

Faculty
Frequently Asked Questions
Working past 65, retirement, and phased retirement
(Revised October 22, 2008)

Working past age 65

Q: What is my "Normal Retirement Date" now that mandatory retirement has been eliminated?

A: Your Normal Retirement Date is still defined as the July 1st coincident with or following your 65th birthday. You no longer have to retire on that date, however.

Q: Do I have to inform anyone that I plan to continue to work past my Normal Retirement Date?

A: No, unless and until you give notice to retire or to begin phased retirement by the deadlines outlined below, it will be expected that you will continue your normal duties.

Full-time pension and benefits after normal retirement date

Q: What happens to my benefits and the contribution that UWO makes to my pension if I work past my Normal Retirement Date?

A: The Employer's contribution to your pension will be the same as for those Members under 65. After the end of the calendar year in which you turn 69, pension contributions are discontinued (as required by tax regulations), and your benefits will be those that are available to retirees. You will also be entitled to the benefits available to Members under 65, with the following exceptions July 1 after your 65th birthday: Long Term Disability will be discontinued, Employer-paid life insurance will be limited to a \$15,000 policy, and all other Member and Dependent Life Insurance terminates.

Q: I turn age 65 on December 15, 2007. Will my Long Term Disability and Life Insurance Coverage terminate December 31, 2007?

A: No. Your Long Term Disability and Life Insurance Coverage would terminate at your Normal Retirement Date, which would be July 1, 2008, and at this same time your existing employer-paid life insurance coverage would be replaced with an employer-paid \$15,000 policy and all other Member and Dependent Life Insurance would terminate.

Retirement for full-time faculty

Q: When may I officially retire?

A: If you are within ten years before your Normal Retirement Date (NRD), then you can retire at any time. However, if you retire after your NRD, you must retire on a July 1. If you wish to qualify for post-retirement benefits (and are eligible to do so - see next question) then you must retire on a July 1st (or on a June 30 if this allows you to unlock a portion of your pension funds) even if you are retiring before your NRD. Generally, in order to retire with post-retirement benefits you will need to give notice of your intention to retire 12 months in advance (although your Dean can waive this notice period on compassionate grounds). (Note that resignation can occur effective any July 1 with at least three months notice, but no retiree benefits would be in place.)

Q: If I retire, will I be entitled to post-retirement benefits?

A: Full-time Members are entitled to post-retirement benefits provided they have worked Full-Time at UWO for a minimum of 5 years (for current Full-time Members), or 10 years for new Full-time Members who join UWO on or after July 1, 2007, and who otherwise qualify to retire. (See question above for requirements related to notice and date of retirement)

Q: Are there any changes to post-retirement benefits?

A: Yes, there are two changes to the post-retirement benefits available under the previous contract: 1) a slightly more restrictive definition for eligible dependent children, limiting coverage to age 21 if not attending school and to age 25 if attending school (Note: this is a change to both the active and retiree benefit plans); and (2) a limitation on out-of-country coverage to the first 60 days of any trip. If an accident were to happen on day 60 requiring hospitalization, coverage would continue until the attending physician releases the covered person to return home.

Q: If I currently have an overage dependent, what options are available to continue health coverage for him or her?

A: The changes to the definition of dependent took effect on April 30, 2007. Manulife has a "Follow Me" plan which will permit a person actively insured under the Western Plan to apply for benefits without "proof of good health" provided they do so within 60 days of end of coverage.

Q: I am on a six-month Sabbatical Leave which is due to end at my Normal Retirement Date. Do I have to return for at least six months?

A: Yes, you must return for a period equal to the length of your Sabbatical Leave.

Q: Retiring at least one day prior to normal retirement allows some long-service Members to unlock a portion of their UWO Pension Funds. Does the elimination of mandatory retirement change that?

A: No, it does not. Retirement must still be a least one day prior to the Normal Retirement Date in order to unlock eligible UWO Pension Funds.

Part-time retirement and course rights

Q: The previous collective agreement required that I "retire" from part-time work on my "Normal Retirement Date" and, as such, my Limited Duties rights and status were lost. Is this still the case now that mandatory retirement is abolished?

A: No. You will not automatically be deemed to have retired as of your "Normal Retirement Date" and your rights and status (i.e., First Refusal Status, First Refusal Rights) will continue until such time as you have given notice of resignation or retirement. Rights and status may also be lost if you have not been appointed to a Limited Duties appointment in the Unit for a period of thirty months from the end date of the last Appointment (or in the case of Units which offer courses regularly but on less than an annual basis, for two consecutive offerings of the course to which your rights pertain).

Phased retirement for probationary and tenured faculty

Q: How does Phased Retirement work?

A: The Phased Retirement option is available to Probationary and Tenured Members who have at least 10 years of Full-Time service at UWO and who are within 10 years before their Normal Retirement Date. You must give notice 12 months in advance of beginning phased retirement on a July 1. The decision to retire at the end of phased retirement is irrevocable.

Phased retirement must occur over a three-year period. In each of the three years, your salary and workload must be between 25% and 75% of your normal annual salary/workload (as negotiated with your Dean), and your total workload over the three years must add up to between 150% and 200% of your normal annual workload. Some examples: your workload over the three years could be: 75% - 50% - 25% for a total of 150%; 50% - 50% - 50% for a total of 150%; 67% - 67% - 66% for a total of 200%; etc.

The incentive to commit to phased retirement is that in addition to receiving the salary commensurate with your workload level (75% normal workload = 75% normal salary in that year), there is an additional payment of 50% of one year's salary (based on the nominal salary immediately before the commencement of the phased retirement). You can choose to receive this additional amount, called the Phased Retirement Supplement (PRS), in any one of three ways: (1) it can be paid as taxable income in three equal installments at the beginning of each year of phased retirement; (2) it can be paid as a lump sum at the end of phased retirement with a certain amount being sheltered and the rest taxed at that time; or (3) a portion can be paid as an amount that can be sheltered at the end of phased retirement, with the remainder being paid in equal installments at the beginning of each year of phased retirement and taxable at that time. Please note that this 50% payment is a minimum amount to which all Full-time probationary and tenured Members taking Phased Retirement are entitled; a Dean can increase this supplement at his or her discretion.

Phased retirement is arranged through the Reduced Responsibility article in the Collective Agreement, which is unchanged from the 2002-06 Collective Agreement. The Workload balance during phased retirement mirrors the Unit's Normal Workload, unless agreement is reached otherwise using the provisions of the Alternative Workload article.

Q: Will my benefits be pro-rated if I go on Phased Retirement or Reduced Responsibility?

A: According to the Reduced Responsibility Article, for those Members who are over age 55 and with ten or more years of full-time service when beginning the period of Reduced Responsibility (this would be the case for any Members eligible for Phased Retirement), contributions by the Employer and Member to pension and group insurance plans and benefits therefrom are on the basis of the deemed continuance of the full-time salary, except in cases of short- and Long-Term Disability. See the Reduced Responsibility Article from the 2002-06 Collective Agreement for more information. Eligibility for benefits such as the Professional Expense Reimbursement and the Faculty Dependents' Scholarship Plan is not affected by Reduced Responsibility or Phased Retirement.

Q: I will turn 65 on February 1, 2008, so my Normal Retirement Date is July 1, 2008. Am I eligible to begin phased retirement on July 1, 2008?

A: Yes, provided you give written notice to your Dean by July 1, 2007 of your intention to begin phased retirement on July 1, 2008. You may begin phased retirement on any July 1 from age 55 up to and including your Normal Retirement Date, as long as you fulfill the notice requirement and have 10 years full-time service. Once your Normal Retirement Date passes, however, you cannot begin phased retirement.

Q: I have accrued Sabbatical Leave eligibility. May I take a Sabbatical Leave during Phased Retirement?

A: Yes, you may. When you make your Phased Retirement arrangements with your Dean, you can negotiate Sabbatical Leave accrual and level of pay while on Sabbatical during the Phased Retirement. The requirement that a faculty member return to his or her position for a period equal to the length of the Sabbatical Leave remains.

General

Q: Is there someone who can provide me with retirement counseling?

A: Yes, there are pension and benefits consultants in Human Resources who can advise on a range of issues, such as pension disposition options, post-retirement benefits, tax implications of the different settlement options available for the Phased Retirement Supplement, and more.

Q: If I want to retire or to begin phased retirement, to whom should I send written notice of this?

A: Written notice must go to your Dean by the specified deadline. You may want to copy this notice to Human Resources so that they can initiate any arrangements that are under their responsibility and your Chair/Director (as applicable) to keep him or her informed.