



2011 Special Retirement Incentive Plan Program Summary

Wayne State University is pleased to announce the voluntary 2011 Special Retirement Incentive Program (SRIP). The 2011 SRIP program is designed to reach a broad range of employees consistent with overall University and individual department needs. This program is one step in assisting the University in meeting expected State funding reductions. A summary of the SRIP program is provided below:

Program Eligibility Requirements

You are able to participate in the plan if, as of June 1, 2011, you are an employee who meets the following criteria:

- Age 50 or older,
- Have a total of 75 points (combined age and completed years of service),
- A subsidized benefits eligible active employee, and
- For non-tenured employees, at least half of your salary is paid through the general fund or one of the University auxiliary/independent operations. Employees whose salaries are paid primarily (50% or more) by grants, gifts, or contracts are not eligible. This requirement does not apply to tenured employees.

Individual program participation is subject to Administration approval.

Program Benefits

1. Incentive payment based on the following:

| Combined Years of Service Plus Age (Points) As of June 1, 2011 | Months of Annual | OR | Salary Continuation Period |
|----------------------------------------------------------------------|----------------------|----|----------------------------|
| | Salary (lump sum) | | Lump Sum Spread Over... |
| | | | (if elected) |
| 75 to 84 Points | 6 Months | | 12 Months |
| 85 to 99 Points | 8 Months | | 16 Months |
| 100+ Points | 10 Months | | 20 Months |

Tenured faculty who meet the eligibility requirements described above and elect the program will be eligible for an incentive equal to 10 months of annual salary, regardless of total points

Qualifying employees electing to retire under this program can elect one of the following options to receive the incentive:

- A. Incentive continuation - Receive monthly incentive for a period of 12, 16, or 20 months depending on the incentive amount (see table above) without retirement plan contribution.
- B. Receive a one-time lump sum taxable payment without retirement plan contribution.
 - a. If you elect the lump sum option, you may also choose to receive a portion (10% to 100% in 10% increments) of the one-time payment as a contribution to a tax favored 10-year Health Reimbursement Arrangement (HRA). More information on the HRA can be accessed through the following link
<http://www.hr.wayne.edu/tcw/benefits/rip.php>



2011 Special Retirement Incentive Plan Program Summary

2. Continued medical insurance at the same contribution amount as active employees for up to 3 years subject to the following:
 - a. Pre-65 retirees continue to pay an amount equivalent to the active employee prevailing contribution for their plan election.
 - b. For age 65+ retirees the University will provide an annual payment of \$2,000 per year to the retiree to offset health care expenses.
 - c. Wayne State financial support for medical coverage will be discontinued if the retiree becomes eligible for another employer's medical coverage.
3. Retiree term life insurance coverage of \$25,000
4. Access to current retiree benefits including dental, vision, free parking etc.
5. Access to Personal Counseling Sessions with TIAA-CREF and/or Fidelity advisors for anyone considering this program. Click this link to schedule an appointment:
http://www.hr.wayne.edu/tcw/pdfs/retirement_counseling_dates.pdf

Program Implementation Timeline

- Program Announcement April 6th, 2011
- Election Period April 6th – May 31st, 2011
- Effective Date for Retirements June 30th through September 30th, 2011
(Determined on an individual basis by the School / College / Division)

Program Election Steps

Eligible employees who wish to participate in SRIP must contact the Total Compensation and Wellness Department to determine eligibility. You will need to notify your School / College / Division leader of your decision to participate in the program. A Separation and Release Agreement www.hr.wayne.edu/tcw/pdfs/2011-rip-separation-agreement.pdf must be delivered to the Total Compensation and Wellness Department in Human Resources no later than May 31st, 2011. In addition, you will need to complete the 2011 Retirement Incentive Program Payment Election Form and provide to Total Compensation and Wellness by your retirement effective date. Address is the following:

Total Compensation and Wellness
5700 Cass Avenue
Suite 3638 AAB
Detroit, MI 48202
313-577-3717

Additional information on the election requirements, Health Reimbursement Arrangements (HRA's) and required forms can be accessed by clicking on the following link:
<http://www.hr.wayne.edu/tcw/benefits/rip.php>