



Voluntary Separation Offer
for
Full-Time Faculty and Faculty Department Chairs
of the
H. Wayne Huizenga College of Business and
Entrepreneurship

This presentation is intended to provide an overview of Nova Southeastern University's Voluntary Separation Offer (VSO) Program.

Complete instructions regarding the application for the VSO were sent via email to eligible faculty.

Additional information, including the Program Description can be found on the OHR website at:

<https://www.nova.edu/hr/benefits/vso/>

In the event of any variance between this presentation and the VSO Program Description, the VSO Program description will control all terms and conditions of qualification, eligibility and participation.

General Description of the VSO

The VSO is a special program that provides a separation allowance and funding for medical insurance coverage to eligible and approved full-time faculty members, and faculty department chairs at the H. Wayne Huizenga College of Business and Entrepreneurship (HCBE) who wish to voluntarily separate from NSU effective June 30, 2018.

Objectives of the VSO

The objectives of the Voluntary Separation Offer (VSO) Program are to:

- re-position HCBE to meet the challenges and opportunities of an evolving higher education marketplace,
- Align department faculty cohorts with AACSB ratios and current & projected enrollment levels,
- reward full-time faculty members and department chairs who voluntarily separate from the University at this time in recognition of their valued service to our students, the college and the community.

General Description of the VSO

- ❑ Applications accepted from April 4, 2018 through April 25, 2018 at 5:00 p.m.
- ❑ VSO Program has a participation target of 19 faculty members.
- ❑ Application approval is based on VSO program objectives and HCBE programmatic considerations as recommended by the Dean and Provost with approval from the President.
- ❑ Faculty member and University sign a separation agreement.
- ❑ Separation effective June 30, 2018.

VSO is not an entitlement and not every application may be approved.

Eligibility

Eligible faculty members:

- are full-time faculty members and faculty department chairs with College faculty rank (Lecturer, Assistant, Associate, Full Professor)
- have a combination of age and full-time University service of 60 or greater.
 - ✓ All full-time continuous service in an NSU faculty, administrative faculty and staff position is included in the calculation of your total years of University service.
- Assistant Deans, Associate Deans and College Dean are ineligible to participate

Incentive Award Payments

Separation Allowance

- Separation Allowance provides separating faculty members with an income bridge to their retirement plan payments.
- Payment schedule ranges from 10 weeks (for less than 5 years of service) to 52 weeks (for 20 years of service or more) of base salary based upon NSU years of continuous service in any and all job classifications from your most recent date of hire to June 30, 2018.
- The Separation Allowance is calculated on your base salary in effect as of June 30, 2018, i.e. “regular earnings” as shown on your pay statement.
- Stipends, overloads and other special payments are not considered a part of your base salary.

Incentive Award Payments

Medical Insurance Allowance

- The Medical Insurance Allowance is an additional financial incentive for VSO participants who are enrolled in NSU's ICUBA medical insurance plan as of June 30, 2018.
- Medical Insurance Allowance consists of a lump sum payment of \$16,082 representing the full cost of two years of medical insurance premiums (both NSU and employee premium contributions) for individual coverage under the ICUBA Preferred PPO plan and includes a 6% inflation adjustment in year two.
- The Medical Insurance Allowance also includes the monthly \$50.00 HRA contribution x 24 months = \$1,200.

Incentive Award Payments

Post-Retirement Medical Insurance

- After June 30, 2018, you may continue coverage for yourself, and family members under an ICUBA medical insurance plan.
- Available ICUBA plans include its **Retiree Health Plan** (*for faculty under the age of 65*), **Retiree Medicare Supplemental Plan** (*for faculty age 65 and older*) and **COBRA** continuation of the current NSU Plan.
- Alternatively, you may purchase health insurance through a private or public exchange.

Payment Options for Reward Incentives

- Payment Options – Lump Sum or Quarterly Distributions
 - ✓ Note: The payment option you select will apply to both the Separation Allowance & Medical Insurance Allowance.
- Option #1: Single lump sum payment on July 6, 2018
- Option #2: Four installment payments distributed on
 - ✓ July 6, 2018
 - ✓ January 18, 2019
 - ✓ July 19, 2019
 - ✓ January 17, 2020
- Note: Federal, State, Local and FICA taxes will be withheld at the applicable supplemental flat rate on all payments.

Post-Separation

Re-Employment

- Separated faculty members may be eligible to return to NSU and teach as Adjunct faculty at the discretion of the Dean and with approval of the Provost.
- Separated faculty members may apply for other posted University positions. See www.nsujobs.com for an updated list of posted positions.

Application

- Election Period
 - ✓ April 4, 2018 to April 25, 2018
- Application Materials:
 - ✓ Completed Application Form
 - ✓ Completed Beneficiary Designation Form
- Application Materials Must Be Received in the Office of Human Resources by 5:00 p.m. April 25, 2018:

The Office of Human Resources

Nova Southeastern University, East Campus, 2nd Floor

3100 SW 9th Avenue

Ft. Lauderdale, Florida 33315

ATTN: Jennifer Barrett, barrettj@nova.edu

Fax: (954) 262-3729

- Hard copies and electronic copies (scanned or faxed) of the required application forms will be accepted.

Approval Process

Approval of your application for the VSO program requires the recommendation of the Dean and the Provost and approval by the President based upon:

- ✓ VSO Program objectives and
- ✓ The HCBE programmatic considerations.

You will be notified during the week of April 30th of the decision on your application.

Separation Agreement

- If your application is approved, a pre-condition of your receipt of VSO benefits is the timely execution of the Separation Agreement
- The Agreement must be signed, dated and received by the Office of Human Resources **NO EARLIER THAN MAY 29, 2018 AND NO LATER THAN JUNE 1, 2018**
- The address for hand delivery and electronic transmission of the Separation Agreement is:

Office of Human Resources
Nova Southeastern University, East Campus, 2nd Floor
3100 SW 9th Avenue
Ft. Lauderdale, Florida 33315
ATTN: Jennifer Barrett
Email: barrettj@nova.edu
Fax: (954) 262-3729

Withdrawal of Application & Revocation of VSO

- You may withdraw your application at anytime prior your execution of the Separation Agreement.
- Furthermore, you have seven (7) calendar days following your execution of the Separation Agreement to revoke your participation in the VSO.
- If not withdrawn, your decision to separate from employment with NSU will become effective on the eighth (8th) calendar day following execution of the Separation Agreement and may not be modified or revoked thereafter.

Withdrawal of Application & Revocation of VSO

- Your revocation must be made in writing and must be sent via Certified U.S. Mail to:

Nova Southeastern University
Office of Human Resources – East Campus
3100 SW 9th Avenue
Fort Lauderdale, FL 33315
Attn: Vice President

- Your revocation must be post-marked no later than the 7th day following the date of employee's execution of this agreement.

ICUBA Retiree Health Plan Eligibility

Participants and their eligible dependents who would like to enroll in the **ICUBA Retiree Health Plan** must elect coverage and submit premium payment within 30 days of retirement. In addition, the following eligibility requirements apply:

- ✓ Enrolled in an NSU/ICUBA medical plan for 3 consecutive months prior to their date of retirement
- ✓ Have a minimum length of service to NSU of 5 years, and
- ✓ Have a combined age and length of service equaling 65 years or more

Example: A participant who is 60 years old and has 5 years of continuous service to NSU ($60 + 5 = 65$) will meet the ICUBA Retiree Health Plan eligibility requirements.

PLEASE NOTE: If a participant or their eligible dependent declines to enroll in the ICUBA Retiree Health Plan within the 30 day offer period, entry into the plan will not be possible thereafter.

ICUBA Retiree Health Plan Options

- ICUBA **Retiree Health Plans** are the same in-force ICUBA health plans available to active employees.
- The ICUBA **Retiree Medicare Supplemental Plan** is a plan designed to supplement the health coverage provided by Medicare.
- Enrollment and premium payment are required **before** coverage is reinstated.
- Election deadline is July 30, 2018 (30 days from June 30, 2018)
- Initial premium payment is due August 30, 2018

ICUBA Retiree Health Plan – Under 65

IF YOU ARE UNDER AGE 65:

- If you retire before attaining age 65, you will be offered the ICUBA **Retiree Health Plan** that corresponds with the plan in which you were enrolled.
- You may drop your covered dependents, but you may not add any uncovered dependents unless you experience a qualifying event.
 - ✓ Example: You are enrolled in the Preferred PPO, single coverage, therefore you may enroll in the Preferred PPO, single coverage. You may not add dependents
 - ✓ Example: You are enrolled in the Preferred PPO, employee + spouse coverage, therefore you may enroll in the Preferred PPO, employee + spouse coverage or drop your spouse and elect single coverage

ICUBA Retiree Health Plan – Over 65

IF YOU ARE AGE 65 OR OLDER:

- If you are age 65 or older, you will be offered the choice to remain on the ICUBA **Retiree Health Plan** or switch to the **ICUBA Retiree Medicare Supplemental Plan**
- Once you reach age 65, both ICUBA retiree plans require Medicare-eligible participants to enroll in Medicare Parts A and B
- The ICUBA retiree plans pay benefits secondary to Medicare, based on the requirement for retirees to enroll in Medicare

ICUBA Retiree Health Plan - Dependents

ENROLLMENT WHEN PARTICIPANTS AND FAMILY MEMBERS ARE IN DIFFERENT AGE GROUPS:

YOU ARE AGE 65 OR OLDER AND YOUR SPOUSE IS LESS THAN AGE 65:

- If you are age 65 or older you will be offered a choice to remain on the **ICUBA Retiree Health Plan** or switch to the **ICUBA Retiree Medicare Supplemental Plan**
- If your spouse is under 65, he/she will be offered the **ICUBA Retiree Health Plan** provided that he/she was enrolled in an ICUBA Health Plan during the 3 month period immediately prior to your date of retirement

ICUBA Retiree Health Plan - Dependents

ENROLLMENT WHEN PARTICIPANTS AND FAMILY MEMBERS ARE IN DIFFERENT AGE GROUPS:

YOUR SPOUSE IS AGE 65 OR OLDER AND YOU ARE LESS THAN AGE 65

- If your spouse is age 65 or older, he/she will be offered the choice to remain on the ICUBA **Retiree Health Plan** or switch to the ICUBA **Retiree Medicare Supplemental Plan**
- If you are under 65 and were enrolled in an ICUBA health plan during the 3 month period immediately prior to your date of retirement you will be offered the ICUBA **Retiree Health Plan**

ICUBA Retiree Health Plan Options

ATTAINING THE AGE OF 65 WHILE COVERED BY AN ICUBA RETIREE HEALTH PLAN:

- You and/or your spouse will be offered a choice to remain on the ICUBA **Retiree Health Plan** or switch to the ICUBA **Retiree Medicare Supplemental Plan**
- However, if you or your spouse is 65 and already enrolled in the ICUBA **Retiree Medicare Supplemental Plan** when the second person (you or your spouse) attains 65, the only available retiree plan is the ICUBA **Retiree Medicare Supplemental Plan**
- IMPORTANT - Once you reach age 65, both ICUBA retiree plans require Medicare-eligible participants to enroll in Medicare Parts A and B, the ICUBA retiree plans pay benefits secondary to Medicare, based on the premise that retired participants have enrolled in Medicare

Enrolling in Medicare or Medicare Supplemental Plans

For questions about eligibility for Medicare Part A or Part B, or applying for Medicare:

- ✓ Call Social Security at 1-800-772-1213, or
- ✓ Make an appointment at the local Social Security office, or
- ✓ Visit www.medicare.gov.
- ✓ Florida residents can also visit <http://floridashine.org/Home.aspx> to find counseling locally.

Medical Insurance Continuation - COBRA

- Eligible participants and covered dependents may elect to continue medical, dental, vision, and flexible spending account elections under the provisions of the Consolidated Omnibus Budget Reconciliation Act (COBRA) for up to 18 months
- COBRA premium is 100% of the plan premium plus an additional 2% charge for administrative services. COBRA notification and options will be mailed to participants at their home address
- Current Plan deductibles and maximums will be carried forward from in-force plan coverage to retiree or COBRA plan coverage through the end of the current plan year: March 31, 2019

Medical Insurance Continuation - COBRA

- Coverage is continuous but not uninterrupted
- Enrollment and premium payment are required before coverage is reinstated
- Election deadline is August 30, 2018 (60 days from June 30, 2018)
- Initial premium payment is due no later than 45 days from your election date

Medical Insurance Continuation - COBRA

- Flexible Spending Accounts do not continue into retirement. Participants have 90 days to submit unclaimed expenses incurred prior to retirement unless COBRA is elected
- Participants who have been enrolled in an NSU/ICUBA medical plan for at least 36 months upon their retirement date will be vested in the Health Reimbursement Account (HRA) provided by NSU
- Vested HRA funds can be used to pay for eligible health care expenses, retiree premium or COBRA premium after retirement
- Vested HRA balances incur a monthly administrative fee from ICUBA of \$10.60
- Non-vested HRA accounts can be continued under COBRA

Private and Public Insurance Exchanges

- Besides the COBRA continuation option, you may enroll in a plan purchased through a public or private medical insurance exchange. The timeframe for individuals to purchase medical insurance coverage on an exchange is limited to:
 - ✓ in the first 60 days after losing coverage due to the loss of employment (sixty days from June 30, 2018);
 - ✓ loss of COBRA continuation coverage at the end of the 18 month COBRA continuation period; or
 - ✓ during any ACA annual open enrollment period (November 15 to February 15)
- For information about the medical insurance exchange, go to <https://www.healthcare.gov/> and GetInsured.com/ICUBA. On both these sites, you can compare medical plans and determine if you are eligible for subsidies or tax credits that may help cover the cost of medical insurance premiums

Basic and Optional Life Insurance

Life insurance, disability, and accidental death coverage will end on your last day of employment. You can continue your **Basic** and **Supplemental Group Term Life Insurance** elections using the portability feature of NSU's life insurance plan.

- In order to qualify for portability or conversion, you must contact the Reliance Standard Customer Care Center at 800-351-7500 within 30 days of your retirement from the university
- Reference **Group Life Policy (GL) 152576**
- Once your coverage is made portable, you will make quarterly premium directly to Reliance Standard for your life insurance benefits

Other Voluntary Benefit Continuation

- **AFLAC** and **LegalShield** plans are convertible to individual policies and may be continued into retirement
- **Whole Life Insurance** from Mass Mutual will be converted to an individual policy, and you will be direct billed for premium after retirement

Retirement Plans

403(b) Plan & 401(k) Retirement Plans

- Participants with account with balances of over \$5,000 have no deadline or requirement for initiating a distribution or roll-over

457(b) Deferred Compensation Plan

- The 457(b) plan document requires participants in the NSU 457(b) plan to choose a distribution option within 60 days after employment ends. If this election is not made during this 60 day election period, participants will receive a lump sum payment as provided for in the plan document. Cash distributions are taxed in the year that they are received and a 1099R will be issued for tax reporting purposes

Resources - Investment Advisors

Make an Appointment:

TIAA Retirement Plan Advisors

All Campus Locations: 800-842-2252

TIAA Services Online

<http://www1.tiaa-cref.org/tcm/nsu/>

TIAA Customer Service Number

800-732-8353

VALIC Retirement Plan Advisors

- Fort Lauderdale: Nicholas Brown at 954-871-0879
- Fort Lauderdale: Steve Proffitt at 954-684-6306
- Jacksonville: Paul Fibbe at 904-568-5360
- North Miami: Jason Smith at 305-240-2589
- Kendall: Jason Smith at 305-240-2589
- Orlando: Kelly Torresin at 407-212-5003
- Tampa: Dan Stamey at 813-300-7983

VALIC Services Online

<https://my.valic.com/online>

VALIC Customer Service Number

800-448-2542

Resources - Benefit Plan Providers

- Continuum/ICUBA's Retiree Health Plan Administrator

(866) 377-5102

retiree@csllc.com

- Continuum/ICUBA's COBRA Administrator

(866) 377-5102

COBRA@csllc.com

- Reliance Standard Life Insurance Company

(800) 351-7500

- AFLAC supplemental plans

(954) 560-6000, evansfin@bellsouth.net

- LegalShield plans

(954) 214-0327, Kelley@akasolutionsinc.com

Resources

VSO documents and information can be found at:

<https://www.nova.edu/hr/benefits/vso/>

Voluntary Separation Offer

THANK YOU

QUESTIONS?