

SUMMARY OF FACULTY RETIREMENT INCENTIVE PROGRAM

Original Faculty Retirement Incentive Program (prior to February 23, 2009)

Age at retirement	FRIP Benefit*	Total value
60-66	2X salary paid at retirement	2X salary
67-69	1X salary paid at retirement	1X salary

FRIP Transition Plan available for election by faculty from February 23, 2009 to August 31, 2009 with retirement no later than March 15, 2010**

Age at retirement	FRIP Benefit*	Total value
60-64	2X salary paid at retirement	2X salary
65 and above	2X salary plus special retirement incentive of 0.5X to 1X salary, depending on years of service, paid at retirement	2.5X to 3X salary

New Faculty Retirement Incentive Program (effective September 1, 2009)

Age at retirement	FRIP Benefit*	Total value
63-67	The faculty member will retire and immediately will be recalled to service at 50% FTE for two years. During each year of recall service, the faculty member will receive payments equal to full salary, comprised of one-half in recall salary and one-half in FRIP benefit. The remaining FRIP benefit of 1X salary will be paid in a lump sum after completion of recall service.	3X salary (2X FRIP benefit + 1X recall salary)
68-71	The faculty member will retire and immediately will be recalled to service at 50% FTE for one year. During the year of recall service, the faculty member will receive payments equal to full salary, comprised of one-half in recall salary and one-half in FRIP benefit. The remaining FRIP benefit of 0.5X salary will be paid in a lump sum after completion of recall service.	1.5X salary (1X FRIP benefit + 0.5X recall salary)

Examples:

If you are 64 and your base salary is \$100,000 at the time of retirement, you will be recalled to work two years at 50% FTE and get paid \$100,000 each year. Then at the end of your two years of recall service you will get paid the remaining FRIP benefit of \$100,000. You will receive a total of \$300,000 in FRIP benefit and recall salary. If you are 71 and your base salary is \$100,000 at the time of retirement, you will be recalled to work for one year at 50% FTE and get paid \$100,000 for that year. Then at the end of your recall service you will get paid the remaining FRIP benefit of \$50,000. You will receive a total of \$150,000 in FRIP benefit and recall salary.

* Salary means the monthly salary of record and does not include supplemental compensation. The payment will be calculated on the base monthly pay at the time of retirement. For the School of Medicine, the FRIP calculation (other than the "special retirement incentive") includes base pay plus the average variable pay for the three years preceding retirement

** There generally will be no opportunity for recall under the FRIP Transition Plan unless the dean requests that a faculty member be recalled to meet a specific programmatic need, fulfill grant requirements or provide other institutional service. Phased retirement programs that have been offered in some schools at the dean's discretion will not accept new participants effective February 23, 2009.