



OREGON PUBLIC UNIVERSITIES OPTIONAL RETIREMENT PLAN (ORP)

Retired Participant Information

ATTENTION

Notify the Southern Oregon University benefits office if you are an ORP participant and you plan to, or have already, retired.

1. A Retired Participant must have an employment termination date recorded in the Human Resources Information System (Workday) by the campus benefits or payroll office.
2. An ORP Participant becomes a Retired Participant in either of two ways:
 - a. The participant terminates employment after reaching ***normal retirement age*** and withdraws any portion of an ORP account; or
 - b. Participates in a ***retirement incentive program*** that includes tenure reduction/relinquishment or a formal early retirement incentive program of the institution.
3. A Retired Participant receives no ORP contributions for work performed as a Retired Participant.
4. A Participant may receive ORP account distributions before reaching normal retirement if the Participant has terminated employment with the SOU and all of the other Oregon Public Universities. Participants older than the normal retirement age¹ are eligible to take distribution of their vested ORP accounts if employed by any of the Oregon Public Universities, except that distributions will stop if a Retired Participant again becomes an Active Participant in the ORP.
5. **Post-Retirement Work Limit and Future ORP Contributions**
The ORP does not authorize or limit how many hours a Retired Participant may work in each calendar year. Instead, a Retired Participant who is rehired will lose Retired Participant status and will re-enter the plan as a new Active Participant after serving a six month waiting period in a Qualifying Position during which employment is uninterrupted by 30 days or more. The six month waiting period may start only after the end of any period of participation in a retirement incentive program, which includes any period of post-retirement work or benefit provided by the program. A Retired Participant cannot receive ORP contributions for any post-retirement employment with any Oregon public university before completing the six month waiting period and re-establishing Active Participant status.

Note: PERS retirement does not constitute retirement from the Optional Retirement Plan.

¹Normal retirement is 55 years of age or 30 years of service, effective July 1, 2018.

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OPTIONAL RETIREMENT PLAN – RETIRED PARTICIPANTS

Procedures for Academic and Administrative Offices

Academic and Administrative offices of the university are required to take the following actions to ensure that ORP Retired Participants who are participating in a retirement incentive program such as but not limited to tenure relinquishment or an early retirement incentive program, are correctly recorded as ineligible for contributions to the ORP.

Academic Departments and Personnel:

- 1) Notify your university benefits office when any new tenure reduction/relinquishment agreement or early retirement incentive program agreement is finalized. Provide the following information:
 - a) Date the tenure relinquishment agreement was fully executed and effective;
 - b) Date that regular employment ends, i.e. the effective retirement date;
 - c) If post-retirement work is included as part of the agreement:
 - i. The starting and ending date (calendar date, not term) of the full period during which the individual will be offered the opportunity to accept or decline post-retirement work; and
 - ii. The number of hours that the individual may work in each calendar or academic year (please specify the type of year – the Plan operates on a calendar year basis).
 - iii. Note: any current post-retirement work for another Oregon public university that is in addition to the terms of a tenure relinquishment agreement is subject to the same ORP Retired Participant provisions.

- 2) Provide both the Summary for Employees in a Retirement Incentive Program and the Retired Participant Information sheets to every faculty member who is participating or is considering entering into a retirement incentive program (such as tenure reduction/relinquishment agreement or a formal early retirement incentive program of your institution).
 - a) Some employees may be ORP Participants and also members of PERS.
 - b) The rules for each retirement plan apply separately, and they differ from each other.
 - c) Your university benefits office can help you confirm if the employee is uncertain which of the retirement pension plans' rules apply.

Administrative Departments and Personnel:

- 1) When notified of a new tenure relinquishment agreement, identify any ORP participant to the academic administrator to ensure the Participant has received both the Summary for Employees in a Retirement Incentive Program and the Retired Participant Information sheets named in 2) above.

- 2) Once you have confirmed that an ORP participant will retire, follow ORP Procedure – Retired Participants that is on the OPURP.org administrator's website (restricted to approved users or available on request to Retirement Plans Management (UO)).

Follow the procedural outline, Workflow for Administrative Decision-Making, and Events-Based Action Summary for complete administrative procedures and information to guide identification, recordkeeping, and administration of contributions, distributions, and re-employment of retired participants of the Optional Retirement Plan.

Addendum – Model Language

Provisions for Retired Participants
of the
OREGON PUBLIC UNIVERSITIES OPTIONAL RETIREMENT PLAN

Include this information about the interaction of the Optional Retirement Plan (ORP) with retirement incentive agreements that may include but is not limited to the tenure relinquishment/reduction and formal early retirement programs of the institution.

The following information should be added alongside any statements you make about PERS in the materials you provide to employees who are considering retirement or who have retired under an incentive program of your institution.

“Participation in this retirement incentive program has the effect of ending all contributions to your ORP account, and delays distributions from your ORP account. The effects of different agreements vary based on the facts and specific provisions of each retirement incentive agreement. Contact the Southern Oregon University benefits office for informational materials that explain the way that the ORP interacts with, and is affected by, your retirement incentive program.”

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Summary for Employees in a Retirement Incentive Program

*This summary provides an overview of provisions of the Optional Retirement Plan for a Participant who enters into a **retirement incentive program**, including but not limited to tenure relinquishment/reduction agreements or an early retirement program of Oregon Public Universities.*

It includes information to help an ORP Participant interpret how a retirement incentive program affects Optional Retirement Plan benefit distributions. In the case of any conflict between this summary and the Optional Retirement Plan documents, the plan documents and administrative interpretations by the Retirement Plans Administration Committee, along with state and federal regulations, apply.

It is your responsibility to notify the Southern Oregon University benefits office if you are considering or have entered into a tenure relinquishment agreement.

When you enter into a retirement incentive program, you establish a definite retirement date. On your retirement date you become a Retired Participant of the Oregon Public Universities Optional Retirement Plan (“ORP” or “Plan”).

The following summary applies to your eligibility for contributions, eligibility for distributions, work limits, and re-employment:

ORP Contributions

As a Retired Participant, you receive no further ORP contributions based on any work you perform for Southern Oregon University or any other Oregon public university after retirement, unless you re-establish Active Participant status as described below under Re-Employment after Retirement.

ORP Account Distributions

If you have attained or exceeded the Plan’s **normal retirement age**¹ and you have accepted a post-retirement appointment as part of your retirement incentive agreement, you may withdraw retirement income from your vested ORP accounts during the identified period that you are performing work for Southern Oregon University. Withdrawals from your vested ORP accounts are not permitted from the Plan until you reach normal retirement age.

Post-retirement Work Limit

The ORP does not limit the hours of post-retirement work that are offered by Southern Oregon University in your retirement incentive program agreement.

Re-Employment after Retirement

Your retirement incentive agreement is intended to ease your transition to permanent retirement from Southern Oregon University. However, if an Oregon Public University and Retired Participant agree to re-employment to meet the needs of a university after the end of this post-retirement appointment, re-entry into the Plan is permitted.

A Retired Participant becomes an Active Participant under the same terms as a new employee after the end of a post-retirement work period that is documented as a retirement incentive program. If the agreement provides, for example, a post-retirement appointment or other benefit in each of 5 successive years after retirement, any work performed after the end of the 5 year period begins a new waiting period, after which the Retired Participant may re-establish Active Participant status.

¹ July 1, 2018 and thereafter, normal retirement age is the earlier of 55 years of age or 30 years of credited service.

A Retired Participant re-enters the ORP if the Retired Participant:

1. Has completed the post-retirement period of participation documented in the retirement incentive program;
2. Is appointed to a Qualifying Position; and
3. Serves a 6-month waiting period that is uninterrupted by more than 30 days. This waiting period begins after completing the post-retirement period of participation documented in the retirement incentive program.

A Retired Participant who re-enters the Plan:

1. Re-establishes Active Participant status on the first of the month after completion of the 6-month waiting period;
2. Is eligible for ORP contributions after re-establishing Active Participant status;
3. Is assigned to the contribution tier that is available to new employees on the date the Retired Participant begins the waiting period for re-entry to the plan;
4. Is fully vested in the Employer account if 50 years of age or more; and
5. Is eligible for an ORP distribution until Active Participant status is re-established at the end of the waiting period.

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It is your responsibility to carefully review the information regarding re-employment and the effect of working after the end of a retirement incentive program. Please contact the Southern Oregon University benefits office if you have questions.