

ASU System Policy

Effective Date: May 15, 2009

Subject: Early Retirement Benefits

1. Purpose

Arkansas State University rewards employees providing dedicated and lengthy service to the institution. To the extent allowed by existing financial conditions, early retirement benefits will be available to all Arkansas State University employees.

2. Arkansas State University System Early Retirement Benefits Policy

Employees between the ages of fifty-five (55) and sixty (60) shall become eligible for early retirement benefits in the calendar year in which the sum of their age and the number of years of continuous full-time service to Arkansas State University totals seventy (70).

Employees sixty (60) years of age and older are eligible for early retirement benefits in the calendar year in which they have at least ten (10) years of continuous full-time service to Arkansas State University.

3. Process

Employees electing early retirement will be eligible to receive the following benefits so long as the financial condition of the university allows:

- A. Medical insurance (including spouse and unmarried dependents, if covered at the time the employee retires) at one-half of the total cost. One-half the total cost consists of one-half of what ASU pays and one-half of the employee premium. Direct draft payments must be established through the payroll director prior to retirement;
- B. Life insurance and accidental death and dismemberment benefits equal to the scheduled amount at the time of the early retiree's retirement at no cost to the retiree; and
- C. Tuition discounts for the early retiree, the spouse, and unmarried dependent children in the amount in effect for existing university employees.

The benefits provided to early retirees enumerated in items A and B above will terminate at the earlier of the age at which the early retiree becomes eligible for Medicare coverage or the date the early retiree becomes eligible for similar benefits under any other arrangement for members in a group, whether insured or self-insured.

The benefits provided to the spouse of the early retiree enumerated in items A and B above shall terminate the earlier of either a) when such benefits terminate for the early retiree or b) the spouse becomes eligible for Medicare. Should the spouse of an early retiree not have reached the age of Medicare eligibility at the time benefits to the early retiree are terminated, the early retiree may pay the total cost of continuing such coverage until such time as the spouse becomes eligible for Medicare.

(Adopted by the Arkansas State University Board of Trustees on May 15, 2009, Resolution 09-31, supercedes the Early Retirement/Retirees Unused Sick Leave Compensation Policy of July 1, 1993, and revisions December 2000 and June 30, 2003.)