



Below are some important facts about FERP participation and retirement. The source of much of this information is Article 29 of the Collective Bargaining Agreement between the Board of Trustees of CSU and CFA, which you are encouraged to read in its entirety.

## **RETIREMENT FROM CALPERS BEFORE ENTERING FERP**

Service retirement must begin concurrently with or prior to the beginning of the campus academic year in which FERP participation will begin. The faculty member must initiate the service retirement process by submitting a Service Retirement Election Application form to CalPERS no more than 90 days before retirement date.

*A Guide to Completing your CalPERS Service Retirement Election Application*” may be [downloaded from the CalPERS website](#) or obtained from the campus Benefits Unit.

The notification of your intent to FERP does not constitute an application for retirement.

## **FERP NOTIFICATION**

Written notification of an eligible tenured faculty member’s or tenured librarian’s intent to FERP must be delivered to the Office of Academic Personnel at least six months prior to the beginning of the academic year that FERP participation would begin. Copies of completed and approved notification forms should be sent to the department chair and dean. Because the academic year generally begins in mid-August, the deadline for notification is the previous mid-February. This notification does not constitute application to CalPERS for retirement. Please see Retirement from CalPERS **before entering** FERP, below.

The Notification of Intent to FERP form is available on the [Office of Academic Personnel](#) website.

## **A FRESH START AS A FERP PARTICIPANT**

As a FERP participant, you are a retiree in the CalPERS retirement system and, as such, have separated from CSU employment. (Please contact your department to find out more about the Separation Clearance process.) This means that prior to your first FERP teaching term, you must report in person to the Human Resources Service Center at Kendall 220 to complete paperwork as though you were a new employee. You will be required to provide documents that establish identity and documents that establish employment eligibility or a document that establishes both. You may call the Human Resources Service Center at 898-6771 for a list of acceptable documents. You will not be required to complete health and dental enrollment paperwork because, as a retiree, these benefits are provided to you by CalPERS.

## **SICK LEAVE CARRY-OVER**

At the time of service retirement and appointment in FERP, you may elect to carry a maximum of forty-eight hours of sick leave into FERP. This would reduce your accumulated sick leave by that amount for service retirement credit. Notify the campus Payroll Department in writing if you wish to retain a sick leave balance at the time of your retirement. Including any sick leave carry over, FERP participants accrue sick leave for each qualifying pay period of FERP employment, up to a maximum of 160 hours. Any unused sick leave balance that exists at the end of FERP participation is lost

The [Sick Leave Carryover form](#) for this purpose may be downloaded.

## **TAX SHELTERED ANNUITY CONTRIBUTIONS FROM FERP PAY**

As a FERP employee you are eligible to have Tax Sheltered Annuity contributions taken from your FERP paychecks. Deductions for TSAs from settlement pay must have a pre-authorization on file with the Payroll Office. You may access the [Chancellor’s Office third party administrator](#). You will need to log-in with your CSU, Chico Portal user name and password.

## **457 DEFERRED COMPENSATION PLAN**

FERP participants are eligible to participate in a 457 Deferred Compensation Plan or 401(k) thrift plan. For information please visit the [Savings Plus website](#).

## **LEAVES WHILE PARTICIPATING IN FERP**

If medically necessary, a participant shall be granted one leave of absence without pay for personal illness for all or part of the period of employment. However, the CSU is required to comply with both the federal Family and Medical Leave Act (FMLA) and the California Family Rights Act (CFRA). Thus, FERP participants, like everyone who has been employed by the State for 12 months or more, are eligible for Family Medical Leave (FML) and CFRA leave for any of the following three reasons:

- To care for a child following birth or placement with the employee for adoption or foster care;
- To care for the employee's spouse, child, or parent (not a parent-in-law) who has a serious health condition; and
- If the employee is unable to perform the essential functions of his/her job due to a serious health condition.

The maximum entitlement under FMLA is 12 weeks in a rolling 12-month period that begins with the date the employee's FML begins.

## **FERP EARNINGS**

FERP earnings are paid according to the same academic pay plan as for active employees. FERP participants teaching for one semester each academic year will receive six consecutive equal pay checks. FERP participants teaching for an entire academic year (no more than half time) will receive twelve consecutive equal pay checks.

FERP earnings are not subject to Social Security. FERP participants who had continuous service as CSU active employees prior to April 1, 1986 are exempt from Medicare Tax. Federal and State taxes will be deducted from your earnings paid through the State Payroll system while you participate in the Faculty Early Retirement Program. At the beginning of each semester of FERP you should confirm at the Human Resources Service Center, Kendall 220, the withholding allowances you are requesting. An Employee Action Request form will need to be completed indicating the allowance status you are requesting. All taxable gross earnings paid and withholding taxes deducted from payments will be included in the withholding tax records (W-2) for the tax year of the issue dates of the warrants. W-2s from the State Payroll system are issued approximately January 15 each year.

FERP participants are governed by the Unit 3, California Faculty Association Collective Bargaining Agreement. Appropriate salary increases are issued based on the salary provisions as determined by the Agreement.

## **FEE WAIVER BENEFITS AND FERP**

FERP participants are eligible for Fee Waiver benefits during their teaching semesters. Under the Fee Waiver program, FERP participants may take classes themselves or transfer their benefit to a spouse or eligible dependent, meeting all of the normal requirements of this benefit program.

If you have questions regarding the Faculty Early Retirement Program, please contact the Office of Academic Personnel at 898-5029. If you have questions regarding pay earned during FERP participation, you may call the Payroll Office at 898-6771. If you have questions regarding CalPERS retirement, please call the Benefits Unit at 898-5436, the CalPERS Regional Office or visit the [CalPERS website](#).

## **CALPERS EMPLOYMENT AFTER RETIREMENT**

The FERP "period of employment" shall refer to one academic term not to exceed a total of ninety workdays or 50% of the employee's regular time base in the year preceding retirement for any CalPERS agency. Calculations of such period of employment shall include days worked in summer session/special session or CSU extension that do not coincide with the period of employment. For the permissible "period of employment" for Librarian Faculty Unit employees, please refer to Article 29.9 of the Unit 3 collective bargaining agreement. Thus, a FERP participant may teach as much as full time for one semester or half time for the entire academic year. The final decision regarding which period of employment the retiree will work rests with the dean. All CSU campuses are CalPERS agencies.

## **DENTAL AND VISION BENEFITS**

As a FERP participant you may be entitled to Dental and Vision Benefits. Contact the Benefits Unit at 530-898-5436 or visit [Benefits Website](#).