



UNIVERSITY *of* NORTH ALABAMA

SPECIAL VOLUNTARY RETIREMENT INCENTIVE (SVRI) TENTATIVE PROGRAM SUMMARY

PROGRAM INTRODUCTION

Pending approval from the Board of Trustees, the University of North Alabama (“University” or “UNA”) is offering a special voluntary retirement incentive program (sometimes herein the “SVRI” or the “SVRI Program”) to all eligible University employees who voluntarily separate from service on May 31, 2023 (or June 30, 2023) and begin retirement on June 1, 2023 (or July 1, 2023). The SVRI is being offered to assist the University with reducing salary and wage benefit costs and to capture the bulk of these savings during fiscal years 2024 and 2025. Therefore, participation level will be considered in the final approval of the program.

PROGRAM DESCRIPTION

The SVRI is an opportunity for all eligible University employees to receive a financial incentive to voluntarily retire from service at an earlier date than might otherwise have been planned. Participation in the SVRI is completely voluntary. Following voluntary separation and retirement from the University, SVRI participants who enter into a Confidential Separation Agreement and Release of All Claims (“Separation Agreement and Release”) will receive a lump-sum incentive payment, payable in one or two installments, as described below.

SVRI Applications will be accepted for a limited period of time, January 9, 2023 through February 15, 2023. See the “Application” section of this document for specific information regarding the application for SVRI participation.

An employee’s separation from employment under the SVRI Program will take effect May 31, 2023 with an effective retirement date of June 1, 2023 (or June 30, 2023 with an effective retirement date of July 1, 2023).

SEPARATION AGREEMENT

SVRI participants will be given at least 45 calendar days to consider the Separation Agreement and Release and are advised to consult with their attorney before signing the Separation Agreement and Release. An eligible employee may revoke participation in the SVRI at any time by revoking (canceling) the Separation Agreement and Release for a period of seven (7) calendar days after signing the agreement. There are no ramifications for revoking a decision to participate, or for declining participation, in the SVRI Program.

PROGRAM ELIGIBILITY

Unless prohibited as later described herein, all full-time employees are eligible to participate in the SVRI if they are considered “retirement eligible” by the Teachers’ Retirement System (“TRS”) **by May 31, 2023**. To be considered “retirement eligible” by the TRS, an employee must:

- a) Have at least 25 years of full-time service (including converted sick leave), or
- b) Be at least age 60 with at least 10 years of full-time service, and
- c) Be actively employed on May 31, 2023.

Employees who satisfy items a) and/or b) AND c) of the above eligibility requirements by May 31, 2023 may participate in the SVRI even if they have already given notice of their intention to retire or otherwise terminate employment, except as noted below.

PROGRAM INELIGIBILITY

Notwithstanding the above, the following employees and individuals are not eligible for participation in the SVRI:

- Part-Time and Temporary employees, including adjunct, and
- Externally-funded employees.

PROGRAM INCENTIVE BENEFITS

Participants are eligible for a **lump-sum payment*** equal to 2% of base salary** for every year of eligible UNA service*** not to exceed 100% of base salary.

Participants will have the option to receive the payment in one lump sum on June 12, 2023 (or July 10, 2023) or in two equal installments, one on June 12, 2023 (or July 10, 2023) and the balance on January 15, 2024.

** Lump-sum payments are subject to all applicable withholdings and deductions for state and federal taxes.*

*** Base salary (as of October 1, 2022), excluding all overtime, shift differential, summer pay, stipends and/or supplements.*

**** Eligible service at UNA is limited to continuous, full-time, regular appointment(s). Transferred service is not included in this calculation; purchased service is excluded unless service was at UNA and meets the aforementioned type of appointment. Leaves of absence without pay are excluded from the eligible service calculation.*

PROGRAM TERMS AND CONDITIONS

Participation in the SVRI is limited to the following terms and conditions:

- Participation in the SVRI is voluntary.
- Program participants will be entitled to all rights and privileges of any other University retiree.
- Eligible SVRI participants will also receive a separate lump-sum payment for any accrued, unused annual leave or compensatory time, if applicable, following the completion of the campus clearance process.
- To participate in the SRVI Program and to receive the SRVI benefits, participants must timely meet all SRVI Program deadlines and must sign a Separation Agreement and Release, releasing the University from any and all claims, including but not limited to, any and all claims that may arise from participants' employment with, or retirement or separation from, the University.
- Participants may not, for a period of at least two years following their retirement date, knowingly apply for or accept full-time, regular employment with the University. Any future employment with the University is subject to Alabama Code Section 36-27-8.2 (Performance of Duties by Retired Persons).

TENTATIVE PROGRAM APPLICATION AND PARTICIPATION TIMELINES AND PROCEDURES:

Event	Date	Deadline
Announcement	November 9, 2022	
Application Period	January 9 – February 15	
DEADLINE: Application (to Human Resources)		February 15 @ 4:30 pm
Distribution of Benefits Disclosure and Election Form	March 20 by 4:30 pm	
Board of Trustees Meeting (where program will be considered for approval)	March 17	
DEADLINE: Benefits Disclosure and Election Form-signed (to Human Resources)		April 3 @ 4:30 pm
Distribution of the Separation Agreement and Release (review by financial advisor and/or attorney advised)	April 3 (on or before)	
Participation and TRS Retirement Application Period (by appointment with Becky Price)	April 1 – April 28 (for 6/1 retirement date) May 1 – May 18 (for 7/1 retirement date)	
DEADLINE: Participation Materials (to Human Resources; if not completed and returned during TRS retirement application appointment).		May 18 @ 4:30 p.m.
Separation Agreement and Release Deadline (to Human Resources)		May 18 @ 4:30 p.m.
Last Day to Revoke/Cancel the Separation Agreement and Release		7th calendar day after signing by employee

Application: To apply for, and participate in, the SVRI Program, an eligible employee must complete and submit the Application for Consideration: Special Voluntary Retirement Incentive Program. The SVRI application period begins on January 9, 2023. Applications will be submitted via Adobe Sign using a link provided via email on or before January 9, 2023. Completed and signed applications must be received in the Office of Human Resources by no later than **4:30 pm on Wednesday, February 15, 2023**. Failure to submit an application by this deadline will result in loss of eligibility to participate in the SVRI program.

Benefits Disclosure and Election Form: Each applicant will receive an SVRI Benefits Disclosure and Election Form from the Office of Human Resources on March 20, 2023 by 4:30 pm. The form will be sent via email and will be an AdobeSign document. The form will confirm each applicant’s eligibility status, provide disclosure of the incentive benefit amount, allow for selection of retirement date and number of payment installments, and will also direct the applicant to indicate their desire to participate or waive participation in the SVRI program. The completed Benefits Disclosure and Election Form must be received in the Office of Human Resources by no later than **4:30 pm. on Monday, April 3, 2023** in order for an applicant to become an SVRI participant.

Distribution of Separation Agreement and Release: On or before April 3, 2023, the Separation Agreement and Release with the electing eligible employee’s name inserted for signing and a copy of the employee’s signed Benefits Disclosure and Election Form attached will be distributed via email to each employee timely submitting a signed Benefits Disclosure and Election Form for the electing employee’s review and signature. The employee is advised to consult with his/her attorney before signing the Separation Agreement and Release.

Participation and Retirement Materials; Separation Agreement and Release: Those who wish to participate in the SVRI, separate from the University, and retire effective June 1, 2023 (or July 1, 2023) should contact the Office of Human Resources during the Participation and TRS Application Period, referenced above, to schedule a meeting with a Human Resources representative prior to the deadlines referenced above so that individual questions may be asked and paperwork may be completed in a timely manner.

To participate, eligible employees who intend to retire on June 1, 2023 must submit the following **IN PERSON** on or before Friday, April 28, 2023 at 4:30 pm:

- The SVRI Letter of Intent to Retire effective June 1, 2023
 - An unsigned, completed TRS Retirement Application*
 - The Separation Agreement and Release, unsigned* (optional at this meeting but due no later than May 18, 2023)
- *These documents must be notarized in the Office of Human Resources, so they should not be signed prior.

To participate, eligible employees who intend to retire on July 1, 2023 must submit the following **IN PERSON** on or before Friday, May 18, 2023 at 4:30 pm:

- The SVRI Letter of Intent to Retire effective July 1, 2023
 - An unsigned, completed TRS Retirement Application*
 - The Separation Agreement and Release, unsigned* (due no later than May 18, 2023)
- *These documents must be notarized in the Office of Human Resources, so they should not be signed prior.

ADDITIONAL CONSIDERATIONS

- Lump-sum payments are taxable and will not count as earnable compensation for retirement income calculation purposes.
- Program will not increase the amount of service credit, nor will service credit purchases be allowed under the SVRI Program, other than currently allowed by law. Benefits will be calculated based on the retiree's actual service to UNA.

DISCLAIMERS

- The University reserves the right to amend or terminate the SVRI at any time. Notwithstanding the foregoing, no amendment of the SVRI may reduce an SVRI payment or other consideration once an SVRI Separation Agreement and Release is fully executed and becomes legally binding.
- The University cannot provide individual tax or investment advice and recommends that you contact qualified tax counsel and investment advisors for assistance with individual questions regarding tax and investment planning.

NONDISCRIMINATION STATEMENT

It is the policy of the University to afford equal opportunities in education and in employment to qualified persons regardless of age, color, creed, disability, national origin, race, religion, or sex, in accordance with all applicable federal and state constitutions, laws, and valid regulations.