

Terms and Conditions

Voluntary Retirement Plan for Faculty, Librarians, and Archivists

Queen's University

March 2024

Background

Queen's University is facing its third consecutive year of operating budget deficits, with the 2023-24 operating deficit currently projected to be \$41 million. While the university has been relying on its reserves to cover its deficits, this is not sustainable. The university needs to reduce costs to bring its operating budget into balance. The Voluntary Retirement Plan (VRP) for Faculty, Librarians and Archivists is a limited-time opportunity for eligible, approved faculty, librarians and archivists in the QUFA bargaining unit to elect to retire on either December 31, 2024 or May 31, 2025, in return for which they will receive a lump-sum payment equivalent to one (1) year of their Regular Salary. The purpose of the VRP is to reduce costs so that the university can build sustainable financial capacity to continue to advance the academic mission of the university, including faculty renewal. Queen's has a long history of academic excellence, and is committed to ensuring that despite financial challenges, the university's academic mission is not compromised. The VRP complements but does not replace the Voluntary Phased Retirement Program (VPRP), which remains available to faculty, librarians, and archivists who prefer a phased approach to retirement.

The option to retire under the VRP is available based on the Terms and Conditions in this document.

Eligibility

QUFA bargaining unit members holding a Tenured, Tenure-track, or Continuing Adjunct faculty appointment, or Continuing or Continuing-track Librarian or Archivist appointment with active pay status as of March 20, 2024, are eligible to apply for the VRP if they:

- I. have a total pensionable service plus age that equals or exceeds 80 as of the date of retirement
- II. are within 10 years of their Normal Retirement Date (age 65) or are working beyond their Normal Retirement Date as of the date of retirement (i.e., they are pension eligible or are already drawing their pension); and
- III. have total service at Queens that equals or exceeds 10 years as of the date of retirement

with the following exceptions:

- a) Academic Administrators excluded from the QUFA bargaining unit for the duration of their administrative appointment; and
- b) those who, as of March 20, 2024, have already given formal notice of retirement or resignation to the University, including those who have commenced the Phased Retirement Period of the Queen's Voluntary Phased Retirement Plan and those who have agreed formally to end their employment voluntarily following approved leave.

Eligible individuals applying for the VRP in accordance with the application deadline shall be hereafter referred to as "Applicants".

Approval

Submission of an application is not a guarantee of its approval. Consideration of applications will be made by the relevant Dean or the Vice-Provost and University Librarian, and the Provost and Vice-Principal (Academic), who are responsible to ensure that academic and operational priorities are sufficiently met with the retirement.

Applicants to the VRP must make an irrevocable commitment to retire in accordance with the terms of the VRP.

Retirement Dates

Approved Applicants must choose one of the following retirement dates: December 31, 2024 or May 31, 2025. The decision to retire under the VRP is final and irrevocable as of the date on which the application is approved.

If the Applicant's application is approved, the Applicant will not be eligible for paid employment or re-employment in any capacity at Queen's University on and after their retirement date. Approved Applicants will not be eligible to perform services for Queen's University in the capacity of a contractor for services on or after their retirement date.

Approved applicants will not be assigned a retirement date that they did not select.

Retirement Incentive Benefits and Payment Options:

The retirement incentive is a lump sum payment equivalent to one (1) year of their Regular Salary at their voluntary retirement date. "Regular Salary" is defined in the Queen's-QUFA Collective Agreement as "the portion of a Member's actual salary paid for their normal workload for the year (whether full-time or part-time), not including administrative stipends or overload payments."

This payment may be taken as a single lump sum payment on the date of retirement or in the form of two lump sum payments with one on the date of retirement and the other on January 31 of the year following the year of retirement. The election to receive a single

lump sum or two lump sum payments must be made at the time the application is submitted.

Application Process

- i. Applications for the VRP are available on the Office of the Provost website.
- ii. **Completed applications should be returned to the Applicant's Dean (for faculty Applicants) or to the Vice-Provost and University Librarian (for librarian and archivist Applicants) no later than 4:30 pm on Monday, June 17, 2024. No applications will be accepted after the deadline.**
- iii. Applications will be forwarded to Academic Compensation for verification of eligibility criteria.
- iv. Consideration and decisions regarding applications will be made no later than Friday, August 16, 2024 by the relevant Dean or the Vice-Provost and University Librarian, and the Provost and Vice-Principal (Academic) who are responsible to ensure that academic and operational priorities are sufficiently met with the retirement.
- v. Applicants will receive written confirmation if their application has been approved and will be required to sign a written statement confirming the terms and conditions of the VRP applicable to them (i.e., retirement date, amount of payment, form of payment, etc.)

Taxable Status of Retirement Incentive Benefits

The lump sum payment(s) are a retiring allowance paid at (or following) retirement in recognition of long service. A retiring allowance is taxable, *non-employment* income and will be reported to the Applicant on a T4 tax slip for the year of payment. All payments will be subject to a minimum of 30% withholding tax and any other required deductions. Applicants may elect additional tax to be withheld. No deductions for Canada Pension Plan, Employment Insurance, UPP, QUFA dues and/or employee-paid benefits will be applicable to the payments.

Benefit Participation

Effective on the Applicant's retirement date, all employment-based benefits, entitlements and professional expense reimbursements cease. Earnings up to and including the retirement date are pensionable earnings from which pension contributions will be deducted.

If eligible, at time of retirement the Applicant may enroll in the Retiree Group Benefit Plan offered to retirees of Queen's University. The Applicant can enroll in the same benefits they have as an active employee immediately prior to retiring. Some of the benefits change and/or are reduced in the Retiree Group Benefits plan and the cost-sharing of premiums is also different for Retiree Group Benefits. Premiums are reviewed annually and are subject

to change during retirement. The terms of coverage are also subject to change from time to time, including after the Applicant's retirement date.

The Retiree Group Benefit Plan and related insurance contracts, and the UPP will govern entitlements under those programs. Retirement packages will be received via email six to eight weeks prior to your retirement date. The value of your pension at your retirement date can be estimated using the [Pension Self Service tool](#).

The Applicant's last year of Professional Expense Reimbursement (PER) is the Academic Year of retirement. PER will be prorated based on retirement date and Applicants have no claim to PER with respect to the period after their retirement date. Expenses must be incurred prior to the retirement date, and Applicants must have all PER claims submitted prior to their last day of employment. Items purchased with these funds that have a continuing value remain the property of the university.

Unused Vacation and Credited Service Toward Leave

Applicants agree that they shall have exercised all vacation entitlement prior to their retirement date; therefore, there will be no payout of unused vacation time.

Credited years of service towards an academic leave have no monetary value for the purposes of the VRP.