

## Faculty Retirement Process

Faculty retirements are managed by several organizations across the University. In order to ensure that the retirement is processed properly and that the retiring faculty member has a positive experience, these organizations must coordinate their actions. The process is more complicated if the faculty member is deemed eligible to participate in FRIP and/or recalled to service. Here is a brief overview of the actions that must be taken across organizations in order to ensure a seamless transition to retirement for our faculty members.

### Retirement

<p><b>4 – 5 Months Prior To Retirement Date</b></p>	<p><b>Faculty member</b> contacts Stanford Benefits by calling 650-736-2985, Option #9, and requests a retirement calculation.</p> <ul style="list-style-type: none"> <li>• This calculation determines if they are eligible for medical and dental benefits in retirement and what contribution the University will make toward their coverage.</li> <li>• Stanford Benefits performs the calculation and the faculty member is notified by the Stanford Benefits service center of the outcome.</li> </ul>
	<p><b>Faculty member</b> notifies the Department Chair or Dean by submitting a notice of intent to retire. If the faculty member is eligible to participate in FRIP, the letter must indicate the faculty member’s intention to apply for FRIP.</p> <p><b>Chair and/or Dean</b> signs the notice and forwards it to the Provost’s Office.</p> <p><b>Provost’s staff member</b> prepares a confirmation letter to the faculty member regarding the retirement and forwards copies to the School and Benefits (See below for FRIP processes).</p>
<p>If the faculty member will be recalled after retirement</p>	<p><b>School</b> sends a “blue form” to the Provost’s Office with the details of the faculty member’s recall arrangements.</p> <p><b>School</b> sends a BenBin ticket to Stanford Benefits:</p> <ul style="list-style-type: none"> <li>• Provide faculty member’s name</li> <li>• Provide faculty employee ID</li> <li>• Dates of recall to service and percentage of FTE for the duration of the recall period. (If the faculty member changes his/her percentage FTE during the recall, this information should be sent to Benefits via another BenBin ticket – FTE changes may impact faculty member’s benefits eligibility)</li> </ul>

<p><b>Three Weeks Before the Retirement Date</b></p>	<p><b>Faculty member</b> contacts Stanford Benefits service center and gives them their retiree medical benefit elections over the phone.</p> <ul style="list-style-type: none"> <li>• The service center will see the retiree calculation in the systems and take the elections over the phone.</li> <li>• Elections will be entered and put on hold until the “400 Record” flows through (see “Last Day of Work” below).</li> </ul> <p><b>If returning as a recall for more than 50% time</b>, the <b>faculty member</b> must call and elect to “postpone” retiree medical benefits (see recall discussion below under “Last Day of Work”)</p> <p><b>If returning as a recall for less than 50% time</b>, the <b>faculty member</b> must call and choose to either “postpone” retiree medical and get coverage elsewhere, or make retiree medical elections as noted above.</p>
<p><b>Payroll Period Before Retirement Date</b></p>	<p><b>School</b> creates a retirement webform in PeopleSoft to terminate the faculty member’s job(s).</p> <ul style="list-style-type: none"> <li>• School must enter into the Remarks field how the faculty member’s final paycheck should be handled.</li> <li>• The termination webform must be entered in a timely manner to allow downstream processes to work properly, including the delivery of FRIP benefits, and for benefits eligibility to flow to Stanford Benefits and carriers in time.</li> </ul> <p><b>Payroll</b> contacts Stanford Benefits after seeing the PeopleSoft webform to confirm retirement eligibility. The webform is programmed to trigger automatically on the faculty member’s last day.</p>
<p><b>Last day of work</b> (actual termination date)</p>	<p><b>Payroll</b> generates the final paycheck.</p> <p><b>Faculty member</b> picks up their final paycheck at the Payroll department after 3:00PM, or checks with department on how check is being disbursed.</p> <p><b>Stanford Benefits</b> generates a retirement record (“400 Record”) in PeopleSoft.</p> <ul style="list-style-type: none"> <li>• The “400 Record” flows through to the Benefits Service Center on the Monday or Thursday following the faculty member’s last day of work.</li> <li>• On receipt of the “400 Record” the Benefits Service Center processes and implements the faculty member’s elections for retiree medical benefits.</li> </ul> <p><b>Retiree medical coverage elections are effective on the <u>first of the month following</u> last day of work.</b></p>

<p><b>If Recall After Retirement</b></p> <ul style="list-style-type: none"> <li>○ Retirement <b>Day One</b></li>   <li>○ Retirement <b>Days 2-30</b></li>   <li>○ Retirement <b>Days 31+</b></li> </ul>	<p><b>The School</b> must rehire the faculty member with the effective date “first of the month following last day of work.”</p> <ul style="list-style-type: none"> <li>• The school may enter the rehire immediately after the retirement webform has been processed. It’s <b>strongly recommended the School enter the rehire within 24 hours of the last day of work.</b></li>   <li>• If faculty member returns to work <b><u>within</u> two payroll periods:</b> <ul style="list-style-type: none"> <li>✓ <b>Faculty member</b> must call Stanford Benefits service center and “postpone” their retiree medical benefits (this should have already been accomplished three weeks earlier [see “Three Weeks Before Retire Date” above]).</li> </ul> </li>   <li>• If faculty member remains off payroll <b>for at least two payroll periods:</b> <ul style="list-style-type: none"> <li>✓ <b>RETURNING TO WORK 50% TIME OR MORE</b> in a benefits-eligible position – <b>faculty member</b> must call Stanford Benefits service center and “postpone” their retiree medical benefits (this should have already been accomplished three weeks earlier [see “Three Weeks Before Retire Date” above]).</li> <li>✓ <b>Stanford Benefits</b> will send a COBRA package to the faculty member’s home address within two weeks of the call.</li> <li>✓ <b>Faculty member</b> must review COBRA package and elect coverage under COBRA if necessary for a period of <u>one month</u>.</li> <li>✓ When returning to work, coverage is reinstated to pre-retirement elections – or – if restarting in a new calendar year, new elections must be made within 31 days of return to work.</li> <li>✓ <b>RETURNING TO WORK AT LESS THAN 50% TIME</b> – [see “Three Weeks Before Retire Date” above]).</li> <li>✓ When returning to work, no action is required. Retiree medical coverage continues without changes because of actions taken three weeks before the retirement date.</li> </ul> </li> </ul>
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<p><b>4 – 5 months prior to Retirement date</b></p>	<ul style="list-style-type: none"> <li>• <b>The Provost’s staff</b> prepares a confirmation letter and the FRIP Agreement &amp; Release.</li> <li>• Document originals are sent to the faculty member at his/her home address and hand delivers a copy of the agreement to the Benefits Office.</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Faculty member</b> returns the signed agreement and it is then signed by the Provost.</li> <li>• <b>The Provost’s staff</b> sends a copy of the fully executed agreement to faculty member at his/her home address. Provost’s staff and Payroll office maintain copies.</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>The Provost’s staff</b> contacts the faculty member to discuss when the check will be available for pickup at Payroll department.</li> <li>• <b>The Provost’s staff</b> works with Payroll to ensure the payment is made.</li> <li>• <b>Timing issue:</b> <i>this process cannot be completed if the <b>School or Department</b> has not completed the tasks shown above at “Payroll Period Before Retire Date.”</i></li> </ul>
<p><b>Retirement Date + 9 Days</b> (as noted in FRIP agreement)</p>	<ul style="list-style-type: none"> <li>• <b>Payroll</b> generates FRIP check.</li> <li>• Check available after 3:00PM for pick-up in Payroll department (electronic payment or direct deposit not available) on date specified by faculty member.</li> <li>• <b>Timing issue:</b> <i>this process cannot be completed if the <b>School or Department</b> has not completed the tasks shown above at “Payroll Period before Retire Date.”</i></li> </ul>