



CORNELL UNIVERSITY

2020 VOLUNTARY RETIREMENT INCENTIVE (“VRI”) PROGRAM

VRI PROGRAM FEATURES	DEFINITIONS
Eligibility	Regular, benefit-eligible academic and non-academic employees on active payroll as of June 29, 2020, who are: <ul style="list-style-type: none"> • Age 62 or older as of August 31, 2020, <i>and</i> will have • Ten years of credited service as of August 31, 2020.
Retirement incentive payment	An amount equal to six months of current base pay as of July 1, 2020, as a lump sum payment, subject to tax withholding.
Retirement incentive contribution	An additional payment equal to the value of one year’s worth of Cornell University Retirement Plan (CURP) contribution under the CURP plan in effect as of July 1, 2020, contributed in a lump-sum payment, remitted to your existing retirement account with Fidelity Investments and/or TIAA. NOTE: For those without a current CURP account, one will be created for you.
Application period	Applications must be received via email in the HR Services and Transitions Center date-stamped by 11:59 pm on July 24, 2020, or by mail and postmarked no later than July 24, 2020.
Criteria for accepting applications	Confirmed applications will be approved based upon consideration of length of service and on-going needs of the department.

EXCLUDED GROUPS:

- Non-paid or non-benefit-eligible faculty and staff, including individuals in temporary or casual positions
- Employees of the Cornell Cooperative Extension Association
- Employees whose salary is more than 25% supported by sponsored funds
- Employees who are active retirees, or have an existing phased or other retirement agreement in place
- Employees who, as of June 29, 2020, have previously committed to a retirement date in writing
- Employees whose current non-renewable term appointment in a benefits-eligible position ends before September 1, 2021
- Academic and non-academic staff and non-tenured faculty members who are currently receiving long-term disability benefits
- Senior leadership team <https://www.leadership.cornell.edu/senior-leadership/>



CORNELL UNIVERSITY

2020 VOLUNTARY RETIREMENT INCENTIVE (“VRI”) PROGRAM

FREQUENTLY ASKED QUESTIONS (FAQ’s)

Q. Why is Cornell offering a retirement incentive window?

A. The Voluntary Retirement Incentive (VRI) program is being offered to give Cornell's long-service employees an option to retire during this difficult financial period. Retirements will help reduce payroll costs at a time when the University needs to reduce its operating budget.

Q. Does the University want me to retire?

A. The VRI program is a voluntary program. No one at Cornell is in a position to encourage or discourage you from applying for the program. This is an important decision for you to make, and you should take the time to consider if it is the right decision for you.

Q. How does the application process work?

A. Here are the steps:

- Carefully review the materials in your application packet.
- Consult with your family and with a financial or legal advisor before you decide to apply for the VRI.
- If you wish to apply for the VRI program, sign the application form (Document #2) and return it (via scan/email or mail) to the HR Services and Transitions Center, 395 Pine Tree Road, Suite 110, hrservices@cornell.edu, by 11:59 p.m. on July 24, 2020. If you are not able to return the application via scan/email, you should use the US Postal Service. Your application must be postmarked no later than July 24, 2020.

Q. What happens after I submit my application?

A. The HR Services and Transitions Center (HRSTC) will:

- Review your application and confirm to you and to your HR Representative that we have received your application and confirm that you qualify for the VRI. If you do not qualify, we will contact you to explain why you do not meet the eligibility requirements.
- You will receive notice on or about August 5, 2020 whether your application has been accepted.
- If your application is accepted, you will receive additional information regarding the next steps to take, and you should work with your supervisor to prepare for your retirement date. You must retire on or before September 16, 2020 (last day worked on or before September 15, 2020). If you have teaching responsibilities in the fall, and with the approval of a dean or department chair, you may be permitted to delay your retirement until on or before January 1, 2021 (last day worked on or before December 31, 2020).

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FREQUENTLY ASKED QUESTIONS (FAQ's) - continued

Q. What criteria will the University use in accepting applications?

A. This program is designed to provide benefits to long-serving employees. At the same time, a second goal is improving the University's financial situation. In order to meet that financial goal, units will be encouraged not to rehire, after employees in that unit retire under this program. Therefore, the University reserves the right to assess business needs, including the specific knowledge and competencies necessary to support the unit's ongoing work as it reviews the applications for this program.

Q. Can I take back my application after I submit it?

A. Yes, you should notify the HRSTC at hrrservices@cornell.edu before July 24, 2020, and ask for your application to be cancelled.

Q. What is my status if my application is not accepted?

A. Your employment will continue as it otherwise would.

Q. How will I receive the incentive payments and how will they be taxed?

A. The VRI payment is based on your annual base pay as of July 1, 2020. It will be calculated using your position's actual hours and months and will be paid to you in a lump sum, less applicable tax withholdings. The CURP incentive contribution will be remitted directly into your CURP account(s) in the same CURP program and the same Fidelity Investment / TIAA distribution that is in place as of July 1, 2020, up the statutory limits on contributions per calendar year. CURP contributions remitted to your account(s) will not be taxed until you withdraw the money. Academic and non-academic contract college employees accepted into the VRI program who do not have a CURP account will have one created for them, and the contributions remitted to those accounts will also not be taxed until they are withdrawn.

Q. The VRI materials state that if I apply and am accepted under the VRI, I will receive the equivalent of six months of my annual base pay, less applicable tax withholdings, as a lump sum. Can I have some of the lumpsum salary amount shielded from current taxation by placing it into the Cornell University Tax-Deferred Annuity Plan (CUTDAP)?

A. Yes, you may contribute up to the 2020 Internal Revenue Service limits into your voluntary TDA to shelter part of this lump-sum payment, even if you do not currently have a TDA account. The IRS contribution limit for 2020 is \$26,000 for individuals over age 50. So, you can add to your TDA account in any amount up to a total of \$26,000 (including any contributions already made into your account as of the time of this payment). You should be aware, however, that you must pay FICA tax on your total 2020 income, including any amounts contributed to the TDA. Income taxes will not be due on your TDA accumulations until you withdraw the funds from your account(s).

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FREQUENTLY ASKED QUESTIONS (FAQ's) - continued

Q. When will my incentive payments be made?

A. You will receive the lump-sum incentive payment in a separate check as soon as practicable after you sign and return the Release of Claims (Document #3) after your last day of employment. The CURP contributions will be remitted to your elected vendor(s) as soon as practicable after you sign and return the Release of Claims (Document #3) after your last day of employment.

Q. I was placed on layoff status prior to July 24, 2020. Am I eligible for the VRI?

A. To be eligible for the VRI, you must be on the active payroll as a benefits-eligible employee on June 29, 2020. If you were placed on layoff after June 29, 2020, you may apply for the VRI up through July 24, 2020.

Q. What benefits will I receive in retirement?

A. Below, and in the email cover letter that you received along with the application packet, are links to the "*Retirement and Beyond*" booklet, which explains the Cornell programs and plans available in retirement. Once you review the booklet, if you still have questions, please call the HR Services and Transitions Center at 607-255-3936 or contact them at hrrservices@cornell.edu.

We will also present a number of Pre-Retirement Planning Seminars that will be available online during the period June 29 – July 23. Representatives from the HR Services and Transitions Center will present information on benefits in retirement. A listing of these seminars is located at the end of this document.

The links for both the Endowed Retirement and Beyond booklet and the Contract College Retirement and Beyond booklet are here:

<https://hr.cornell.edu/retirees/benefits>

Q. Can I accept this VRI offer and then continue to work at Cornell?

A. A goal of this incentive is to encourage retirements and thereby reduce payroll costs. Accordingly, employees who accept the VRI package cannot return to work in a benefits-eligible (regular or temporary) position at Cornell for one year after their retirement. Based on the University's needs, you may be eligible to work in a casual or temporary position (less than 20 hours per week, and less than six months in duration).

Q. If I don't apply for the VRI, am I likely to be laid off?

A. Any future decisions on the need for lay-offs will be made in accordance with University policy and independent of the VRI program. No employees will be laid off simply because they did not take advantage of the VRI.

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FREQUENTLY ASKED QUESTIONS (FAQ's) - continued

Q. Should I tell my supervisor that I have applied for the VRI?

A. Yes. Once the HR Services and Transition Center has received and confirmed your application as valid, the decision on your part is binding. So, we will inform your local HR Representative of your intent at that time. You will not know whether the University will formally accept your application until the beginning of August. Therefore, we suggest you communicate your intent to retire with your supervisor and discuss your transition plan.

Q. Will my department re-fill my position when I retire?

A. A primary reason for offering the VRI is to reduce payroll costs at a time when the University needs to reduce its operating budget. Departments are expected to carefully review all open positions and make strategic decisions about how to meet their objectives.



ONLINE (ZOOM) VRI AND PRE-RETIREMENT INFORMATION SESSIONS, JUNE/JULY 2020

As part of the VRI, we will be offering online presentations to review the VRI program details and summarize benefits in retirement. We encourage you to review the VRI provisions and FAQs and review the “Retirement and Beyond” booklet before attending one of these sessions.

Endowed Academic and Non-Academic Employees

Retirement and Beyond Booklet: <https://hr.cornell.edu/retirees/benefits>

Session 1: Monday, June 29, 2020, 10:00am – 12:00noon **ACADEMIC**
<https://cornell.zoom.us/j/94825651514?pwd=L3JCNXNNNldjUzJ5SmYrdUxkcDdaQT09>

Session 2: Wednesday, July 1, 2020, 1:00pm – 3:00pm **NON-ACADEMIC**
<https://cornell.zoom.us/j/99289451366?pwd=SWUvZDRLNlBYQTZ1SndHSW90d3loZz09>

Session 3: Tuesday, July 7, 2020, 2:00pm – 4:00pm **ACADEMIC**
<https://cornell.zoom.us/s/96099119446?pwd=aGJ0bXVDeVNzSE44SXQ4amNqV0ZtZz09>

Session 4: Thursday, July 16, 2020, 1:00pm – 3:00pm **NON-ACADEMIC**
<https://cornell.zoom.us/j/92365455562?pwd=TjY0d2FqL0FOZ1FaZjgzU5Qd2ZGdz09>

Session 5: Monday, July 13, 2020, 2020, 4:00pm – 6:00pm **ACADEMIC**
<https://cornell.zoom.us/j/96582391277?pwd=WEJ0aHNZQ0p5ZkNPdkV3RkpPd2tjZz09>

Session 6: Friday, July 17, 2020, 11:00am – 1:00pm **NON-ACADEMIC**
<https://cornell.zoom.us/j/97322991240?pwd=ZFBXN1VIYy9kanFTRlFuSXVjaE5DQT09>

Session 7: Monday, July 20, 2020, 11:00am – 1:00pm **ACADEMIC**
<https://cornell.zoom.us/j/91632013571?pwd=UjJCRXAzZkpadExTU3c3UEM3VmNBdz09>

Session 8: Tuesday, July 21, 2020, 3:00pm – 5:00pm **NON-ACADEMIC**
<https://cornell.zoom.us/j/97616948236?pwd=SzJKY25hV0tLeTVSZG9rMy9pcUdFQT09>

ADDITIONAL SESSIONS MAY BE ANNOUNCED, BASED ON DEMAND.



ONLINE (ZOOM) VRI AND PRE-RETIREMENT INFORMATION SESSIONS, JUNE/JULY 2020

As part of the VRI, we will be offering online presentations to review the VRI program details and summarize benefits in retirement. We encourage you to review the VRI provisions and FAQs and review the “Retirement and Beyond” booklet before attending one of these sessions.

Contract College Academic and Non-Academic Employees

Retirement and Beyond Booklet: <https://hr.cornell.edu/retirees/benefits>

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| Session 1: Monday, June 29, 2020, 2:00pm – 4:00pm | ACADEMIC |
| https://cornell.zoom.us/j/99966113195?pwd=cEwxb29NeE5wM2pBc3RYb3JGQWErQT09 | |
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| Session 2: Thursday, July 2, 2020, 1:00pm – 3:00pm | NON-ACADEMIC |
| https://cornell.zoom.us/j/99289451366?pwd=SWUvZDRlNlBYQTZlSndHSW90d3loZz09 | |
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| Session 3: Tuesday, July 7, 2020, 8:00am – 10:00am | ACADEMIC |
| https://cornell.zoom.us/j/92365455562?pwd=TjY0d2FqL0FOZ1FaZjgzU5Qd2ZGdz09 | |
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| Session 4: Wednesday, July 8, 2020, 4:00pm – 6:00pm | NON-ACADEMIC |
| https://cornell.zoom.us/j/94704488076?pwd=SOJjTEZlMkg1RTZQSZl6U2xzSTQzdz09 | |
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| Session 5: Thursday, July 16, 2020, 2020, 11:00am – 1:00pm | ACADEMIC |
| https://cornell.zoom.us/j/93334787809?pwd=aWhkYktaTGg4Z1UrTmRKVHhGeXlZz09 | |
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| Session 6: Friday, July 17, 2020, 3:00pm – 5:00pm | NON-ACADEMIC |
| https://cornell.zoom.us/j/98966048717?pwd=V2YzY2c5MVh2VmFtWCtsU2N2M1RSdz09 | |
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| Session 7: Monday, July 20, 2020, 3:00 – 5:00pm | ACADEMIC |
| https://cornell.zoom.us/j/99326188015?pwd=NFZRVE5sNlBGSFF6azErYk05TGRIUT09 | |
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| Session 8: Tuesday, July 21, 2020, 11:00am – 1:00pm | NON-ACADEMIC |
| https://cornell.zoom.us/j/99467385455?pwd=bGxBelhhM3BCRjd4UnUyQ2piV1pxQT09 | |

ADDITIONAL SESSIONS MAY BE ANNOUNCED, BASED ON DEMAND.



CONTACT INFORMATION: RETIREMENT PLAN INVESTMENT PROVIDERS

Federal regulations set very high standards for providing investment advice and retirement counseling. The retirement plan providers listed below require extensive training of their phone and in-person counseling representatives, and they stand behind the information and resources these representatives provide to you, the investor.

We strongly recommend that you contact one or more of the investment providers listed below, whenever you seek information regarding your allocations in your retirement accounts, about your future planning needs, and about how you are able to use your accumulations to meet your current income needs.

Vendor/Website Link	General Contact	Contacts for appointments
ENDOWED PLANS		
Fidelity Investments	(800) 343-0860	(800) 642-7131
TIAA Spanish version TIAA website	(800) 842-2776	(800) 732-8353
CONTRACT COLLEGE PLANS		
NYSLRS (NYS ERS PLAN)	(866) 805-0990	N/A
CURP/TDA Providers		
Fidelity Investments	(800) 343-0860	(800) 642-7131
TIAA Spanish version TIAA website	(800) 842-2776	(800) 732-8353
SUNY ORP Providers		
Fidelity Investments	(800) 343-0860	(800) 642-7131
TIAA Spanish version TIAA website	(800) 842-2776	(800) 732-8353
VALIC (AIG)	(800) 448-2542	(315) 530-7458
Voya	(800) 584-6001	(315) 446-0100