

Voluntary Retirement Program (VRP) Frequently Asked Questions

April 12, 2016

1. Who is eligible?

Any active full-time employee (faculty, support or administration) who has reached unreduced retirement status with the CAAT Pension Plan as of March 31, 2016.

2. How will eligible employees be notified?

Human Resources will be mailing letters to all individuals who are eligible for the incentive program, including the support payment amount based on the formula. Please contact your manager if you do not receive a letter and you think you are eligible.

3. Who is not eligible?

Any employee who has not reached unreduced retirement status with the CAAT Pension Plan as of March 31, 2016.

4. Do I still qualify if I have already confirmed my retirement?

You will still be eligible for the payment if you have confirmed your retirement and you meet the qualifying criteria of the program - unreduced retirement status with the CAAT Pension Plan as of March 31, 2016 and one of the outlined retirement dates (June 30, 2016 OR August 31, 2016 OR December 31, 2016).

5. I will not be eligible for a CAAT unreduced retirement pension as of March 31, 2016. Can I buy back past service or transfer-in a prior pension to increase my credited service to qualify?

No. You must be eligible for unreduced retirement pension with the CAAT Pension Plan as of March 31, 2016. As the timelines associated with completing a buyback or transfer-in are lengthy, for eligibility purposes such requests will not be considered at this time.

6. How do I apply?

Applications must be received by Human Resources, LRC 6012, North campus no later than 4pm on May 24, 2016. Ensure to rank your preference for retiring (June 30, 2016, August 31, 2016, or December 31, 2016). Once you have completed your application, please forward your form to Human Resources and we will coordinate the approval process with your Manager.

7. How do I calculate the amount of incentive payment that I may be eligible to receive?

Three weeks per year of active service, starting from your full-time hire date, to a maximum of six months (26 weeks). Please note that any form of unpaid leave is not included in the calculation.

- 8. How many years of full time active employment do you need to be eligible for the six months of salary?**
Eight years of full time active employment
- 9. How do I know if this payment will give me enough to retire?**
Retirement is an individual and unique decision. Group education sessions will be available to help you understand the considerations related to making this decision. These information sessions will be provided at no cost. As this is a major life and financial decision, you may wish to seek independent financial advice. Only you will know when the time is right to retire.
- 10. Can some or all of the incentive payment be put into an RRSP? If so, how can that be done?**
Some or all of the incentive payment may be eligible for an RRSP provided that the employee has enough contribution room. This is something you should discuss with a financial advisor.
- 11. Why do I have to apply if I am already eligible?**
In some cases, employees who are eligible may hold positions that would put operational needs in jeopardy if they were to retire at a certain time. We also want to avoid a situation where too many people in one department decide to retire at the same time. This is why we want to take a thoughtful and careful approach to this program and examine all operational impacts before making a final decision.
- 12. When can I choose to voluntarily retire and be eligible for the incentive?**
Applicants must agree to retire on June 30, 2016 OR August 31, 2016 OR December 31, 2016.
- 13. Do I have to use up all of my vacation before my retirement date?**
Vacation will be paid out to a maximum of 45 days.
- 14. How do you decide who to approve?**
We will make our decisions once all applications have been submitted. We want to make sure that approvals are made with a holistic view of how the retirements will affect the organization. In some cases, we may work with you to explore different options (for example, explore different timelines for retirement) if we feel that Humber operations will be at risk if too many employees retire at once.
- 15. When will I know if I have been approved?**
Approval decisions will be communicated to individual employees by June 15, 2016. Approved employees must sign back their acceptance by June 17, 2016.
- 16. Do I have to leave if I submit an application?**
No, you do not have to leave if you submit an application. However, once you sign your acceptance form you are making a commitment to retire effective June 30, 2016 or August 31, 2016 or December 31, 2016.

17. If I am not ready to retire now, can I take advantage of this program at a later date?

This program is only being offered at this time. While we cannot speculate on what may happen in future years, there are currently no plans to offer this program again.

18. Can I still retire even if I'm not approved for this program?

Yes. Retirement is a personal and individual decision. Only you know when the time is right to retire.

19. Will I be eligible to continue group benefits such as dental, medical, and life insurance?

Employees eligible to receive a pension can apply for group benefits as per the handbook for their respective employee group. The monthly contributions are paid 100 per cent by the retiree; the college does not pay for any benefit contributions, however, the retirement plan provides a benefits allowance for a maximum of six months.

20. How do I get an estimate of my pension entitlement?

In June 2015 you received your pension statement for 2014. Your calculation is reflected in that the statement. You may also go directly to the CAAT web site and follow the directions on how to calculate a pension estimate.

https://www.caatpension.on.ca/en/tools/pension_estimator

To support the VRP, CAAT has agreed to calculate your individual pension estimates for June, August and December 2016. The estimates will be available from Humber Human Resources upon request as of April 25, 2016. When you RSVP for a general information session on the dates/times outlined in question # 26, please let us know if you'd like us bring your estimates or if you'd prefer to pick them up in advance. Note these estimates will not include vacation amounts.

21. Where do I find information about retirement provisions?

The CAAT Pension Plan Member Handbook provides information and examples of retirement options.

<https://www.caatpension.on.ca/en/members/member-handbook>

22. I have vested sick leave credits, will they be paid out.

There are a small number of employees who have vested sick days eligible for payout as part of a grandfathered agreement negotiated several year ago. Those with vested sick days will receive a payout following the prescribed formula in the Benefits Booklet.

<http://thecouncil.on.ca/articles/150>

23. What are the timelines* to remember for this offering:

April 12 – all employee announcement
April 12 – mail letters to eligible employee homes
April 13 - 14 – eligible employees receive letters
April 28, May 2, 5 and 6 – Voluntary Retirement Program general information sessions for eligible employees
May 10-11 – CAAT pension plan information session and individualized counselling
May 16, 17, 18 and 20 – group financial planning education session for eligible employees
May 24 – eligible employee deadline to apply
June 1 – applications to managers for review
June 15 – approved employees are notified of acceptance, including approved retirement date
June 17 – employees must sign back acceptance, application is irrevocable at this point
December 31 – latest date for departure
*Note all of the above dates are in 2016.

24. Is this program intended to reduce the number of full-time complements?

No. We are committed to maintaining the level of full-time complements across Humber.

25. Can I work for Humber part-time if I leave under this plan?

Not for at least one full calendar year after your retirement. After one year, anyone is welcome to apply. If you wish to stay engaged with Humber on a volunteer basis, please indicate this preference on your application form.

26. What if I have more questions?

You can speak with your manager, or you can attend one of the following general information sessions about the Voluntary Retirement Program being organized by Human Resources:

- April 28: 2-4pm, LRC 6084, North campus
- May 2: 2-4pm, LRC 6084, North campus
- May 5: 2:30-4:30pm, LRC 6084, North campus
- May 6: 9:30-11:30am or 1:30-3:30pm, A170 (Blue Room), Lakeshore campus

Please RSVP to maureen.martin-edey@humber.ca if you wish to attend a session.