

October 9, 2006

An Open Letter to All Lecturers:

Humboldt State University's current budget situation has resulted in a reduction in classes for spring semester. As a result, teaching schedules may be reduced for many lecturers. Given these circumstances, we have received several queries asking about retirement eligibility. The following is provided for all lecturers who may have similar questions.

Lecturers who are enrolled in CalPERS health benefits when they retire from HSU may be eligible for lifetime CalPERS health benefits. There are, however, CalPERS requirements that must be satisfied in order to be eligible for this benefit after retirement.

Retirement Eligibility and Health Benefits

As a lecturer, you are eligible for service retirement and continuation of your health benefit coverage if the following conditions apply:

1. You have accumulated five full-time years of service, **and**
2. You are or will be at least fifty years old within 120 days of December 19, 2006, **and**
3. You are enrolled in a CalPERS health plan when you separate from HSU. (Lecturers are health-plan eligible when appointed for at least 6 weighted teaching units, or a .40 time base, for one semester.)

Vesting in CalPERS (meaning you are eligible to retire) occurs after you have accrued the equivalent of five full-time years of service and are at least fifty (50) years old. Full-time means a time base of 1.0, which typically means a 15-unit teaching load per semester. Lecturers may combine teaching units from appointments in different departments and may combine part-time appointments from semester to semester to accumulate the equivalent of five full-time years of service for the purpose of qualifying for retirement benefits. In other words, each appointment or semester of teaching need not be at a 1.0 time base in order to count toward the five full-time years of service needed to retire.

Lecturers are enrolled in the California Public Employees' Retirement System (CalPERS) at the beginning of the third consecutive semester of employment with at least a .50 time base/7.5 WTUs. The employer/employee contributions begin at that time and once in CalPERS, you remain a member no matter how your time base changes. Once you have qualified for contributions, a break in your employment will not affect your eligibility, provided you have not elected to withdraw your contributions from CalPERS.

Because of the variability of lecturer time bases, determining whether you have accumulated five full-time years of service is complex. CalPERS mails annual statements to its members; however, these statements become dated as additional teaching/service credit is accumulated. If you think you may be eligible to consider a retirement option (5 years of full-time service/50 years of age), we strongly urge you to contact CalPERS directly and request your service credit status. CalPERS can be reached at 888.225.7377 or www.calpers.ca.gov.

In summary, if you are vested and age-eligible to retire, you must hold a minimum .40 temporary faculty appointment (6 weighted teaching units) and be currently enrolled in CalPERS health benefits to be eligible for lifetime CalPERS health benefits post-retirement. The effective retirement date must fall within 120 days of your separation from HSU in order to remain eligible for lifetime CalPERS health benefits. If you are considering separating from HSU and retiring at the end of fall semester 2006, then your official separation date will be December 19, 2006; your actual retirement date must be within 120 days of December 19.

If you begin a spring 2007 teaching appointment, and then separate from HSU, your health benefits eligibility is dependent on your spring 2007 teaching schedule, not your fall 2006 teaching schedule. Therefore, if you are not eligible and/or enrolled in CalPERS health benefits in spring semester 2007, and separate from HSU during spring semester 2007, you will not be eligible for lifetime CalPERS health benefits, regardless of what your fall 2006 time base might have been.

If your effective date of retirement is more than 120 days after separation from employment, you are not eligible to be enrolled in a CalPERS medical health plan at retirement, or at any future date.

If you become ineligible for CSU health benefit coverage, you may be able to extend coverage through the Consolidated Omnibus Budget Reconciliation Act (COBRA), a federal law that allows employees to extend health care coverage for a limited amount of time. Each person's situation is different so you should make an appointment with Cindy Darnall Stevens to discuss your personal circumstances and what health care coverage options may be available to you.

Post-Retirement Employment

Lecturers may be employed at HSU following retirement as rehired annuitants. It is important to realize, however, that retired lecturers receive no preference for post-retirement employment at HSU. Post retirement employment decisions are at the sole discretion of the campus within the CalPERS rehired annuitant provisions. There are several restrictions for post-retirement employment with HSU or with any other CalPERS' covered employer. These provisions do not apply to employers who are not covered by CalPERS.

For example, to be appointed as a rehired annuitant to an academic position at HSU:

1. You may not be employed for more than 960 hours or 50 percent of the time base you worked in the last fiscal year prior to retirement, whichever is less.
2. You must be of "normal" retirement age, which is 55 for the CSU, *or* if you retire before the age of 55, you must have a minimum separation in service of 60 calendar-days prior to returning to HSU or any CalPERS-covered employer.
3. You can not have collected unemployment insurance benefits in the preceding twelve months prior to retirement.
4. Because a rehired annuitant appointment would be a new appointment, you would not have any lecturer entitlement rights and could only be considered for available work after all current lecturers are carefully considered for teaching assignments.

These provisions for post-retirement employment can be complex and are established by the California Public Employees' Retirement Law. If you would like more information about post-retirement employment at HSU, please contact Academic Personnel Services.

These are difficult times for our campus community. We hope that this communication can provide you some assistance in making important employment-related decisions. Both of our offices are available to you for any questions that you may have.

Sincerely,

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