

SECTION: Personnel

SUBJECT: Termination Due to Retirement

Background The purpose of this policy is to help employees understand the rules for retirement.

Point of Contact: HRS

Other LCSC offices directly involved with implementation of this policy, or significantly affected by the policy: N/A

Date of approval by LCSC authority 9/2/09

Date of State Board Approval N/A

Date of Most Recent Review: September 2009

Summary of Major Changes incorporated in this revision to the policy: Revised the reference to SBOE policy.

SUBJECT: TERMINATION DUE TO RETIREMENT

1. Introduction

To retire is to withdraw from one's position or occupation--to conclude one's professional or working career.

2. Involuntary Retirement

- A. LCSC employees are not required to retire on the basis of age.
- B. Although employment cannot be involuntarily terminated for the reason of age alone, indefinite continuation of one's position is not guaranteed. If an employee becomes unable to perform the duties required by his or her job description, he or she may be required to retire or may be reassigned to another position for which he or she is qualified, possibly at a lower rate of pay.
- C. Eligibility for retirement benefits in the case of involuntary retirement is determined as it is in the case of voluntary retirement.

3. Voluntary Retirement

- A. LCSC employees may voluntarily retire on the basis of age, length of service, or a combination of age and service, or on account of disability.
- B. Eligibility for Public Employee Retirement System (PERSI) Benefits.

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- (1) Upon retirement, an employee qualifies fully for the benefits if he or she has completed five years of participation in PERSI and if either of the following requirements is satisfied:
 - a. Attainment of age 65.
 - b. Completion of a period of service in the system such that the sum of the of the years of service and the years of age equals 90.
 - (2) An employee who has completed five years of participation in PERSI but has not satisfied either a or b above may, nevertheless, retire at any time after attaining age 55. Upon retirement under these conditions, he or she will be eligible to receive a fraction of the benefits determined by the length of time between the date when retirement payments commence and the date when eligibility for full benefits would have been attained.
- C. Eligibility for the Optional Retirement Plan (SBOE policy II.k.2.b)
Faculty or nonclassified employees hired on or after July 1, 1990, are required to participate in the Optional Retirement Plan. When these employees (as well any who chose to switch from PERSI to the ORP) elect to retire, they will do so in accordance with the provisions of their selected carrier.

4. Disability Retirement

- A. An employee who has participated in PERSI for 10 years and becomes disabled may receive a disability income allowance.
- B. The Optional Retirement Plan does not contain a disability benefit provision. An employee who has participated in this plan may begin receiving an annuity income if he or she becomes disabled.

5. Reference

- A. For information concerning PERSI eligibility and benefits, please contact the Human Resources Office.