



Colorado State University
Voluntary Retirement Incentive Plan

Plan Document

June 1, 2021

State Classified Employees

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The Colorado State University Voluntary Retirement Incentive Plan – State Classified

Introduction

Colorado State University (“the University”) is pleased to offer a Voluntary Retirement Incentive Plan (“Plan”) to eligible State Classified employees (“classified employees”). Many of these classified employees have dedicated the greater part of their professional careers to the University. Their collective achievements and distinguished service have provided stability to the University in achieving its overall strategic goals.

Accordingly, the University is offering an age- and service-based Plan for eligible individuals for a limited period. The voluntary Plan will allow the University to provide a substantial and well-earned benefit to eligible individuals. The Plan also will allow identified units of the University to be proactive in addressing budgetary and/or ongoing workforce challenges.

This document shall serve to govern the terms of the Plan. Eligibility and payments under the Plan are governed by the terms set forth herein. Please refer to this document for information concerning any rights and obligations you may have under the Plan. Retirement eligibility is set by Colorado State University.

Eligibility

Eligibility for the Plan is limited solely to designated classified employees at Colorado State University. Departments do have the flexibility to approve classified employees whose positions are externally funded and not funded directly by the University to the extent that departmental funds are available to cover the incentive cost.

University-wide: Except as provided below in the section titled “Exclusions”, classified employees are eligible under the Plan if they are actively employed by the University June 1, 2021 (application start date) and who satisfy the definition of retiree and other criteria listed below:

- (1) will be at least age 55; **AND** will have at least 20 years of benefits eligible service of which a minimum of five years of benefits eligibility must immediately precede the date of retirement; **OR**
- (2) will be at least age 60; **AND** will have at least 5 years of consecutive benefits eligible service immediately preceding the date of retirement

Retiree eligibility will be confirmed by Human Resources after reviewing your service to the University and benefits eligibility. The definition of University retirement is located on the HR website at <https://hr.colostate.edu/current-employees/benefits/retirement-eligibility-definition>.

Exclusions: The following categories are not included in the University-wide eligibility criteria.

Classified employee who received a specific notice of disciplinary termination.

Classified employee in a status other than certified or trial service status.

Classified employees who previously announced and/or submitted paperwork to initiate retirement to their department or Human Resources prior to the announcement of the Plan will NOT be eligible for benefits under the Plan, regardless of the date of retirement.

Classified employees who previously retired from the University and returned to an active work status are not eligible for the Plan. You may only retire once from the University.

Plan Description

Each eligible classified employee who elects to participate in the Plan and retires from the University in accordance with the Plan will receive a lump-sum payment equal to **one week of the employee's annual base salary (as of June 30, 2021) for 12 month appointees for each year of retirement eligible continuous service not to exceed 18 weeks total, less applicable deductions as required by law.** For the purposes of the Plan, "base salary" means a classified employee's base salary, regardless of source. Base salary does not include temporary salary adjustments or other supplements given as part of a temporary assignment of administrative or other duties. Payments under the plan are not subject to retirement contributions and are not considered wages for PERA purposes.

The opportunity for eligible classified employees to apply for the Plan is limited. The application period begins **June 1, 2021 and ends June 30, 2021, 5 p.m., MT.** Participating classified employees will have to separate from the University no later than the designated Retirement Separation Date as defined below. Participating classified employees will be required to sign a Separation Agreement and General Release ("Agreement"), described later in this document.

The Plan is Voluntary

You are encouraged to consider the Plan and determine if it is the right opportunity for you; however, no one can persuade you or unduly influence you to apply or not apply for the Plan. Applying to participate in the Plan shall be on a voluntary basis for all retirement eligible classified employees.

The Plan does not in any way change your current employment relationship with the University. You should understand that if you are eligible and decline to participate, you will not be treated any differently than any other similarly situated classified employees with respect to future terms and conditions of employment.

Application Procedure

The application period begins June 1, 2021, and ends at 5 p.m., MT June 30, 2021. At the discretion of the President, the deadline for submission may be extended.

The Retirement Separation Date: **August 31, 2021 or December 31, 2021**

If approved to participate in the Plan, your employment with the University will end on August 31, 2021 or December 31, 2021. Every effort will be made to accommodate this Retirement Separation Date; however, if business needs dictate that a different Retirement Separation Date is required, you will be contacted and informed of your new Retirement Separation Date. Regardless of the Retirement Separation Date determination, your agreement to participate in the Plan is irrevocable after June 30, 2021.

To apply for the Plan, you must complete and submit the online electronic signature Voluntary Retirement Incentive Plan application form prior to 5 p.m., MT June 30, 2021. Late applications will not be considered. Receipt of submitted electronic applications will be acknowledged.

You may withdraw your Voluntary Retirement Incentive Plan application to participate in the Plan at any time before 5 p.m., MT June 30, 2021. Your Voluntary Retirement Incentive Plan application may not be withdrawn or revoked after 5 p.m., MT June 30, 2021.

If your Voluntary Retirement Incentive Plan application is approved, you will receive a Separation Agreement and General Release that must be signed and submitted timely for you to be included in the Plan. The timing requirement for the Separation Agreement and General Release is outlined later in this document.

Review and Approval Process of Intent to Retire Application

The decision to approve or deny an application will be based on the best interest to the University and will consider the financial benefit granted to the University, as well as the impact on University programs and services should a Voluntary Retirement Incentive Plan application be approved.

The final authority to approve or deny any Voluntary Retirement Incentive Plan application resides with the President in consultation with a committee made up of the applicable Dean, Provost and Chief Financial Officer (Vice President for administrative units). Retirement eligibility will be confirmed by Human Resources prior to approval. The President's decisions on Voluntary Retirement applications are not subject to appeal or grievance.

Upon approval of the application by the President, the applicant shall sign a Separation Agreement and Release.

Plan Payment

Each eligible classified employee who elects to participate in the Plan and who executes (and does not later revoke) a Separation Agreement and General Release (see below) will receive one lump-sum payment the month following their Retirement Separation Date, equal to one week of the employee's annual base salary as defined in the Plan Description section of this document for each year of continuous retirement eligible service not to exceed 18 weeks total, less applicable deductions as required by law.

The lump-sum payment will be made during the month following the Retirement Separation Date under the Plan. All legally required taxes and other withholding will be deducted from payments made under the Plan. The Plan payment does not count as "earnings" for any benefit purposes, including the University's retirement programs. Therefore, these payments will not be eligible for pretax deferral under the University's retirement program.

Medical Insurance Subsidy

Continued medical coverage for PERA retirees is available through PERACare as a component of PERA's defined benefit plan for their members. PERA retirees may receive a medical subsidy from PERA to reduce the cost of coverage. Please contact PERA directly with insurance coverage questions at 800-759-7372.

Potential Post-Retirement Activities

The University may agree to additional provisions such as potential involvement in post-retirement activities in the Participating Units and access to campus facilities and resources. Such provisions, if any, must be approved and set forth in advance of your retirement date and codified in writing with your department Dean or Vice President.

Information Regarding Other Benefits

Other benefits will be provided as they would for any classified employee leaving employment from the University.

Sick & Annual Leave Payout Information

Accrued and unused vacation and compensable sick leave payments owed to a classified employee at the time of retirement from the University shall be paid in accordance with the established criteria set forth by the State of Colorado Personnel Board Rules.

Information to be Furnished

Classified employees who apply for the Plan, shall provide to the University such documents, data or other information as the University considers necessary for administering the Plan.

Separation Agreement and General Release

By signing the completed Separation Agreement and General Release (Agreement), the employee voluntarily resigns in accordance with the Plan rules. The classified employee agrees to voluntarily waive retention and reemployment rights and voluntarily resigns their employment with Colorado State University. This Agreement requires classified employees to waive other rights and claims, as outlined in the Agreement and as permitted by law and other such provisions as required by Board Rules or Director's Procedures.

If you elect to participate in the Plan, you must submit your signed Agreement to Human Resources at HR_Retirement@colostate.edu. Alternatively, you can hand deliver (if the office is open for walk-in visitors) or mail via US Postal Service first class mail your signed Agreement to the Human Resources Department, Employee Benefits Unit, 555 S. Howes Street, Fort Collins, CO 80523 within the timeframe specified below:

August 31, 2021 Retirement Separation Date: The Agreement must be signed and submitted no later than 45 days after it is received. The return date will be specified in the Agreement.

December 31, 2021 Retirement Separation Date: The Agreement must be signed and submitted no later than 45 days after it is received. The return date will be specified in the Agreement.

Failure to submit a fully executed Agreement during the applicable time period will result in no payment of benefits under the Plan.

Individuals will have at least forty-five (45) days before their designated Retirement Separation Date to consider the Agreement. You may revoke a submitted Agreement within seven (7) calendar days of the date the executed Agreement is returned. Revocations must be emailed to HR_Retirement@colostate.edu. Please confirm receipt.

If you do not revoke your submitted Agreement within seven (7) calendar days of the date the executed Agreement is submitted, your employment will end on your designated Retirement Separation Date and payment will be made in accordance with the Plan and the Agreement.

If there is any discrepancy between the express terms of the Plan document and of your Agreement, the terms of the Agreement shall control.

Recommendation of Attorney Review

It is recommended that eligible classified employees contact an attorney to discuss the Plan and to review the Agreement. Use of an attorney is at the expense of the classified employee.

Future Employment at Colorado State University

The University is not under any obligation to consider future employment for any employee who participates in the Plan. Eligibility to return to employment with any unit of the University will be in accordance with current guidelines and applicable laws regarding employment of retirees.

Any classified employee who receives a payment under the Plan and is rehired or retained to perform services in any capacity within two (2) years of his or her Retirement Separation Date must repay such Plan payment upon the date such work or services commence. The definition of "in any capacity" includes receiving any remuneration for work or services performed at any entity of the CSU System in which employees' payroll and benefits are processed on the University's payroll system.

No Assignment of Plan Payments

Under no circumstances may a Plan payment be subject to assignment, garnishment, lien or other encumbrances, and any attempt to cause any such payments to be so subjected shall not be recognized, except to such extent as may be required by law.

Recovery of Plan Payments Made by Mistake

An eligible employee must return to the University the Plan payment or other consideration, or portion thereof, made by a mistake of fact or law or paid contrary to the terms of the Plan.

Representations Contrary to the Plan

No employee, officer, director or agent of the University has the authority to alter, vary or modify the terms of the Plan. Changes to the Plan can only be made by an authorized written amendment to the Plan approved by Robyn Fergus, Executive Director and Chief Human Resource Officer. Verbal or written representations contrary to the terms of the Plan and its written amendments shall not be binding upon the University.

No Employment Rights or Contract

The Plan does not confer employment rights upon any person. Nothing contained in the Plan shall be construed as a contract of any kind between the University or any related entity and any person. No person shall be entitled by virtue of the Plan to remain employed by the University and nothing in the Plan shall restrict the right of the University to terminate the employment of any eligible employee.

Employees participating in the Plan who are terminated by reason of unacceptable performance or because of a violation of the University rules or policies prior to the Retirement Separation Date will not be entitled to any payment or other consideration under the Plan.

Applicable Law

The conditions of the Plan are fixed and not subject to negotiation or substitution. Benefit programs are regulated by law to ensure equity among all participants.

The Plan shall be governed and construed in accordance with the laws of the State of Colorado, without reference to its conflicts of law provisions.

Severability

If any provision of the Plan is found, held or deemed by a court of competent jurisdiction to be void, unlawful or unenforceable under any applicable statute or other controlling law, all of the remaining provisions of the Plan shall continue in full force and effect.

Nondiscrimination Statement

The University will not discriminate against any person because of race, color, religion, sex, national origin, ancestry, age, marital status, disability, sexual orientation including gender identity, unfavorable discharge from the military or status as a protected veteran and will comply with all federal and state nondiscrimination, equal opportunity and affirmative action laws, orders and regulations. This nondiscrimination policy applies to employment and access to the University's programs and activities.

Amendment of the Plan

The Plan may be terminated or amended in any respect at any time at the discretion of the University. Notwithstanding the foregoing, no amendment of the Plan may reduce the Plan payment or other consideration previously provided under the Plan for the time-frame specified in the Plan.

End of the Plan

The Plan will terminate when all payments described herein have been provided.

Questions Regarding the Plan

The Plan is being administered by the Department of Human Resources. Robyn Fergus, Executive Director and Chief Human Resource Officer shall have the discretionary authority to determine eligibility for retirement and to construe the terms of the Plan, including the making of factual determinations. The decisions of the Executive Director and CHRO shall be final and conclusive with respect to all questions concerning the administration of the Plan.

All questions regarding the Plan should be emailed to [HR Retirement@colostate.edu](mailto:HR_Retirement@colostate.edu).

Disputes Regarding the Application of the Plan

If for any reason you dispute or disagree with the application of the Plan to your situation, please contact the Executive Director and Chief Human Resource Officer. Robyn Fergus will attempt to resolve any disputes. In order to be considered, any dispute or disagreement must be in writing and either hand delivered or postmarked to CSU Human Resources, 6004 Campus Delivery, Fort Collins, Colorado 80523-6004 not later than thirty (30) calendar days from the date of the occurrence of the matter giving rise to dispute or disagreement or within thirty (30) calendar days after you, through the use of reasonable diligence, could have obtained knowledge of the occurrence of the matter giving rise to the dispute or disagreement. Written disputes or disagreements sent by facsimile, electronic mail, or campus mail will not be accepted. If you are physically unable to hand deliver or postmark your dispute, please contact the Executive Director and Chief Human Resource Officer to ask for a reasonable accommodation.

