

# 2024 Optional Voluntary Retirement Incentive Program



# Optional Retirement Incentive Program 2024

***The Optional Voluntary Retirement Incentive Program (OVRIP) is a one-time opportunity for employees who elect to retire by participating in the Program and are currently eligible based on age and/or years of service.***

# Agenda

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## General Description

***Limited-time opportunity for eligible employees to apply for optional voluntary retirement program***

- **Applications accepted from March 15th, 2024 through April 29, 2024**
- **Employee and University sign a voluntary retirement agreement**
- **Retirement effective June 30, 2024**

# Eligible Employees

***Fulltime Faculty and Staff employees who meet the following criteria as of June 30, 2024:***

- **At least 60 years of age**
- **At least 10 years of continuous fulltime service\* with A-State**

- \* ***“Continuous Fulltime Service” means years of service from first full day of continuous employment at the University. Breaks in service during employment and prior years of service from another State (Arkansas) agency or institution will not be counted.***
- \* ***Individuals in Grant Funded positions are not eligible for the program***

# Retirement Program

1. Retirement Payout
2. Medical Plan Continuation\*
3. A-State Retiree Status
4. Unused Paid Sick Leave
5. Unused Paid Annual Leave

\* Until age 65, become Medicare-eligible, or become eligible for similar benefits under any other arrangement for members in a group, whether insured or self-insured

# Retirement Program

## *Retirement Payout\**

**50% of Annual Base Salary for Fiscal  
Year 2024 \***

**Distributed in two equal payments  
deposited into 403(b) or 457(b)  
on July 1, 2024 and July 1, 2025**

**\* Exclusive of other compensation, fringe benefits, bonus and enhancements – “Salary”**

*The total amount available for distribution is determined in compliance with Arkansas code. If total employee payouts exceed the allowable amount, the payments will be reduced proportionally.*

# Benefit Information

## *Medical Plan Continuation*

**Option to continue current medical plan until age 65 or becoming Medicare-eligible, or become eligible under another group arrangement**

- Includes option to continue coverage for spouse and eligible dependents
- Premium one-half of total cost
  - One-half of total cost consists of one-half of A-State paid premium and one-half of employee paid premium

**Option to continue current participation in dental and/or vision insurance at full premium cost.**

- Includes option to continue coverage for spouse and eligible dependents, if covered at time the employee retires



# Benefit Information

## *ASU Retiree Status*

### **Retiree status offers individuals:**

- **A-State paid life insurance and accidental death and dismemberment benefits equal to the scheduled amount at the time of the retirement continue at no cost to the retiree until age 65 or becomes Medicare-eligible**
- **Tuition discounts will be available for the retiree, the retiree's spouse and unmarried eligible dependent children in the amount in effect for existing University employees**
- **May retain one A-State campus parking permit through Parking Services**
- **One free lowest cost reserved season ticket to all athletic and University sponsored events held on University campus**
- **Library borrowing privileges are available to retirees**

# Benefit Information

## ***Unused Paid Sick Leave***

- **Paid separately from OVRIP payment**
- **Maximum payout cannot exceed \$7,500**
- **Compensation paid in the amounts authorized by Arkansas law in effect on date of retirement**

# Benefit Information

## ***Unused Paid Sick Leave***

**Compensation of unused sick leave time calculated as follows:**

<b>Sick Leave Days Accumulated</b>	<b>Receive Amount Equal To</b>
At least 50 but < 60	50% of accrued days x 50% of daily salary*
At least 60 but < 70	60% of accrued days x 60% of daily salary*
At least 70 but < 80	70% of accrued days x 70% of daily salary*
80 or more	80% of accrued days x 80% of daily salary*

- \* **Accrued (sick leave) days are rounded to the nearest day**
- \* **Employee's Daily Salary = Annual Salary ÷ 260**

*Compensation calculations per Arkansas Statutes and Codes 21-4-501*

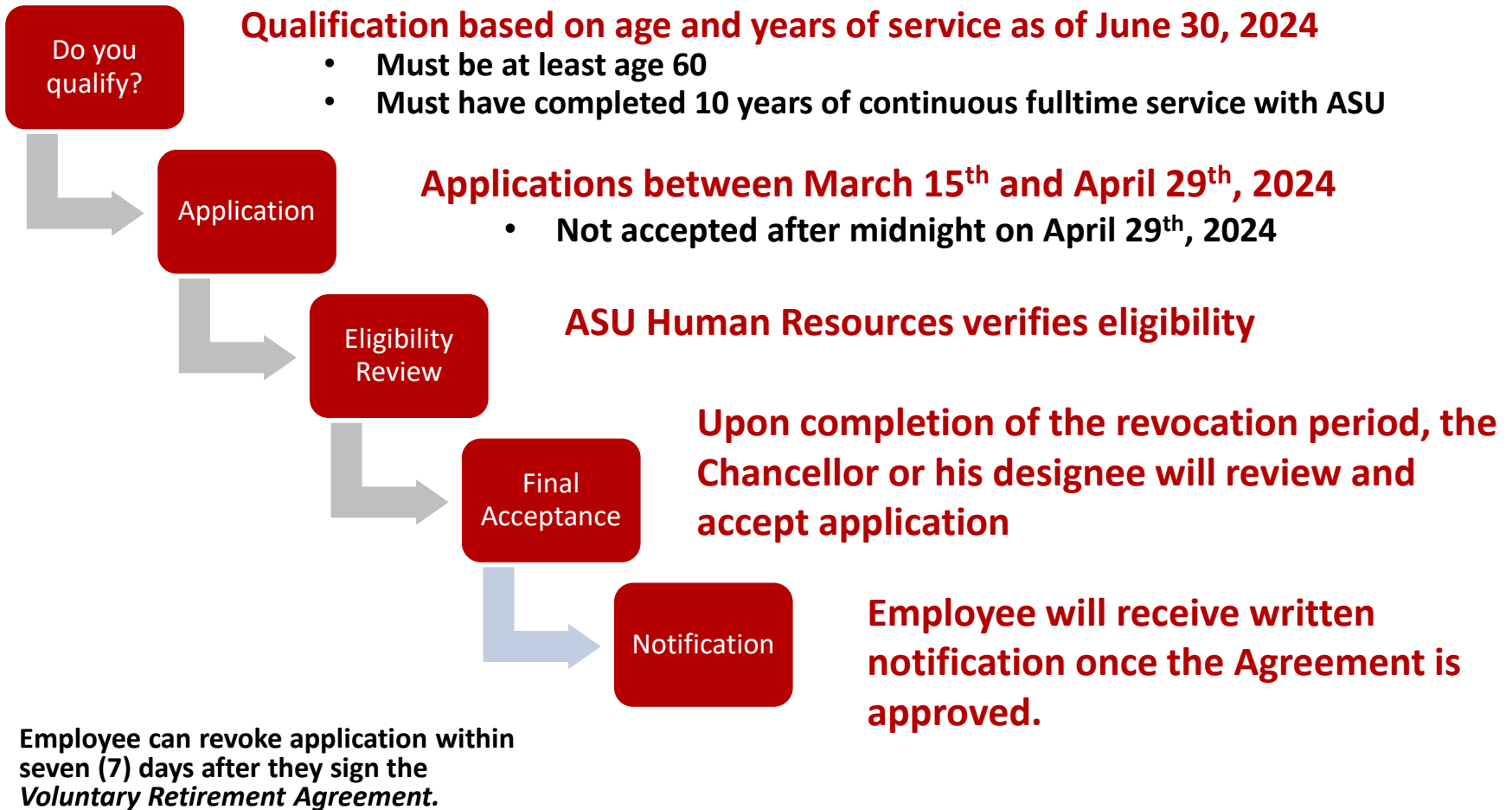
# Benefit Information

## *Unused Paid Annual Leave Time*

**Employees who elect to participate in the OVRIP will be paid for their remaining annual leave hours up to a maximum of 240 hours.**

- **Amount paid will be equal to the individual's hourly rate of pay times the number of eligible annual leave hours**
- **Any remaining annual leave hours over the maximum number allowed will be donated to the catastrophic leave bank unless the employee requests that they be forfeited**
- **Annual leave payment will be paid separately from the OVRIP payment**

# Application & Review Procedures



# Voluntary Retirement Agreement

- **Election to voluntarily resign position with A-State**
- **Forty-five (45) calendar days to consider participation in the Program**
- **Employee may revoke agreement within seven (7) days of signing and submitting**
- **Legally binding contract for both A-State and the employee**
- **Agreement null and void if individual is terminated for cause from the University**

# Re-employment with ASU

- **Future employment with A-State is not guaranteed**
- **Must exhaust the number of days for which he/she was awarded annual leave pay upon separation**
- **Some retirement programs (i.e. APERS, ATRS) may have a specified waiting period before an employee may return to work**

# Resources

## **MEDICARE**

1-800-MEDICARE  
or 1-800-633-4227

<http://www.Medicare.gov>

## **East Arkansas Area Agency on Aging**

870-972-5980

<http://www.e4aonline.com>

## **Social Security Administration**

866-842-7369

1809 Latourette Drive  
Jonesboro, AR 72404

[www.socialsecurity.gov](http://www.socialsecurity.gov)

## **TIAA-CREF**

800-842-2733

<https://www.tiaa-cref.org/public/index.html>

## **VALIC**

800-488-2542

[https://www.valic.com/home\\_3240\\_422903.html](https://www.valic.com/home_3240_422903.html)

## **APERS**

800-682-7377

<http://www.apers.org>

## **ATRS**

800-666-2877

<http://artrs.gov/>



# Optional Voluntary Retirement Incentive Program

**Arkansas State University will not engage in discrimination against any individual because of**

*Color, sex, sexual orientation, gender identity, race, age, national origin, religion, marital status, veteran status, genetic information or disability*

**and will comply with all federal and state nondiscrimination, equal employment and affirmative action laws and regulations.**