplement dies, the health care supplement is discontinued.

Payroll and Benefits Process:

1. VCU Human Resources will offer consultation for eligible FERIP participants. The university, however, will not provide tax-counseling services.
2. FERIP recipients who elect Retiree Health Care coverage or enroll in Extended Coverage (COBRA) must work with the VCU Human Resources Office of Benefits Administration to discuss the appropriate process and timeframe.
3. The Office of Benefits Administration will administer benefits pursuant to the executed FERIP agreement and will notify the VCU Payroll Office of the effective date of the faculty member's retirement or separation.
4. The Office of Benefits Administration will discuss the length of eligibility for the health care supplement with the retiring or separating faculty member, as applicable.

5. The VCU Payroll Office will include the retiring or separating faculty member in the FERIP distribution tracking system. This office will also monitor any health care supplement and terminate the supplement when the FERIP participant becomes eligible for Medicare (currently age 65) or when the participant dies.
6. A separating faculty member who participates in an Extended Coverage (COBRA) Plan is responsible for ensuring that the VCU Payroll Office is informed as to the plan and premium amount.
7. If a Participant dies after the first year of participation and before all the payments under the FERIP agreement have been made, the remaining payment(s) shall be distributed at the same frequency as prior to the Participant's death. The University, in its sole and absolute discretion, may distribute any remaining payment(s) as a lump sum. If the FERIP participant dies during the first year of participation, the university may distribute any remaining payments over a two-year period or at the same frequency as prior to the Participant's death.

Revision History:

Aug. 2000
May 2002
May 2005
Nov. 2008
July 2012
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July 2018
Sept. 2025