What is the Retirement Incentive Program?
The retirement Incentive Program (RIP) is a voluntary program designed to provide an incentive to employees who may be close to retirement that participate in the SC State Retirement System Plan (SCRS) or the Police Officers Retirement System Plan (PORS). The retirement incentive plan allows agencies to purchase service credit (not to exceed the cost of one year’s base salary) on behalf of employees who are currently eligible to retire or purchase the amount of time necessary to make employees eligible to retire. It is tool provided by the state to allow agencies to implement a program to realign resources and/or permanently downsize based on the ability to demonstrate recurring cost savings.

What employees are eligible to participate?
Each VP or Dean bases decisions about incentive plans on their division’s strategic needs and priorities. The program is offered not as a tool to cut the budget, but instead to reallocate positions or funding. These are purely voluntary programs that are not required to be offered university-wide.

If eligible for the Retirement Incentive Plan, does it mean I am eligible to retire?
If you became a member of the SC Retirement System prior to July 1, 2012 you are classified as a class II member. Class II members that meet the following requirements (including service time purchased through this incentive program) are considered eligible to retire from the South Carolina Retirement System (SCRS):

- Normal Retirement (Unreduced Benefit):
  - 28 years of SCRS service credit, five years of which must be earned; or
  - Age 65 with five years of earned SCRS service credit.
- Early Retirement (Reduced Benefit):
  - Age 60 with at least five years of earned SCRS service credit. Your benefit is permanently reduced 5 percent for each year of age less than 65; or
  - Age 55 or older with 25 years of SCRS service credit, five years of which must be earned. Your benefit is permanently reduced 4 percent for each year of service less than 28.

Will employees receive anything in the mail regarding plans?
Only eligible employees will receive a letter and a copy of the plan.

Who is not eligible to participate in the Voluntary Retirement Incentive Plan?
- Employees not meeting RIP plan requirements
- Non-FTE Employees (including but not limited to Intermittent, Temporary, Temporary Grant, Time Limited Project, or Student workers)
- Employees who submitted a notice of resignation, or retirement prior to the date of the RIP notification
• Employees participating in the TERI program, or any equivalent program for law enforcement officers
• Employees previously retired from SCRS or PORS.
• Employees who have not purchased enough service credit in addition to the service credit received under the RIP to qualify for retirement as of the plan announcement date
• Employees who participate in a Voluntary Separation Program

If an employee meets the criteria, will they be required to participate in the RIP?
No, participation is completely voluntary.

How do employees participate in the RIP?
Schedule an appointment with the Office of Human Resources.

Do employees have to return the RIP Acknowledgement Notice even if they do not plan on participating?
Yes, all employees who receive the Retirement Incentive Plan plan documents need to return the Acknowledgement Form to confirm receipt of the plan documents.

When will the RIP start?
Plan dates are set by the State, the Office of Human Resources, and by the VP or Dean offering the plan. Employees are notified of the plan start date within the information mailed to their home address.

What is the incentive to participate in the RIP?
While incentives for participation are set by each plan, employees who are approved to participate in the RIP may receive:

• The purchase of additional retirement plan service not to exceed one (1) year’s base salary
• Payment for any unused annual and compensatory leave balances as provided in the Human Resources Regulations and agency policy

What is the difference between qualified and non-qualified service? What types of service credit may I purchase and how much will it cost?
Employees may purchase the following types of service credit.

• **Qualified Service**, as listed below, may be purchased at a rate of XXXXX of current salary or career highest fiscal year salary, whichever is greater, for each year purchased. (Exceptions: workers' compensation and withdrawn service, see below).
  o **Public Service** – any period of paid public service as an employee of the government of the United States, a State, or political subdivision of the United States. This includes student employment for a public institute of higher education as a graduate or undergraduate student.
  o **Educational Service** – any period of paid classroom teaching consisting of grades kindergarten through 12 in a public, private, or sectarian school.
- **Military Service** – any period of military service, including United States Army, Navy, Marine Corps, Air Force, Coast Guard, Select Reserves, and Army or Air National Guard, up to a maximum of six years. Discharge must be under conditions other than dishonorable, and must not overlap any period of earned service.

- **Leave of Absence** – any period of employer-approved leave of absence with an employer participating in the retirement system, up to a maximum of two years per leave of absence.

- **Workers’ Compensation** – any period of leave of absence while receiving Workers’ Compensation benefits. The cost of workers’ compensation service is based upon contribution plus interest using salary at the time of injury.

- **Withdrawn Service** – any service from which you left employment and received a refund of your contributions plus interest. The cost to establish withdrawn service is the amount you withdrew plus the interest that would have accrued in the account.

- **Non-qualified Service** is additional time “air time, not earned” that a member may purchase to meet eligibility or to increase benefits. The cost is XXXXX of current salary or career highest fiscal year salary, whichever is greater, for each year purchased.

**How much service may I purchase? How much service will Clemson University purchase?**

- **Non-qualified service**: The maximum non-qualified service the employee and employer can purchase is a combined total of 5 years. Please keep in mind the incentive limits explained in the plans which cap the amount of non-qualified service Clemson will purchase.

- **Qualified service**: The amount of qualified service the employee may purchase is unlimited. There are incentive limits explained in the plans which cap the amount of qualified service Clemson will purchase.

Contact the Office of Human Resources as soon as possible, if you wish to purchase service credit (qualified or non-qualified). It is essential to respond quickly in order to receive a timely invoice.

**How long does it take to receive a cost statement for the purchase of service credit?**

The amount of time necessary to obtain a cost statement for the purchase of service credit varies from a few days to several weeks or months, depending upon the circumstances. DO NOT DELAY IN MAKING YOUR REQUEST.

If you have never received a cost statement for a purchase of Qualified Service Credit, you will be required to have this service verified, either through a previous employer, through another retirement system, and/or through military records. Obtaining this documentation takes time. Contact the Office of Human Resources immediately.

If a cost statement for a purchase of Qualified Service Credit has previously been received, but the invoice has expired, contact the Office of Human Resources immediately. A new invoice will need to be requested.
What if I do not purchase enough service credit to qualify by the deadline? 
You will not be eligible to participate.

If an employee submits the Agreement and Release Form but changes their mind about participating in the RIP, can they revoke their Agreement? 
Yes, employees have seven (7) calendar days from the date of their acceptance to revoke their Agreement.

When must an employee separate from employment after they agree to participate in the RIP? 
Separation dates are designated by the plan.

If an employee participates in the RIP, can they apply for another job at Clemson? 
A participating employee cannot be reemployed into an FTE position with Clemson University.

A participating employee can return to Clemson or another agency in a temporary, temporary grant, or time-limited project position.

If I participate in the RIP, what happens to my unused annual and sick leave? 
- **Annual Leave:** Upon separation you will receive payment for any unused annual leave balance as provided in the State Human Resources Regulations.
- **Sick Leave:** Upon retirement from State Government, an employee is eligible to receive service credit for up to 90 days of unused sick leave; however, any remaining unused sick leave will be forfeited. Employees will not be paid out for any amount of sick leave.

Can the separation payment and/or the annual or compensatory leave payout be deferred to a university-sponsored 401k, 457, or 403b plan account? 
Yes, employees can defer their separation payment, annual leave payout, and/or compensatory leave payout in full or in part to a university-sponsored 401k, 457, or 403b plan account. Deferral(s) will be subject to IRS annual contributions limits.

Who do employees contact if they have questions about the RIP and my options? 
The Office of Human Resources.

To participate in the Clemson University Retirement Incentive Plan, all transactions (requests for service purchase, completion of the Retirement Incentive Agreement and Release Form, and/or benefit estimates) must be handled through the Clemson University Office of Human Resources. The South Carolina Retirement System will not provide retirement assistance through this Retirement Incentive Plan.