University of Massachusetts Amherst Retirement Incentive Plan

This is to announce that the University of Massachusetts (“University”) is implementing a UMass Retirement Incentive Plan (“URIP” or “Plan”). Information on eligibility to participate in the Plan is enumerated below. This is a University of Massachusetts System-wide plan with some campus-specific elements that will provide incentives which; (1) will not increase a state retirement formula or pension, and (2) when additional compensation is provided as the incentive, it will be considered taxable income.

I. ELIGIBILITY

University of Massachusetts Amherst faculty members and librarians (including non-unit faculty members and librarians) who are active or on an approved leave of absence with or without pay from the University, are eligible to participate in this Plan if the faculty member/librarian:

a. has not already submitted an intent to resign and/or retire from the University, prior to the April 4, 2016 announcement date of the URIP (note that a person who has already submitted an intent to resign or retire will not become eligible by rescinding such notice);
b. will have completed 32 or more years of creditable service with the Commonwealth of Massachusetts by June 30, 2017;
c. timely files a completed University of Massachusetts Retirement Incentive Plan; and Application Form (see attached) (the “URIP Application Form”), as described below.

II. APPLICATION AND PARTICIPATION PROCESS

To apply for this URIP, a UMass Amherst faculty member/librarian must:

a. No later than July 31, 2016, submit a completed URIP Application Form; and
b. No later than July 31, 2016, notify the University in writing of his/her irrevocable resignation from the University, effective August 31, 2016 or upon the completion of the academic term in which 32 or more creditable years of service is achieved, but in no event later than August 31, 2017. (Note a potential exception to this date in Alternative 2 below.) This notification must be made in accordance with the Notification of Resignation Form (see attached) and the completed form should be submitted along with the URIP Application Form noted above.

III. ALTERNATIVE PROVISIONS OF THIS PLAN

Alternative 1: The University of Massachusetts Amherst will pay a retirement incentive bonus in the gross amount of $25,000 to eligible faculty members/librarians that elect to participate in Alternative 1 of the Plan. No other retirement incentives may be provided to an eligible faculty member or librarian who elects this alternative.
The University will accept notice of resignation (Section II b above) as sufficient notice pursuant to language outlined within the member’s collective bargaining agreements at the University. Although the University in no way determines actual retirement allowances, upon information and experiences, please be aware that the retirement incentive bonus will not add to an individual’s base salary or in any way add creditable service for the purpose of determining the individual’s retirement allowance under either the Massachusetts State Employee Retirement System (MSERS) or the Massachusetts Optional Retirement Programs.

**Alternative 2:** As an alternative to the incentive plan described above, the Amherst campus offers an eligible faculty member or librarian\(^1\) the opportunity to negotiate the terms of an individual retirement incentive arrangement with her/his dean with these restrictions:

a. The gross incentive bonus offered under this model cannot exceed $15,000 and may be less.

b. The incentive may consist of non-cash terms, such as a temporary post-retirement appointment, which will be subject to and in conformity with the earnings limits imposed by MSERS on a pension recipient.

c. The incentive may include the combination of a cash bonus and non-cash terms.

d. The incentive may include a retirement date later than August 31, 2017 only if no cash bonus is included as part of the incentive.

e. The individually negotiated terms are subject to approval by the Provost in all cases and by the Massachusetts Society of Professors if the faculty member or librarian is a bargaining-unit member.

IV. **PAYMENT**

Payment of any bonus provided for by the Plan will be made no later than 60 days from the last date of employment as a benefited employee.

V. **RESTRICTIONS/LIMITATIONS**

a. Payment in lieu of Sick Leave or the Longevity Bonus, as allowed per the employee’s applicable contract, shall not be paid until verification of the member’s retirement is made. The campus Human Resources Office will assist any eligible employee in providing information regarding his/her application for the University of Massachusetts Amherst Retirement Incentive Plan. Prior to contacting HR, please consult these helpful websites: [http://www.umass.edu/humres/instructions-all-benefited-employees-2](http://www.umass.edu/humres/instructions-all-benefited-employees-2) and [http://www.umass.edu/humres/post-retirement-earnings-work-limitations-mers-retirees](http://www.umass.edu/humres/post-retirement-earnings-work-limitations-mers-retirees)

These sites offer resources regarding the:
- retirement application process,
- impact of retirement on benefits, and
- post-retirement earnings/hourly work limitations.

b. For employees who are claiming creditable service from Commonwealth of Massachusetts institutions/agencies other than the University, it shall be the individual’s responsibility to attain such documentation supporting their claim.

c. A participant’s decision to resign from the University under the URIP is irrevocable. A URIP participant cannot later accept a benefited employment position within the

\(^1\) Although the incentive is different under this model, the eligibility requirements are the same.
University, including any campus of the University or organization owned by and/or directly related to the University.

d. It is understood that the Massachusetts State Board of Retirement or the plan administrator for the ORP will be responsible, and the final authority for any information regarding the amount of the retirement allowance, years of creditable service for purposes of retirement, retirement options and any other retirement-related issues.