Introduction:

The Career Transition Program Subcommittee, a subcommittee of the Senate Budget Committee, was formed to create a draft Career Transition Program proposal for eligible employees nearing retirement. The primary objectives of the Career Transition Program are to preserve intellectual and skilled talent, enhance productivity and efficiency, and allow mentorship for junior employees.

Earlier this year a Georgia Board of Regents’ university, Columbus State University, implemented an early retirement program that had been reviewed and approved by the Board of Regents. A little more than 10 years ago, the Medical College of Georgia implemented a Board of Regents approved early retirement program. The subcommittee reviewed plans from these two University System of Georgia schools, along with early retirement programs at other universities inside and outside of Georgia, both public and private.

The subcommittee found that early retirement or phased retirement programs vary significantly by institution. Due to the variances of laws and governance among states, the subcommittee focused on state institutions in Georgia that had previously received Board of Regents approval on similar programs. The subcommittee used the Columbus State University early retirement plan as a template to develop a Career Transition Program proposal for Georgia State University.

The Career Transition Program is completely voluntary allowing eligible employees the opportunity to make their individual decision regarding retirement and program participation. Although the subcommittee found that early retirement programs are ongoing at some institutions, at this time, it is expected that the Career Transition Program at Georgia State University will be a one-time offering.

Career Transition Program subcommittee:
E. JoAnn Bacon, chairperson
Lesley Reid
Mary Ann Romski
Jowanna Tillman
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Maryann Wysor
The Georgia State University Career Transition Program has been established to enhance efficiency and increase productivity while controlling personnel expenditures. Participation in this program is strictly voluntary.

The Career Transition Program is designed to assist eligible employees with transition into retirement. The program, which allows for the possible re-employment of retirees, serves the strategic goals of the University by:

- ensuring the retention of qualified employees to maintain the quality of service offered by the University to its constituency,
- creating a system of mentorship for junior employees while allowing the University to capitalize on the intellectual knowledge of the senior employee,
- encouraging eligible employees to consider retirement with the possibility of re-employment by the University as an essential element in their retirement planning,
- allowing eligible employees to phase into retirement while continuing to meet certain financial needs by working a reduced schedule.

**Eligibility:**

Active faculty and staff, to include Teachers Retirement System and Optional Retirement Plan participants, who meet the Board of Regents definition of a retiree as set forth in the BOR Policy Manual would be considered eligible for the program. The definition of a retiree is described in the BOR Policy Manual, Section 8.2.8.2, as follows:

- An employee must have been employed by the USG for the last ten (10) years in a regular, benefitted position and have attained age 60; or,
- An employee must have at least twenty-five (25) total years of benefitted service established with a State of Georgia sponsored retirement plan, of which the last five (5) years of employment must have been continuous and with the USG. An early pension benefit penalty will apply to an individual who elects to participate in the Teachers Retirement System of Georgia, or in the Employees Retirement System, if he/she decides to retire with between twenty-five (25) and thirty (30) years of benefitted service, prior to attaining age 60; or,
• An employee must have at least thirty (30) total years of benefitted service established with a State of Georgia sponsored retirement plan, of which the last five (5) years must have been continuous and with the USG; or,
• An employee must be deemed to be totally and permanently disabled, as documented through the receipt of disability benefits from Social Security or from the Teachers Retirement System of Georgia, following nine and one-half (9.5) years of continuous service to the USG in a regular, benefitted position.

Incentive:

The following options are available to employees who meet the eligibility criteria and confirm in writing an effective retirement date no later than XXX. The University strongly recommends that employees, prior to making a decision, discuss these options with their financial advisor and retirement plan representatives as to make an informed decision regarding the long-term impact of participating in the Career Transition Program. These options are mutually exclusive.

Option 1.

This option will be available from XXX through XXX. Candidates for this option have the opportunity to:

• apply for a lump sum payment of one year’s base salary.

Option 2.

This option will be available from XXX through XXX. Candidates for this option have the opportunity to:

• apply for a lump sum payment of 49% of their base salary and the possibility of rehire for one fiscal year up to 49% of their pre-retirement base salary.

All offers for rehire of up to 49% is at the discretion of Georgia State University administration. The level of compensation will be agreed upon by the employee and his/her supervisor. After the first one year term, renewal of the post-retirement appointment remains solely at the discretion of Georgia State University administration. Remuneration and workload may be renegotiated in subsequent years based on the needs of the unit.

As applicable to the employee’s workload, the employee may be required to share or release office and/or laboratory space. Employees will have access to professional development funds and travel expenses, following established procedures for requesting such support.

Note: In addition to the above options, employees who participate in the Optional Retirement Plan (ORP) or the Teachers Retirement System (TRS) will be eligible for
payout of up to 60 days of salary using any combination of sick days and/or vacation days. TRS participants who select a payout of sick days cannot use those same sick days toward retirement.

**Other Program Features:**

Georgia State University, at its discretion, reserves the right to approve or deny any application to the Career Transition Program. Employees who have provided formal notice of retirement prior to XXX are not eligible to apply for this program.

Employees who elect to participate in the Career Transition Program will be eligible for all retiree benefits of TRS or ORP, including health insurance coverage.

In conjunction with the Agreement to be executed under this program, an eligible employee must also execute a waiver of rights and claims under the Age Discrimination in Employment Act (ADEA) and other laws.

Faculty who choose to participate in the Career Transition Program shall agree to relinquish her/his tenure on the date of retirement.

Nothing in the program precludes a participating employee from terminating his or her phased retirement at any time upon the mutual agreement of the parties. Participating members are expected to maintain high levels of professional commitment to the institution and failure to perform at expected levels may result in termination of phased retirement prior to the end of the initial one year appointment or subsequent appointments.

All rights and obligations described in University policies and procedures continue to apply and would be unaffected by this Program.