

The University of Chicago
Report of the Faculty Retirement Incentive Plan Review Committee
17 May 2021

Introduction

The Faculty Retirement Incentive Plan Review Committee (the Committee) is pleased to deliver a set of recommendations, accompanied by supporting text and appendices. The Committee welcomes the opportunity to discuss this report with the Provost and others upon request.

Charge

In response to the recommendation of the Faculty Retirement Oversight Committee (FROC), which monitors the efficacy of the Faculty Retirement Incentive Plan (FRIP), Provost Ka Yee Lee appointed the Faculty Retirement Incentive Plan Review Committee to consider possible changes to FRIP, including:

1. Extending the current Early Retirement “window” (currently 65-69 years old);
2. Modifying existing retirement incentives (Please see Appendix A);
3. Adding realistic, meaningful alternative incentives (e.g., contributions to long-term care insurance premiums); and
4. Removing disincentives to retirement.

Background

Introduced in anticipation of the 1994 federal government’s elimination of its own requirement that faculty members retire by age 70, a faculty committee designed FRIP to address the concern that tenured faculty members might not retire, impeding intellectual vitality and limiting faculty recruitment. The Plan has not changed since. For over a quarter century, FRIP has helped create openings for vibrant new additions to our faculty at both the junior and senior levels.

For more than a decade, the Faculty Retirement Oversight Committee (FROC) and the deans have watched the number of faculty choosing to forgo FRIP climb substantially, from 58 in 2007 to 138 in 2020. As illustrated in the table below, faculty members between the ages of 72 and 79 showed the largest increases.

Table 1
Comparison of Faculty over Age 69
As of Fall 2007 and as of Fall 2020

| Faculty Age | --- As of Fall 2007 --- | | --- As of Fall 2020 --- | | Percentage Increase in Each Age Group |
|------------------------|-------------------------|---|-------------------------|---|---|
| | Number of Faculty | Percentage of All Faculty Over 69 | Number of Faculty | Percentage of All Faculty Over 69 | |
| 69 | 9 | 15.5% | 18 | 13.0% | 200.0% |
| 70 | 9 | 15.5% | 14 | 10.1% | 155.6% |
| 71 | 4 | 6.9% | 10 | 7.2% | 250.0% |
| 72 to 75 | 17 | 29.3% | 49 | 35.5% | 288.2% |
| 76 to 79 | 12 | 20.7% | 31 | 22.5% | 258.3% |
| 80 or above | 7 | 12.1% | 16 | 11.6% | 228.6% |
| Total | <u>58</u> | <u>100.0%</u> | <u>138</u> | <u>100.0%</u> | <u>237.9%</u> |
| <i>72 or Above</i> | <u>36</u> | <u>62.1%</u> | <u>96</u> | <u>69.6%</u> | <u>266.7%</u> |

Additional Information:

| | | |
|---------------------------|-----------|------------|
| Total University Faculty | 1,157 | 1,229 |
| Number of Faculty | | |
| Age 69 or Above | <u>58</u> | <u>138</u> |
| Percentage of All Faculty | | |
| Age 69 or Above | 5.0% | 11.2% |

It is worth noting that although the numbers vary slightly depending on when the snapshot is taken, the growth is extremely significant and, as some deans have observed, not evenly distributed across academic units. Initially, the pandemic worried some faculty members about the risks that classrooms, laboratories, conference rooms, and clinics posed to them and others after Early Retirement ceased to be an option for them. These factors led FROC to conclude that 2020 was an opportune time to reexamine FRIP, which they recommended in a report to the Provost. (Please see Appendix B.) In response, the Provost appointed the FRIP Review Committee.

Recommendations

Based on a robust review and deliberation of national trends, policies from peer institutions, and survey data from faculty members aged 60 and above (the same group that receives the annual FRIP notification), the Committee makes the following recommendations:

Age Range of Early Retirement

- Expand the upper boundary of FRIP eligibility by two years, from 69 to 71. This recommendation is consistent with national trends that people are living and working longer, the University's observation of

this phenomenon among the faculty, and the survey data themselves. An early-retirement incentive plan must realistically encourage retirement *before* a faculty member would otherwise choose retirement.

- Taper the bonus and extend the Retiree Medical Plan benefit for those retiring at age 70 or 71.
- Recognize early retirement prior to 65 (perhaps at 62) and provide FRIP benefits consistent with those retiring at age 65 (including the ability to combine the Half-Time and Early Retirement Options, the latter providing the bonus and paid Retiree Medical Plan premiums upon enrollment in Medicare at age 65). There would appear to be no reason to discourage retirement prior to 65 for those who might consider it, even if that number is small.

Bonus Size & Structure

- Increase the multiplier used to calculate the early-retirement bonus, for example, begin with 4.5 times base annual salary for a faculty member retiring at 65. Survey respondents report relatively low satisfaction with the bonus size as a retirement incentive. Further, the decrease in FRIP participation signals insufficient financial incentive to motivate faculty members to consider early retirement. Therefore, augmentation of the incentive bonus appears warranted, particularly, as discussed after the recommendations, given the cost to the University of a faculty member choosing not to retire.
- Modify the sliding scale of bonus for retiring at 65, 66, 67, etc. The current difference in bonus size between retiring at age 65 and age 66 is only a 0.2 multiple of the average of the last three years' annual base salary and does not represent much opportunity cost in delaying retirement from one year to another. Decreasing the multiplier by a consistent 0.5 each year should provide more incentive to retire earlier. An illustration of bonus multipliers concluding at 71 is provided below.
- Allow those already committed to retiring under FRIP and, if feasible, those recently retired under FRIP to choose between the current FRIP and the redesigned FRIP.
- Invite faculty members aged 72 and above, namely, those no longer eligible for the redesigned FRIP, a one-time opportunity to sign up for it. This consideration was extended to faculty members no longer eligible for FRIP, i.e., those aged 70 and above, at the time FRIP was originally introduced.

Table 2
Possible Bonus Schedules

| Age at Retirement | ----- Bonus Multiple of Annual Salary ----- | | | |
|-------------------|---|----------------------|----------------------|----------------------|
| | <i>Alternative 1</i> | <i>Alternative 2</i> | <i>Alternative 3</i> | <i>Alternative 4</i> |
| 65 (or under) | 4.5 | 4.0 | 3.5 | 3.0 |
| 66 | 4.0 | 3.5 | 3.0 | 2.5 |
| 67 | 3.5 | 3.0 | 2.5 | 2.0 |
| 68 | 3.0 | 2.5 | 2.0 | 1.5 |
| 69 | 2.5 | 2.0 | 1.5 | 1.0 |
| 70 | 2.0 | 1.5 | 1.0 | 1.0 |
| 71 | 2.0 | 1.5 | 1.0 | 1.0 |

The Committee discussed whether to recommend extending the upper boundary of FRIP further given the upward trend of faculty in the 72-79 age bracket, with the multiplier used for 71-year-olds or with

corresponding decreases in the multiplier. Ultimately, we chose not to expand the boundary of “early retirement” into a realm that did not seem early, but we highlight this issue for further discussion and monitoring.

Notice for Early Retirement

- Require one year’s notice rather than two. This change allows the retirement incentive plan to be more responsive to important events in faculty members’ lives, such as the birth of a grandchild, illness, or the death of a colleague, all of which have prompted swift reconsideration of retirement plans and allows faculty members a longer window during which to opt in. Less than one year’s notice may complicate departmental and school planning, although it may be considered and warrants discussion.

Better Communicate Retirement and Retirement-related Information

- Redesign current FRIP Q&A materials. The survey data reveal considerable confusion and misperceptions about features and benefits of FRIP as well as about emeriti privileges in general; for example, many did not know that faculty library privileges remain completely intact in retirement. The existing FRIP Q&A published online would benefit from rethinking, expanded detail, greater clarity, and indexing to reach the intended audiences. Use of infographics and other visuals could augment the prose presentation of FRIP information.
- Cross-reference retirement information across plans and policies, for example, FRIP and the Faculty Children’s Scholarship Plan, to clarify the connections. Retaining the college tuition benefit for one’s children as an emeritus depends on one’s date of hire and age at retirement, in addition to other factors. These various factors are a source of confusion that needs to be addressed as clearly as possible. People should be able to find relevant information in as many relevant places as possible.
- Hold regular, at least annual, information sessions about retirement to provide accurate information and answer questions. Individual meetings to discuss more private concerns may more naturally follow.
- Introduce discussion of retirement at age 55, when the University first recognizes retirement, to raise awareness of retirement incentives, support better planning, and normalize thoughts and discussion of retirement. The first FRIP mailing is now sent to faculty members the year they turn 60.
- Provide clearer information regarding the links between the Half-time Option and the bonus incentive (and health care benefits) of the Early Retirement Option. Those two programs together allow faculty to ease slowly into retirement with a generous financial cushion and incentives. Faculty may not realize that the two programs can be combined in flexible ways.
- Establish a formal University program promoting faculty use of TIAA’s (Teachers Insurance and Annuity Association’s) one-on-one counseling services with financial advisors to help transform the abstract and perhaps remote idea of retirement into a personal and concrete understanding, assist with financial readiness, and provide earlier financial support for retirement planning.
- Provide links to some recommended online calculators to help people determine their financial readiness to retire. Explore if a customized and confidential calculator would facilitate sound decisions, helping faculty members account for the paid premiums available via the Early Retirement Option.

Commit to Consistency and Consultation

- Survey respondents voiced strong opposition to the lack of process that resulted in the 2019 change in the Retiree Medical Plan. The Committee agrees that the lack of consultation and the poor choice of health plan reduced trust in the University, increased faculty and emeriti anxiety, and may compromise FRIP uptake. The decision to suspend University contributions to the defined contribution retirement

plans of all employees in fiscal year 2021, including faculty members who had previously committed to retiring under FRIP, further eroded trust.

In response, the Committee recommends that the University make an unambiguous commitment to the health care plans that retiring faculty will receive and make it clear that to the extent possible the University will honor the plan provided upon retirement. The uncertain terrain of retirement poses a barrier for many. The more that uncertainty can be minimized, the more confidence a faculty member may experience in committing to retire and retiring.

- Consult with the emeriti leadership body, currently the Emeriti Steering Committee, regarding a planned or upcoming change that will affect them in connection with the University. Provide clear, complete information about the change, the reasons for it, and ample notice of its implementation. Modifications to the Retiree Medical Plan due to the carrier's decision, a regulatory change, or another factor should prompt such consultation.
- Allow those (1) who already committed to retire under the current FRIP before the implementation of a redesigned FRIP and, if feasible, (2) who recently retired under FRIP to choose between the current FRIP and the redesigned FRIP. For example, those faculty members might be allowed 45 days to enroll in the redesigned FRIP if they prefer its benefits. Recent missteps aside, the University has earned faculty confidence about the consistency of its retirement plan. Such an approach would be in keeping with how the University handled the change in the way the federal government assessed Medicare Part D premiums when the Affordable Care Act was introduced.

Demonstrate Commitment to Emeriti

- Proceed with the Emeriti Center—a dedicated space for emeriti to host meetings, conferences and events; confer with colleagues and students; receive IT support; etc.—as was underway before the pandemic delayed its debut.
- Build and maintain positive relationships with emeriti faculty. Many respondents reported emotional connections, positive (primarily via their academic work and intellectual engagement) and negative (for example, about the change in the Retiree Medical Plan), to the University. In retirement, many want a strong positive relationship with the University—one in which the University cares for and values them and fosters an intellectual community that includes them. Access to office space and sometimes lab space, library privileges (which they currently receive), opportunities to mentor and teach, and research support underscore that the institution continues to value its emeriti faculty.
- Create opportunities for emeriti faculty to share their positive experiences with faculty. Faculty decisions are shaped by their friends' and colleagues' experiences. Visible emeriti on campus who are well cared for may make faculty more comfortable retiring because they see exemplars who model a vibrant, fulfilling retirement.
- Recognizing that space on campus is always at a premium, consider reducing the number of faculty members with more than one office. Perhaps in this way, offices for emeriti can be identified.
- Support emeritus faculty locally. Find ways for them to participate in the intellectual life not just via the Emeriti Center but also with their home departments, divisions, and schools. Urge the deans to form division- or school-wide committees to recommend and perhaps monitor unit-based policies and support structures for emeriti—for example, regarding IT support—and review area policies that might create disincentives to retirement—such as the structure of course buyouts that are more advantageous than the Half-Time Option.

- Augment the Emeriti website with a full listing of the privileges available to emeriti and link to it from the faculty retirement website. Although emeriti enjoy identical library privileges to faculty and can serve as the principal investigator on a grant, many faculty members are unaware of these facts.

Additional Ideas

- Consider providing health insurance to bridge a faculty member who retires before age 65 because Medicare is not available to someone under 65 unless the individual has a qualifying disability. For example, if a faculty member retires early at 63, the University might subsidize that individual's health insurance as if the faculty member was still employed up to age 65.
- Consider a similar bridging feature for the under-65 spouse or partner of a retiring faculty member.
- When combining the Half-Time Option and the Early Retirement Option, calculate the bonus using the full-time base salary during the half-time years, not the two-thirds-salary paid under Half-Time Option.
- Establish a program that provides recently tenured faculty, perhaps at age 45 or 50, with a full-service financial-health checkup, including discussion of financial and life goals. The University would identify three or four financial planning experts to consult with faculty and would cover the costs of this program. This program would help faculty prepare for retirement so that financial shortfalls do not impede retirement at 65.
- Although the University's five years of half-time allowable under the eponymous FRIP option is the most generous among our peers, the Committee wondered if a more graduated reduction in effort or a longer period of part-time work would interest faculty. In the University's benefits structure, as is true with many employers, half-time is the threshold for benefits-eligibility.

Committee Discussion

From the outset, the FRIP Review Committee focused on both the financial components of the retirement decision and its non-financial aspects, be they intellectual, personal and professional identity, social, and so forth, thus examining the pulls and pushes of retirement and of work.

Individual Financial Considerations

Confidence in future financial security minimizes the routine anxieties associated with retirement. The Committee questioned the extent to which they and their faculty colleagues fully understood what the cash flows would look like if they started families later in life, if they were the sole or primary earner in their household, and any number of other personal ifs. Although TIAA offers free financial planning and the University allocates \$3000 to each FRIP-eligible faculty member (at age 60 or older) for professional retirement planning assistance, those resources do not cover development of a comprehensive, tailored, individual financial plan, the cost of which may exceed that sum threefold.

Psychosocial Considerations: Faculty Identity and Their Work

Faculty members' deep commitment to and belief in the values of scholarship and the value of *their* scholarship inspire both long days and, often, long career horizons. Based on discussions with colleagues over the years, many Committee members see this deep personal connection to the field a magnetic force that resists retirement. Several Committee meetings explored how best to foster intellectual connection; invite academic engagement, be it via research, teaching, service, or socializing; and facilitate continued progress along an individual's desired career arc. Ideas centered on emeriti access to:

- Space (private offices, shared office space available for sign-up, laboratories, and conference rooms) for the purposes of reading, writing, conducting research, holding office hours, advising/mentoring

students, meeting with faculty colleagues informally, and hanging one's coat as well as for hosting meetings, workshops, and conferences;

- IT support; and
- Crucially, via these mechanisms, access to each other and the vibrancy of being in community with other emeriti, with faculty who are not retired, and with other institutional colleagues, programs, and resources.

University Considerations

Benchmarking revealed that FRIP leads peer institutions' faculty retirement incentive programs. (Please see Appendix C.) Despite that fact, uptake has declined, a phenomenon witnessed at academic institutions across the country. Since 1994, FRIP has offered a voluntary alternative to the previous federal mandate that university faculty retire at age 70.

Although the University created FRIP to support healthy faculty turnover, this historical underpinning might now be complemented by a careful financial analysis. Despite the generosity of FRIP, it is not working as well as it once did. Data from the Office of Institutional Analysis indicate that a faculty member who chooses not to retire from the University of Chicago at age 65 stays, on average, until age 77.

One way to think about the average cost of a faculty member who does not retire at 65 is 12 years of salary and benefits. Clearly, some of those 12 years of savings would be invested in the costs of a search and recruitment and, in the case of a laboratory scientist, potentially extensive lab construction, equipment, and staffing costs. As the two tables below illustrate, modeling provided by the Office of Institutional Analysis suggest to the Committee that offering a larger bonus may result in substantial cost savings. Data on the impact of intellectual revitalization are harder to quantify financially, but history as well as recent times have witnessed the flourishing of new and rebuilt departments and schools and the languishing and diminution of others.

Table 3A
Analysis of Estimated Financial Costs
of Faculty Member Opting Not to Pursue FRIP -- Current Program

Assumptions:

| | |
|---|-------------------------|
| Assumed Faculty Member Annual Salary at Age 65 | <i>\$150,000</i> |
| Annual Salary Bonus Multiplier | 2.0 |
| Includes Health Care Costs (while employed and post-retirement) | |

| Scenario | Estimated University Cost | Estimated Additional University Costs If Faculty Member Does Not Take FRIP at 65 | Estimated Additional University Costs If Faculty Member Does Not Pursue Scenario 1 |
|---|---------------------------|--|--|
| <i>Baseline Scenario</i> - Retire at 65 with 2 times salary bonus under FRIP | | | |
| Faculty member with spouse as dependent | \$493,046 | N/A | N/A |
| <i>Alternative Scenario 1:</i> FRIP Half-Time Option to Age 69 | | | |
| Faculty member with spouse as dependent | | | |
| Takes Half-Time Option at 65 and early retirement at 69 | \$726,657 | \$233,611 | N/A |
| <i>Alternative Scenario 2:</i> FRIP Early option at age 69 | | | |
| Faculty member with spouse as dependent | | | |
| No Half-Time Option but takes FRIP Early Option at 69 | \$1,021,437 | \$528,391 | \$294,780 |
| <i>Alternative Scenario 3:</i> Work Full-Time to age 70 then Half-Time to 75 | | | |
| Work Full-Time for 5 years past 65 | | | |
| Work Half-Time at 66% pay for 5 years | \$1,569,988 | \$1,076,942 | \$843,331 |
| <i>Alternative Scenario 4:</i> No FRIP, work Full-Time to age 75 | | | |
| Faculty member with spouse as dependent | \$1,887,463 | \$1,394,417 | \$1,160,806 |

Table 3B
Analysis of Estimated Financial Costs
of Faculty Member Opting Not to Pursue FRIP -- Current Program

| <i>Assumptions:</i> | | | |
|---|---------------------------|--|--|
| Assumed Faculty Member Annual Salary at Age 65 | \$200,000 | | |
| Annual Salary Bonus Multiplier | 2.0 | | |
| Includes Health Care Costs (while employed and post-retirement) | | | |
| Scenario | Estimated University Cost | Estimated Additional University Costs If Faculty Member Does Not Take FRIP at 65 | Estimated Additional University Costs If Faculty Member Does Not Pursue Scenario 1 |
| <i>Baseline Scenario</i> - Retire at 65 with 2 times salary bonus under FRIP | | | |
| Faculty member with spouse as dependent | \$593,046 | N/A | N/A |
| <i>Alternative Scenario 1:</i> FRIP Half-Time Option to Age 69 | | | |
| Faculty member with spouse as dependent | | | |
| Takes Half-Time Option at 65 and early retirement at 69 | \$917,397 | \$324,351 | N/A |
| <i>Alternative Scenario 2:</i> FRIP Early option at age 69 | | | |
| Faculty member with spouse as dependent | | | |
| No Half-Time Option but takes FRIP Early Option at 69 | \$1,310,437 | \$717,391 | \$393,040 |
| <i>Alternative Scenario 3:</i> Work Full-Time to age 70 then Half-Time to 75 | | | |
| Work Full-Time for 5 years past 65 | | | |
| Work Half-Time at 66% pay for 5 years | \$2,086,663 | \$1,493,617 | \$1,169,266 |
| <i>Alternative Scenario 4:</i> No FRIP, work Full-Time to age 75 | | | |
| Faculty member with spouse as dependent | \$2,509,963 | \$1,916,917 | \$1,592,566 |

Survey

Almost immediately, the Committee began thinking of how best to obtain input from our faculty colleagues. The Provost approved the request that a brief survey of faculty members aged 60 and above in 2021—the same group that received the annual FRIP notification—be surveyed. Half the Committee members have extensive survey experience from research undertakings, and all had ideas about what areas to probe and how. The Office of Institutional Analysis provided additional survey design expertise and took the lead in implementing the confidential online survey. (Please see Appendix D to view the survey in full.)

Data Analysis

The 40% response rate solidified the Committee's confidence that faculty needs, desires, and experiences inform our recommendations. Despite the solid response rate and usefulness of the data, the Committee notes the uncertainty inherent in data analysis, the salience of recent experiences in respondents' answers, and the survey's sacrifices of clarity in the interest of brevity. Indeed, because retirement decisions and their considerations are highly individual and contain multiple contingencies, respondents may have found it difficult to generalize or respond accurately. There are variations in retirement decisions as a function of income and gender. (Please see Appendices E and F.) As discussed in the recommendations, there is a notable lack of awareness and understanding of retirement incentives and emeriti benefits. Faculty decisions about retirement appear to be significantly influenced by the reports and experiences of retired friends and colleagues.

The insights from the survey into faculty members' financial and quality of life concerns with respect to retirement informed the Committee recommendations regarding early-retirement age, bonus size and structure, flexibility of notice, communications, consistency and consultation, and commitment to emeriti. Reiterating that hiring new faculty members enriches intellectual vitality, the Committee hopes that both our recommendations and the issues we raise will provide useful guidance for updating the Faculty Retirement Incentive Plan.

Committee

John Alverdy, Sara and Harold Lincoln Thompson Professor, Department of Surgery, Committee Chair
Alida Bouris, Associate Professor, Crown Family School of Social Work, Policy, and Practice
Diane Brentari, Mary K. Werkman Professor, Department of Linguistics and the College (Committee Member Autumn 2020 – Winter 2020/21)
Fred Ciesla, Professor, Department of Geophysical Sciences and the College
Merle Erickson, Professor, Chicago Booth School of Business
Joshua Scodel, Helen A. Regenstein Professors, Department of English Language and Literature and the College (Committee Member Spring 2021)
Margaret Beale Spencer, Charles F. Grey Distinguished Service Professor, Department of Comparative Human Development and the College
Ingrid Gould, Associate Provost, Staff to Committee

Appendices

- A. FRIP Q&A, January 2021
- B. Faculty Retirement Oversight Committee Report, June 2020
- C. Benchmarking Data, August 2020
- D. Survey and Related Communications, March and April 2021
- E. Survey Data, Income, April 2021
- F. Survey Data, Gender, April 2021

FACULTY RETIREMENT INCENTIVE PLAN FREQUENTLY ASKED QUESTIONS

The Faculty Retirement Incentive Plan (FRIP) includes two different options:

- **EARLY RETIREMENT OPTION** – eligible tenured faculty retiring after the 65th birthday and before the 70th birthday receive a bonus and have premiums waived for the Retiree Medical Plan for life (see p. 6)
- **HALF-TIME OPTION** – eligible tenured faculty work half-time at two-thirds base salary (plus any administrative supplements, term allowances, etc. in proportion to the corresponding level of effort) for up to five years before retirement; the Half-Time Option may be combined with the benefits of the Early Retirement Option if the individual retires after the 65th birthday and before the 70th birthday (see p. 12)

To participate in the Faculty Retirement Incentive Plan, faculty must sign the applicable retirement election and agreement and provide notice of intent to retire as explained later in this document.

FINANCIAL COUNSELING

Q. Does the University offer any help in making a retirement decision?

Yes. Tenured faculty age 60 or older may be reimbursed up to \$3,000 for retirement counseling services provided by a Certified Financial Planner, attorney, or accountant. Information on several financial planners recommended by faculty members is available from the Provost's Office.

Q. Must I commit to retire to be eligible for the retirement counseling benefit?

No, you need not commit to retire to take advantage of this benefit. The \$3,000 financial counseling benefit is available to assist you with your decision whether to retire under the Plan.

Q. Must I take advantage of the retirement counseling benefit before my retirement date?

No. While most people prefer to receive this benefit before actually retiring, you may opt to wait until you have retired.

Q. How is payment made?

In the majority of cases, it is advantageous for you if your financial planner invoices the University. You may wish to consult with your tax adviser before paying the invoice directly. Invoices for services of a financial planner should be submitted to Jim Hamaguchi, Payroll Director, Shared Services, jhamagu1@uchicago.edu. Your name and the services provided must appear on the invoice.

Q. Will this benefit be available if I retire after age 69?

Yes.

Q. Is this benefit taxed?

No.

TUITION BENEFITS

Please note that the tuition benefits described below are entirely governed by a separate Educational Assistance Plan ("EAP"). While these FAQs reflect the terms of the EAP as of December 2020, the EAP is subject to change from time to time as described in the EAP Summary of Benefits, which is available at <https://provost.uchicago.edu/handbook/clause/educational-assistance-plan> and which we encourage you to consult.

Q. Will my children continue to receive the Laboratory School benefit if I retire under either option of the Faculty Retirement Incentive Plan?

Yes, if you retire at or after age 65 with ten or more years in a full-time faculty rank, you qualify for the tuition benefit.

Q. Will my children continue to receive the college tuition benefit if I retire under either option of the Faculty Retirement Incentive Plan?

Yes, if (i) you retire at or after age 65 with fifteen or more years in a full-time faculty rank; (ii) you sign a document certifying that you are retired; and (iii) you provide certification satisfactory to the University that you are not employed, self-employed, or working as an independent contractor in a full-time capacity or in a position that is eligible for benefits commonly available to full-time employees, then you qualify for the tuition benefit for your children who (x) are claimed as dependents on your tax return for the calendar year of the date of your retirement and (y) remain your dependents while they are enrolled in college.

Q. Will my children continue to receive Laboratory School and college tuition benefits if I die before my elected retirement date?

Yes, if you die after having been granted tenure, your children remain eligible for these tuition benefits.

GENERAL QUESTIONS

Q. With whom may I discuss my questions concerning retirement?

Please contact Associate Provost Ingrid Gould at igould@uchicago.edu or (773) 702-8846 to discuss the Faculty Retirement Incentive Plan. For questions related to medical insurance, pension benefits, or other benefits issues, contact Senior Benefits Analyst Xavier Espinoza at xaviera@uchicago.edu or (773) 702-4026. For questions regarding continued research and teaching or office or laboratory facilities, contact your Department Chair, Director, or Dean.

Q. Whom do I notify that I plan to retire?

You may contact your Department Chair, your Director, your Dean, or the Associate Provost. Participation in the Faculty Retirement Incentive Plan requires that you complete a retirement election and agreement and submit it to the Office of the Provost. The agreement is available online at <https://provost.uchicago.edu/handbook/clause/faculty-retirement-incentive-plan> and from Associate Provost Ingrid Gould.

Q. Do I have to retire at the end of an academic quarter or my contract year?

No. It is desirable, but not required. You are free to set your retirement date as you please, provided that you meet the minimum notice requirement for the option you select. If your chosen retirement date does not coincide with the end of the academic quarter or your contract year, you may wish to confirm with your Department Chair, Director, or Dean how much work will be expected so that your compensation is satisfactorily pro-rated or not pro-rated. If your appointment year ends on 30 June and you have opted to retire during the summer quarter, consult in advance with your Chair, Director, or Dean about compensation and work responsibilities during the summer months. If you need assistance, you may contact Associate Provost Ingrid Gould.

If you are taking the Early Retirement Option, you may have to begin Required Minimum Distribution(s) from your University retirement accounts if you retire and turn 72 in the same calendar year. Your bonus and Required Minimum Distribution may affect your tax bracket. Be sure to consult a financial advisor for advice in determining your retirement date and the timing of any Required Minimum Distributions.

Q. May faculty members withdraw assets from their Contributory Retirement Plan (CRP) accounts under the University's retirement plans after electing the Early Retirement or

Half-Time Option but before attaining their selected retirement date?

Accumulations under the University's Contributory Retirement Plan (CRP) cannot be paid to active employees, except as permitted under the terms of the CRP Plan document. As of the date of these FAQs, in-service distributions are available if you are age 59-1/2 or older and are: (a) (1) working no more than 19-1/2 hours per week or (2) for a fixed term at forty percent (40%) effort or less, and (b) either (1) do not have a tenured position or continuing term appointment with the University, or (2) have relinquished your tenure or similar rights and resumed or continued employment with the University on the basis described in clause (a).

CRP participants may be eligible to take a loan secured by their retirement accumulations from TIAA. For information regarding the loan program, please contact TIAA at (800) 842-2776 or visit the TIAA Retirement Account website at <https://www.tiaa.org/public/tcm/uchicago>.

Funds invested in a supplemental retirement account through the Supplemental Retirement Program (SRP) are available for distribution to active employees age 59-1/2 and older.

Q. What will happen to my University email account once I retire?

When you retire, your email service will continue unchanged for emeriti outside clinical departments in the Biological Sciences Division (BSD). Your email address @uchicago.edu is yours for your lifetime. However, it may be very much in your interest to take advantage of assistance from ITS, coordinated through the Provost's Office, to transition the actual storage of your email to a service outside the control of the University.

When you retire from a clinical department of the BSD, HIPAA considerations will prompt the closure of your BSD and Medical Center accounts. Your University CNetID and password will remain open and active; as described below, you may redirect your @uchicago.edu email to yourself at another email address.

Q. How do I transition my email storage, and why is it to my advantage?

The University strongly recommends that upon your retirement you either (1) redirect your University email account (CNetID@uchicago.edu) to an email account outside the University or (2) cease to use your University email account and use an email account outside the University instead. Under the first alternative, mail sent to your University email account will be forwarded to your account with the service provider of your choice.

Making one of these simple changes will allow you to continue to enjoy your privileges without potential future complications caused by questions of content ownership or

access to your account. Such questions can arise, indeed, have arisen, after the University closes the account of an emeritus who passes away and family members desire access to the closed University account. Because your CNetID is confidential and may not be shared, even with a spouse or partner, it is not possible for the University to grant access to others, even if you would have wished it.

Q. May I have assistance transitioning my account?

Yes. ITS will be happy to help you. You may contact ITS Support at support@uchicago.edu or (773) 834-TECH for assistance setting up your email forwarding. You may also choose to set your email forwarding yourself by using your CNetID and password to log into the website: <http://cnet.uchicago.edu/forwarding>

Once you have logged in, you may redirect your email to an outside email address by selecting the User Defined radio button and typing in your preferred forwarding address.

ITS is also ready to provide guidance about wireless access while you are on campus and proxy access (for off-campus access to restricted library resources such as MedLine and JSTOR).

EARLY RETIREMENT OPTION

GENERAL QUESTIONS

Q. Who is eligible for the retirement incentives offered under the Early Retirement Option?

Active, tenured faculty with at least ten years of tenured service are eligible for the incentives offered under the Plan, provided they retire on or after their 65th birthday and before their 70th birthday and submit a completed Early Retirement Election and Agreement at least two years prior to retirement. In order to be eligible for the incentives, a faculty member must continuously be on active status during the period between the written commitment and the date of early retirement. Faculty on long-term disability may not participate in the Plan.

A table showing the number of faculty members who were eligible and ineligible as of January 1, 2020 will be provided to you.

Q. Am I eligible for any incentives of the Early Retirement Option if I retire after age 69?

No; however, you are still eligible to participate in the Half-Time Option.

Q. How much advance notice must I give for the Early Retirement Option?

It is expected that faculty members will give a minimum of two years' notice. This means that you must sign up for the option before you turn 68 in order to qualify. You are free to sign up for the Early Retirement Option before reaching age 63, selecting a retirement date more than two years in the future.

Q. What retirement incentives are offered under the Early Retirement Option?

- A bonus upon retirement. The bonus is a multiple of the faculty member's base academic salary, which does not include the term allowance, administrative supplement, and the like. In the case of a faculty member taking advantage of the Half-Time Option, the two-thirds salary constitutes the base salary during the half-time year or years. (See the subsequent section titled "The Bonus.")
- Waived premiums for coverage under the Retiree Medical Plan for life. The waived premium benefit covers both the faculty member and the spouse, same-sex domestic partner (registered with the University on or before December 31, 2016), or civil union partner provided Medicare is the primary plan for the faculty member and covered dependent. The covered dependent must be 65 or older. Faculty members are

responsible for Medicare Part A, B and D premiums assessed by the government for themselves and/or their Medicare-eligible spouse, civil union or domestic partner during each calendar year.

- Q. Will the bonus be paid and the medical premiums waived for me and my spouse or partner if I become disabled or die after committing to retire but before my retirement date?**

No. The benefits of the Early Retirement Option are available only to faculty who are actively at work at the time of retirement.

- Q. Must I sign the Early Retirement Election and Agreement in order to qualify for retirement under the Early Retirement Option?**

Yes.

- Q. Where may I obtain a copy of the Early Retirement Election and Agreement?**

The agreement is available online at <https://provost.uchicago.edu/handbook/clause/faculty-retirement-incentive-plan> and from Associate Provost Ingrid Gould.

THE BONUS

- Q. How is the bonus calculated?**

The bonus is the average of your **base academic salary** (i.e., not including administrative supplement, term allowance, etc.) for the three-year period that includes the academic year of your retirement and the preceding two academic years, multiplied by the factor shown in the schedule below for your age at retirement.

| Age at Retirement | 65 | 66 | 67 | 68 | 69 |
|----------------------------|------|------|------|------|------|
| Bonus Base Salary Multiple | 2.0x | 1.8x | 1.6x | 1.2x | 0.8x |

Your “age at retirement” is your **attained** age as of your retirement date. In other words, if you are 65 years, eleven months and 29 days old on your retirement date, you will receive the 2x bonus because you will not yet have attained age 66.

For faculty electing the Half-Time Option (see p. 12) and retiring after their 65th birthday and before their 70th birthday, “base academic salary” for those years on half-time status will be the two-thirds salary.

Q. Is the bonus based on total compensation?

The bonus is calculated using your base academic salary only. Clinical bonuses, term allowances, administrative supplements, summer salary, and other forms of compensation are not included.

Q. How and when will the bonus be paid to me?

The bonus will be paid via direct deposit to the bank account that receives your regular salary. The University will issue payment shortly after you retire, and in accord with the biweekly or monthly payroll schedule, whichever is closer.

Q. Will the bonus be taxed?

Yes. The bonus payment is taxable income subject to withholding for federal, state and Social Security taxes.

Q. May I receive the bonus in installments?

Yes, you may elect to receive the bonus in up to three installments, but there may be no tax benefit to doing so. For more information, please consult your professional tax advisor. IRS regulations require the University to withhold taxes on the entire present value of the bonus at the time of the first payment even if you have chosen to receive the bonus in annual installments. Nevertheless, at the time you enter into the Early Retirement Election and Agreement, you will be asked to specify how you would like to receive your bonus (i.e., as a lump sum or in up to three annual installments). These payments will be made in equal amounts with no adjustment for inflation or payment of interest. If you die before the second or third installment is issued, any remaining amounts will be made to your designated beneficiary, and in the absence of such designee, to your estate.

MEDICAL INSURANCE

Please note that the retiree medical benefits described below are entirely governed by a separate Retiree Medical Plan. While these FAQs reflect the terms of the Retiree Medical Plan as of February 2020 the Retiree Medical Plan is subject to change from time to time as described in the Retiree Medical Plan Brochure, which is available at <https://humanresources.uchicago.edu/benefits/healthwelfare/retireemedical/index.shtml>, and which we encourage you to consult.

Q. May I continue my current medical insurance after I retire?

No. After retirement, you will be eligible to participate in the Retiree Medical Plan as in effect at the time of your retirement. As of the date of these FAQs, the Retiree Medical Plan coverage is as follows: *If you are eligible for Medicare*, your medical coverage will be provided through a choice of a Medicare Advantage plan or a Medicare Supplement plan administered by Aetna and your prescription drug coverage will be provided through a Medicare Part D plan administered by SilverScript. *If you are not eligible for Medicare*, your medical coverage will be provided through a Preferred Provider Organization (PPO) plan administered by Blue Cross and Blue Shield of Illinois and your prescription drug coverage will be administered by CVS Caremark.

Retirees who participate in the Early Retirement Option have premiums waived by the University for the Retiree Medical Plan for themselves and their spouse, same-sex domestic partner (registered with the University on or before December 31, 2016), or civil union partner provided Medicare is the primary plan for the faculty member and covered dependent. The covered dependent must be 65 or older. Participants in the Early Retirement Option who choose to cover a dependent child or a disabled dependent under the Retiree Medical Plan must continue to pay applicable premiums for that dependent.

Q. What are my responsibilities with respect to Medicare?

Medicare-eligible participants in the option will be enrolled in Medicare Part C for medical coverage (a Medicare Advantage plan administered by Aetna) or a Medicare Supplement plan administered by Aetna and Part D for prescription drug coverage administered by Express Scripts. You will be responsible for the Medicare Part A, Part B and Part D premiums assessed by the government on the participant and/or your Medicare-eligible spouse, civil union or domestic partner during each calendar year.

Q. Can you help me understand the financial tradeoffs of continuing to work and to pay premiums in the active employee health plans, but having no paid coverage at retirement, versus taking the Early Retirement Option and having premiums waived for life?

Although we cannot accurately predict future changes in health care premiums, the costs of 2021 health care premiums today may serve as a guide for planning. See the Appendix. Your income level in retirement will affect the amount of your Medicare Part B premiums and whether the government assesses a separate premium for Medicare Part D, as well as the amount of the premium.

Q. Will Retiree Medical Plan premiums be waived if I do not participate in the Early Retirement Option?

No. Retiree Medical Plan premiums will be waived only if you participate in the Early Retirement Option.

Q. After my retirement, may my dependents who are under age 65 continue to participate in one of the active employee health plans?

Yes, under COBRA. Your dependents may choose to defer participation in the Retiree Medical Plan and continue their medical coverage under COBRA for up to 18 months. When the COBRA period ends, they can then enroll in the Retiree Medical Plan. You must contact the Benefits Office and submit the request to enroll your dependents in the Retiree Medical Plan within 31 days of the COBRA period end date.

Q. Will Retiree Medical Plan premiums be waived for my dependents under age 65?

No. Currently, the University partially subsidizes premiums for all dependents under age 65. No additional subsidy is provided for those who retire under FRIP. Once your spouse, same-sex domestic partner or civil union partner becomes Medicare-eligible, the premium will be waived for life.

Q. If I divorce my spouse or separate from my civil union or domestic partner, will my ex continue to have premiums waived?

No. However, your ex may continue under the Retiree Medical Plan under COBRA for up to 36 months and pay premiums at the COBRA rate.

Q. If I marry or enter a civil union after retirement, will my spouse or partner be able to enjoy the benefit of waived premiums for life?

Yes, if your spouse or partner is Medicare-eligible. You must contact the Benefits Office and submit the request to enroll your spouse or partner in the Retiree Medical Plan within 31 days of the marriage or civil union date.

Q. If I die, will my spouse or partner continue to have Retiree Medical Plan premiums waived?

Yes, for life.

Q. When should I enroll in Medicare?

Three months before your scheduled retirement date, you will need to contact Social Security at (800)772-1213 to enroll in Medicare Part A and Medicare Part B. As a participant in the Retiree Medical Plan you are automatically enrolled in Medicare Part D prescription drug plan through SilverScript. If you are retiring after your initial Medicare enrollment period (the 7-month period beginning 3 months before attaining your 65th birthday), the Benefits Office will need to complete a Social Security "Request for Employment Information" form entitling you to a special enrollment period without

penalty for delayed enrollment. This form must be included with your Medicare enrollment application submitted to Social Security. Please contact Xaviera Espinoza by phone at (773) 702-4926 or by e-mail at xaviera@uchicago.edu with questions about medical benefits after retirement.

Q. Is this benefit taxed?

No.

Q. May I continue my current dental and/or vision insurance after I retire?

Although the University does not offer dental or vision benefits for retirees, you and your dependents may choose to continue your current dental and/or vision plan coverage under COBRA for up to 18 months following your retirement.

HALF-TIME OPTION

GENERAL QUESTIONS

Q. What is the Half-Time Option?

The Half-Time Option under the Faculty Retirement Incentive Plan offers tenured faculty the opportunity to work half-time at two-thirds of the base academic salary (plus administrative supplements, term allowances, etc. in proportion to the corresponding level of effort) they would receive were they to remain on full-time status. Their half-time schedule may continue for as little as one year or as many as five years at the conclusion of which they must retire. Faculty who elect the Half-Time Option will be treated as full-time employees for medical, dental, and educational assistance benefits. Premiums and benefits under long-term disability, life insurance, and personal accident insurance will be reduced by the change in base salary. Contributory Retirement Plan (CRP) contributions likewise will be affected by the new two-thirds base academic salary.

Q. Who is eligible for the Half-Time Option?

A faculty member may retire from the University on or after reaching 55 years of age. One can sign up for the Half-Time Option any time after turning 50, if work continues until age 55. There is no maximum age limit for participation.

Q. How much notice must I give before starting the Half-Time Option?

We expect that you will sign up, at a minimum, the quarter before you wish to begin half-time work.

Q. What are the requirements for being on half-time status?

Tenured faculty with three-quarter appointments on half-time status will be required to be in residence three of the principal quarters (autumn, winter and spring) over any two consecutive academic years. The exact requirements of half-time status must be individually negotiated by the faculty member and the Department Chair, Institute Director, and/or Dean. The Department Chair, Director, or Dean will define residence requirements for the fifth year of half-time status.

Tenured faculty with four-quarter appointments on half-time status normally will be required to be in residence four quarters over any two consecutive academic years. Half-time status also may be defined as a reduction of duties equivalent to half of the faculty member's normal full-time load. Under this definition, the faculty member's duties will be performed during each quarter of half-time status. As with faculty on three-quarter appointments, the exact requirements of half-time status must be individually negotiated by the faculty member and the Department Chair, Institute Director or Dean and

approved by the Office of the Provost. The Department Chair, Director, or Dean will define residence requirements for the fifth year of half-time status.

The extent of any affiliation with another academic institution or medical facility during a faculty member's time out-of-residence shall be a visiting appointment with such entity. All visiting appointments must have the written approval of the department chair, director, dean, and Provost's Office.

Q. Will I receive the Early Retirement Option benefits?

That depends. Faculty members electing the Half-Time Option who have served the University ten or more years in a tenured position and retire on or after their 65th birthday and before their 70th birthday are eligible to receive the benefits of the Early Retirement Option: a bonus and waived Retiree Medical Plan premiums. To receive these benefits, faculty electing the Half-Time Option must provide at least two years notice before retirement.

Faculty members who retire before attaining age 65 or after attaining age 70 and faculty members who retire with fewer than 10 years of service in a tenured position are not eligible for the Early Retirement Option benefits.

Q. How much notice of retirement is required to participate in the Half-Time Option?

Faculty must be at least age 55 at the time of retirement, participate in the option for at least one year, and give notice at least the quarter before going on the Half-Time Option.

If you are eligible for the Early Retirement Option benefits and intend to retire on or after your 65th birthday and before your 70th birthday, you must give two years' notice of retirement.

Q. What is the earliest age at which I can begin the Half-Time Option and take advantage of the Early Retirement Option benefits? And the latest age?

You can begin the Half-Time Option as early as age 60 if you commit to working a full five years (i.e., until age 65), making you eligible for the Early Retirement Option benefits. Should you retire prior to your 65th birthday, you will not receive the Early Retirement Option benefits.

Because you must give two years' notice of your intent to retire under the Early Retirement Option, you would need to elect the Half-Time Option before your 68th birthday to retire before age 70 and receive the bonus and waived premiums.

If I elect the Half-Time Option and am eligible for the Early Retirement Option benefits, what salary will be used in calculating my bonus?

The bonus is the average of your base academic salary for the three years immediately preceding your retirement multiplied by the factor shown in the schedule for your age at retirement (see chart p. 7). Base academic salary is the two-thirds base salary for those years you have been participating in the Half-Time Option. Thus, for example, if you retire at attained age 68 after two years of half-time service, your base salary will be one year of full-time pay plus two years of two-thirds pay divided by three, multiplied by 1.2.

Q. How does one elect the Half-Time Option?

The faculty member must complete a “Half-Time and Early Retirement Election and Agreement” and return it to Associate Provost Ingrid Gould. The agreement is available online at <https://provost.uchicago.edu/handbook/clause/faculty-retirement-incentive-plan>. The exact arrangements of the faculty member’s service should be negotiated with the Department Chair, Director, or Dean and approved by Associate Provost, Ingrid Gould.

Q. What happens if I become disabled or die during the half-time for two-thirds salary working years?

You are entitled to the same benefits as an active employee who dies or becomes disabled.

If you had planned to retire under the Early Retirement Option, the bonus will not be paid and your spouse or partner will not qualify for the waiver of premiums in the Retiree Medical Plan.

This document is intended to provide general information regarding the Faculty Retirement Incentive Plan. In the event of a discrepancy between this document and the Plan document, the Plan document will take precedence. Contact the Benefits Office (xaviera@uchicago.edu) for a copy of the Plan document.

APPENDIX
RETIREE MEDICAL INSURANCE
2021 ANNUAL PLAN PREMIUMS
GUIDE TO TABLES

| | RETIREMENT AGE 65 - 69 | RETIREMENT AGE 70 and Older |
|---------------------|---------------------------|--------------------------------|
| | | |
| WORKING | Tables A, B, C, D | Tables A, B, C, D |
| FRIP RETIREMENT | FREE | N/A |
| NON-FRIP RETIREMENT | Tables E, F, G | Tables E, F, G |

TABLE A – ACTIVE EMPLOYEE
(Employee Only Coverage)

| | Under \$47,500 | \$47,500 - \$74,999 | \$75,000 - \$99,999 | \$100,000 - \$174,999 | \$175,000 and Above |
|-----------------------|-------------------|------------------------|------------------------|--------------------------|------------------------|
| | | | | | |
| Maroon Plan | \$1,656 | \$2,196 | \$2,544 | \$3,888 | \$4,104 |
| Maroon Savings Choice | \$768 | \$984 | \$1,121 | \$1,416 | \$1,644 |
| UCHP | \$732 | \$1,080 | \$1,620 | \$1,812 | \$1,872 |
| HMO Illinois | \$624 | \$924 | \$1,272 | \$1,500 | \$1,620 |

TABLE B – ACTIVE EMPLOYEE
(Employee Plus Spouse / Partner Coverage)

| | Under \$47,500 | \$47,500 - \$74,999 | \$75,000 - \$99,999 | \$100,000 - \$174,999 | \$175,000 and Above |
|-----------------------|-------------------|------------------------|------------------------|--------------------------|------------------------|
| | | | | | |
| Maroon Plan | \$3,180 | \$4,140 | \$5,256 | \$6,312 | \$6,648 |
| Maroon Savings Choice | \$1,728 | \$2,136 | \$2,592 | \$3,048 | \$3,444 |
| UCHP | \$1,560 | \$2,448 | \$3,396 | \$4,008 | \$4,272 |
| HMO Illinois | \$1,416 | \$2,052 | \$2,742 | \$3,648 | \$3,828 |

TABLE C – ACTIVE EMPLOYEE
(Employee Plus Child(ren) Coverage)

| | Under \$47,500 | \$47,500 - \$74,999 | \$75,000 - \$99,999 | \$100,000 - \$174,999 | \$175,000 and Above |
|-----------------------------|-------------------|------------------------|------------------------|--------------------------|------------------------|
| Maroon Plan | \$2,760 | \$3,840 | \$4,596 | \$5,160 | \$5,868 |
| Maroon Savings Choice | \$1,380 | \$1,776 | \$2,172 | \$2,568 | \$2,952 |
| UHP | \$1,356 | \$2,136 | \$3,072 | \$3,432 | \$3,660 |
| HMO Illinois | \$1,212 | \$1,848 | \$2,604 | \$2,916 | \$3,144 |

TABLE D – ACTIVE EMPLOYEE
(Employee Plus Family Coverage)

| | Under \$47,500 | \$47,500 - \$74,999 | \$75,000 - \$99,999 | \$100,000 - \$174,999 | \$175,000 and Above |
|-----------------------------|-------------------|------------------------|------------------------|--------------------------|------------------------|
| Maroon Plan | \$4,032 | \$5,364 | \$6,744 | \$8,280 | \$8,580 |
| Maroon Savings Choice | \$2,292 | \$2,952 | \$3,612 | \$4,260 | \$4,932 |
| UHP | \$1,956 | \$2,952 | \$4,068 | \$5,040 | \$5,256 |
| HMO Illinois | \$1,752 | \$2,568 | \$3,780 | \$4,548 | \$4,680 |

The columns represent your annual salary. The rows represent the plan you select.

TABLE E – RETIREE WITHOUT FRIP
(Employee Only Coverage)

| | Aetna Medicare Advantage | Aetna Medicare Supplemental | BCBSIL PPO |
|-----------------|-----------------------------|--------------------------------|------------|
| Under Age 65 | | | \$7,980 |
| Age 65 or Older | \$2,592 | \$3,828 | |

TABLE F – RETIREE WITHOUT FRIP
(Employee Plus One Dependent Coverage)

| | Aetna Medicare Advantage | Aetna Medicare Supplemental | BCBSIL PPO |
|--|--------------------------|-----------------------------|------------|
| One Person Age 65 or Older and One Person Under Age 65 | \$10,572 | \$11,808 | |
| Two Persons Under Age 65 | | | \$15,960 |
| Two Persons Age 65 or Older | \$5,196 | \$7,656 | |

TABLE G – RETIREE WITHOUT FRIP
(Employee Plus Family Coverage)

| | Aetna Medicare Advantage | Aetna Medicare Supplemental | BCBSIL PPO |
|--|--------------------------|-----------------------------|------------|
| Three or More People All Under Age 65 | | | \$23,940 |
| Three or More People, Including One Person Age 65 or Older | \$18,552 | \$19,788 | |
| Three or More People, Including Two People Age 65 or Older | \$13,176 | \$15,636 | |

Report of the Faculty Retirement Oversight Committee
Meeting of May 29, 2020

The Faculty Retirement Oversight Committee (FROC) was established in 1994 to follow faculty behavior in respect to the Faculty Incentive Retirement Plan (FRIP) that was introduced that year. In 1994 the Federal Law prohibiting mandatory retirement based on age took effect, and FRIP was designed to encourage retirement by senior faculty despite this change, primarily to permit renewal of the faculty through enhanced ability to hire younger replacements. The principal part of this was the offer of a lump sum cash bonus and support for medical care supplementary to Medicare to faculty 65 or over who, with two years advance notice, retired before reaching 70. The two years' notice was intended to discourage rewarding "retirements" that were really departures to another institution and to permit adequate time to adjust for the departure.

For several years the plan worked quite well, with the number of non-BSD faculty aged 70 or more with no commitment to retire remaining below 20.¹ But starting in 2009, the economic recession seems to have shaken the confidence in faculty near retirement age that their investments can be counted on as surely as before the recession, and that number started to climb, passing 60 in 2017 before it stabilized around the upper 60s. It would not be a great leap in logic to suppose the current worry caused by the pandemic will produce a similar disturbance of confidence, though perhaps counterbalanced by faculty anxiety about their physical presence in the classroom, at meetings on campus, and so forth.

One of the hallmarks of the 1994 FRIP was that it presented a policy that would replace the past process of permitting individual faculty members to negotiate their own terms of retirement, a practice that not only was costly in administrative energies, but was also not equitable in that faculty who were more collegial paid a price for that. Since FRIP began, the administration has steadfastly avoided such negotiation. Another hallmark was that the policy would not change, with sudden lifts or drops in the level of incentive depending on current economic condition. Thus, there was no reason for faculty to wait another year in hopes of a better deal. As this committee has observed and discussed the slow climb in the number of unretired non-BSD faculty 70 or over from 20 to the 60s over the years 2009 to 2019, we have been reluctant to disturb expectations, noting that the recent economic stabilization gave hope that confidence was returning. The current upsetting situation leads us to reconsider this stance.

The problem, as we had realized from the outset, is that after a faculty member reaches the age of 68, the only remaining incentive to retire is the half-time option: commit to retire within five years and reduce teaching and administrative effort by half while reducing salary only by a third. For some time that seemed sufficient, but the data combined with anecdotal evidence from the Provost's office suggests that we may need a new post-70 incentive if we are to rebuild the balance in age structure and better encourage renewed intellectual vigor in our faculty.

¹ We use non-BSD faculty as a barometer because the plan was not designed to incentivize the BSD faculty in clinical departments; a separate study showed that BSD basic science faculty behave much the same as non-BSD faculty.

At this year's meeting we dedicated most of the discussion to this question, and to the considerations of the types of incentives that might help redress this problem. We were agreed on some principles: Small amounts of tinkering with existing policy (for example minor changes in multipliers) are not likely to be effective. Any change should be capable of easy explanation and be simple in structure. Any change should be seen as equitable across the faculty affected and will require a formal discrimination analysis.

The following possible changes were discussed in the meeting.

1. Extend the healthcare supplement in retirement, perceived by many as more valuable than the bonus, to retirements up to, say, age 75, without the lumpsum payout. A variation of this could be a fraction of the cost (say, half). Thus, a late retiree would act with a major source of worry reduced. We did not discuss how this might be structured to avoid supporting departures to other institutions. We did discuss the alternative of a set amount rather than full or fractional support, but that would suffer from the constant need for adjustment in inflationary times.

2. Simply change the window 65-70 to some other window, say 65 to 75.

3. Instead of underwriting healthcare in retirement over 70, offer a single cash bonus to those who do retire. This could be keyed to past salary, or (say) equal to four years of payment for healthcare supplement, while not being tied specifically to that purpose.

For whatever change would be enacted, we recommend a part of the cost be dedicated to the following: Since we have a strong tradition of not changing the rules, a tradition that built faculty acceptance of the policy, we should offer some version of this to those who have already acted and either retired recently or are committed to do so. For example, offering them to option of exchanging their current commitment for a new one, and give them a generous window of time to decide which way they will go, say 45 days or three months. The form this would take would of course depend upon the policy. We have not attempted to estimate the costs of any of these possibilities.

It did occur to us that the present moment would perhaps make the change in policy more understandable, compared to other disruptions under way. We considered the possibility of offering a change as a one-time only offer, but that could actually be more disruptive, an intervention that might set up an expectation for more such disruptions. Making a basic change that deals with a long-recognized problem, albeit in the light of the current rare (we hope) circumstances, may be a better idea.

As the role of the Faculty Retirement Oversight Committee is advisory, if a modification of FRIP is desired, we recommend that an ad hoc faculty committee be established, as occurred when FRIP was originally designed, to propose restructuring specifics. The FROC presents these thoughts to help guide the Provost and her staff in their further considerations.

Stephen Stigler, Department of Statistics, chair
 Daisy Delogu, Department of Romance Languages and Literatures
 Oeindrila Dube, Harris School
 Merle Erickson, Booth School
 Russell Tuttle, Department of Anthropology

June 2, 2020

| Faculty Retirement Incentive Plans | | | | | | | | | |
|------------------------------------|---|--|------------------|--------------------|-------------------------|-----------------------|---|-------------------------------|------------------|
| University | Eligibility | Bonus | Phased/Part-Time | Financial Planning | Retiree Medical Offered | Retiree Medical Costs | Retiree Dental Offered | Research Funds pre-retirement | *COVID Incentive |
| <u>Columbia</u> | age 65 - 73 + 10 years service | Yes (one-time payment @ 100%) | Yes | N/A | Yes | Unavailable | No - COBRA is offered for up to 18 months following retirement. | N/A | N/A |
| <u>Harvard</u> | age 65 - 72 73 or older Half-Time Option | N/A | Yes | Yes | Yes | | | Yes | N/A |
| <u>Northwestern</u> | 55 years of age or have at least 15 years of service | N/A | Yes | N/A | Yes | | | N/A | N/A |
| <u>Penn</u> | age 60 - 69 + 10 years service | Yes (165% paid out over 24 months) | N/A | N/A | Yes | | | N/A | <u>Yes</u> |
| <u>Princeton</u> | age 65 - 70 + 10 Years Service; Phased plan age 55 and over | Yes (maximum 150% salary) | Yes | N/A | Yes | | | N/A | N/A |
| <u>Stanford</u> | age 63 -67 age 68 -71 | Yes (2X FRIP benefit +1 year salary) (1X FRIP benefit + 0.5 salary) | Yes | Yes | Yes | | | N/A | <u>Yes</u> |

| Faculty Retirement Incentive Plans | | | | | | | | | |
|---------------------------------------|--|--|------------------|--------------------|-------------------------|---|---|-------------------------------|------------------|
| University | Eligibility | Bonus | Phased/Part-Time | Financial Planning | Retiree Medical Offered | Retiree Medical Costs | Retiree Dental Offered | Research Funds pre-retirement | *COVID Incentive |
| University of Chicago | age 65 - 70 + 10 Years Service; Half-Time plan age 55 and over | Yes (one-time payment up to 2X depending on age) | Yes | Yes | Yes | University covers premiums for Emeritus & Spouse retiring under the Early plan; Half-Time premuims are based on the plan. | No - COBRA is offered for up to 18 months following retirement. | NA | N/A |
| Wash U | age 55 + years of service = 75 | N/A | Yes | N/A | Yes | | | N/A | N/A |
| Yale | age 65 - 70 + 10 Years Service | N/A | Yes | Yes | Yes | | | N/A | N/A |

*COVID Incentive offered for election in 2020 and retirement in 2021

FRIP Survey Communications & Survey

Invitation email (memo style)

To: Tenured faculty members age 60 and above in 2021
From: Faculty Retirement Incentive Plan Review Committee [need email address]
Subject: Invitation to participate in survey on retirement
Date: 3/22/2021

Dear [first name],

The Faculty Retirement Incentive Plan (FRIP) Review Committee invites you to participate in a survey on the topic of retirement. In light of the tripling of retirement-eligible faculty members at the University of Chicago since 2009 and concerns they expressed about working in the pandemic, the committee was asked to examine potential changes and make recommendations to the Provost regarding FRIP.

The survey was designed by the committee and is being conducted by the Office of Institutional Analysis. Your responses will be confidential. Committee members will see aggregate reports and de-identified responses to individual questions only.

The survey takes approximately 10 minutes, and your response will greatly help us understand the different challenges and opportunities presented by retirement as well as your suggestions for improvements. Please participate by clicking the link below:

[link to survey]

If you encounter any technical issues or have questions about the survey in general, please direct them to:
Survey-info@lists.uchicago.edu

If you have questions more generally about the work of the committee, please contact Ingrid Gould,
igould@uchicago.edu, in the Provost's Office.

Sincerely,

John Alverdy, Sara and Harold Lincoln Thompson Professor, Department of Surgery, Committee Chair

Alida Bouris, Associate Professor, Crown Family School of Social Work, Policy, and Practice

Diane Brentari, Mary K. Werkman Professor, Department of Linguistics and the College (Committee Member Autumn 2020 – Winter 20201)

Fred Ciesla, Professor, Department of Geophysical Sciences and the College

Merle Erickson, Professor, Chicago Booth School of Business

Joshua Scodel, Helen A. Regenstein Professor, Department of English Language and Literature and the College (Committee Member Spring 2021)

Margaret Beale Spencer, Charles F. Grey Distinguished Service Professor, Department of Comparative Human Development and the College

Reminder email (memo style)

To: Tenured faculty members age 60 and above in 2021 who have not already responded to the survey

From: Faculty Retirement Incentive Plan Review Committee [FRIPReviewCommittee@uchicago.edu]

Subject: Invitation to participate in survey on retirement

Date: 4/1/2021

Dear [first name],

We encourage you to participate in the Faculty Retirement Incentive Plan (FRIP) Review Committee survey on the topic of retirement. The higher the response rate, the better our understanding of faculty views regarding retirement and the greater the potential impact of the committee recommendations regarding FRIP.

Designed by the committee, the survey is being conducted by the Office of Institutional Analysis. Your responses will be confidential. Committee members will see aggregate reports and de-identified responses to individual questions only.

The survey takes approximately 10 minutes. Please participate by clicking the link below:

[link to survey]

If you encounter any technical issues or have questions about the survey in general, please direct them to:

Survey-info@lists.uchicago.edu.

If you have questions more generally about the work of the committee, please contact Ingrid Gould, igould@uchicago.edu, in the Office of the Provost.

Sincerely,

John Alverdy, Sara and Harold Lincoln Thompson Professor, Department of Surgery, Committee Chair

Alida Bouris, Associate Professor, Crown Family School of Social Work, Policy, and Practice

Diane Brentari, Mary K. Werkman Professor, Department of Linguistics and the College (Committee Member Autumn 2020 – Winter 20201)

Fred Ciesla, Professor, Department of Geophysical Sciences and the College

Merle Erickson, Professor, Chicago Booth School of Business

Joshua Scodel, Helen A. Regenstein Professor, Department of English Language and Literature and the College (Committee Member Spring 2021)

Margaret Beale Spencer, Charles F. Grey Distinguished Service Professor, Department of Comparative Human Development and the College

Survey intro text

This survey is being conducted by the Faculty Retirement Incentive Plan Review Committee. The members of the committee (listed below) developed the survey to inform their thinking and ultimately their recommendations on potential changes to the Faculty Retirement Incentive Program (FRIP), and more generally on the issues facing faculty as they consider retirement. The survey is being sent to tenured members of the faculty who are at least 60 and not yet emeritus, the same group sent the annual FRIP notice.

The survey is being conducted on behalf of the committee by the Office of Institutional Analysis. Your responses are confidential. Committee members will see aggregate reports and de-identified responses to individual questions only.

The survey is expected to take most respondents about 10 minutes. At the end of the survey, you will be prompted to submit your responses; up to that point, you will be able to edit your answers. If you encounter any technical issues or have general questions about the survey, please direct them to:

survey-info@lists.uchicago.edu

When you click “next” below, the survey will begin. Thank you for your participation.

John Alverdy, Sara and Harold Lincoln Thompson Professor, Department of Surgery, Committee Chair

Alida Bouris, Associate Professor, Crown Family School of Social Work, Policy, and Practice

Diane Brentari, Mary K. Werkman Professor, Department of Linguistics and the College (Autumn 2020 – Winter 20201)

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Merle Erickson, Professor, Chicago Booth School of Business

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Margaret Beale Spencer, Charles F. Grey Distinguished Service Professor, Department of Comparative Human Development and the College

Note: All questions below include a “prefer not to respond” option

Demographic questions

- Please tell us:
 - The academic unit of your primary appointment (list of divisions/schools)
 - Your rank (Professor/Associate Professor)
 - Your age (60 to 64; 65 to 69; 70 to 74; 75 or above)
 - Your total household income in 2020 (\$50K blocks above \$100K, topping out at \$400K+)

- How many dependents you have currently (age 25 and below) (0; 1; 2; 3 or more)
- Your relationship status (options adapted from US census: now married/in a long-term relationship; divorced/separated; widowed; never married)
- How you identify (male; female; I identify as: [write-in])

Basic retirement plans (multiple choice)

- Have you met with a financial planner and included a discussion of retirement in the last five years?
 - Yes, at least annually
 - Yes, more than once
 - Yes, once
 - No
- Do you currently have a target age at which you plan to retire?
 - Yes, and it is a firm plan
 - Yes, but it is not a firm plan
 - No, but I am thinking about retirement
 - No, and I am not thinking about retirement
- (If yes-firm or yes-not firm) Please select the age at which you plan to retire:
 - Age 60 to 64
 - Age 65
 - Age 66 to 70
 - Age 71 to 75
 - Above age 75
- How familiar are you with the Faculty Retirement Incentive Plan (FRIP)?
 - Very familiar
 - Somewhat familiar
 - Not at all familiar
- Do you plan to make use of the Faculty Retirement Incentive Plan (FRIP)?
 - Yes, definitely
 - Yes, probably
 - Unsure
 - Probably not
 - Definitely not
- (If “yes, definitely”, “yes, probably” or “unsure”) Are you planning to use the FRIP Early retirement option?
 - Yes
 - Unsure
 - No
- (same filter) Are you planning to use the FRIP Half-time retirement option?
 - Yes
 - Unsure
 - No
- When did you start thinking about retirement?
 - Before age 50

- Age 50-60
- Age 60-64
- Age 65 to 69
- Age 70 or above
- NA – I have not started thinking about retirement

Factors affecting retirement plans (open-ended)

- How well do/did the current aspects of FRIP meet your needs? (Likert scale: “not at all” to “very well”, including a “prefer not to respond” option)
 - a. Health insurance and health care costs post-retirement
 - b. Health care quality and coverage post-retirement
 - c. Retirement bonus amount
 - d. Work requirements during FRIP Half-time retirement option
 - e. Age limits for FRIP Early retirement option
 - f. Other aspect of FRIP not mentioned above: _____ (write-in)
- How well do/did the current aspects of other retirement support from the University meet your needs? (Likert scale: “not at all” to “very well”)
 - a. Maintaining sufficient post-retirement income
 - b. Support for financial planning costs
 - c. Other resources to help with retirement planning (e.g., seminars)
 - d. Office space availability post-retirement
 - e. Support for research activities post-retirement
 - f. Other institutional support for emeriti
 - g. Other aspect of support not mentioned above: _____ (write-in)
- Please elaborate on your positive and negative responses to the items above: (open-ended)

Attitudes towards retirement (Likert scale agreement)

Please indicate your agreement or disagreement with the following statements (5-point scale from “strongly disagree” to “strongly agree,” with “NA” and “prefer not to respond” options)

- I am confident that I will be financially secure in retirement
- I will have the means to offer financial support to other family members in retirement
- I will be able to afford health care in retirement
- My anticipated retirement age is based on needing to build up my retirement savings further
- My anticipated retirement age is based on other financial commitments that require me to work until that point
- I would like to continue working for as long as possible
- I am reluctant to retire due to aspects of my current work that I enjoy
- I am eager to retire due to aspects of my current work that I do not enjoy
- There are other activities that I am looking forward to devoting more time to in retirement
- I am generally worried or uncertain about retirement

- It is important for me to remain part of the UChicago intellectual community in retirement
- I would take/would have taken advantage of FRIP if: (open ended)

Final comments (open-ended question)

If you have any further thoughts about retirement or would like to comment on the survey itself, please do so here:

End of survey

When you click “next” below, your response will be submitted.

FRIP Survey Winter 2021

V1: Comparison by income

Page 1: Respondent demographics

| | Household income | |
|---------------------------------|--------------------|-------------------|
| | Under \$300,000 | Over \$300,000 |
| Total response count (N) | 87 | 57 |

What is the unit of your primary appointment?

| | | |
|---|-----|-----|
| Biological Sciences (Basic Science departments) | 13% | 18% |
| Biological Sciences (Clinical departments) | 10% | 16% |
| Humanities Division | 22% | 9% |
| Physical Sciences Division | 23% | 12% |
| Social Sciences Division | 19% | 14% |
| Booth School of Business | 2% | 11% |
| Crown School of Social Work, Policy, and Practice | 2% | 4% |
| Divinity School | 5% | 2% |
| Harris School of Public Policy | 1% | 5% |
| Law School | 1% | 9% |
| Pritzker School of Molecular Engineering | 1% | 2% |
| Percentage from HUM, SSD, and DIV | 46% | 25% |

What is your rank?

| | | |
|-----------|-----|-----|
| Professor | 94% | 98% |
| Associate | 6% | 2% |

What is your relationship status?

| | | |
|--------------------|-----|-----|
| Married or similar | 86% | 95% |
| Divorced/separated | 9% | 2% |
| Widowed | 4% | 4% |
| Never married | 1% | 0% |

What is your household income?

| | | |
|------------------|-----|-----|
| Under \$150K | 11% | 0% |
| \$150K to \$199K | 28% | 0% |
| \$200K to \$249K | 37% | 0% |
| \$250K to \$299K | 25% | 0% |
| \$300K to \$349K | 0% | 16% |
| \$350K to \$399K | 0% | 21% |
| \$400K or above | 0% | 63% |

How many dependents?

| | | |
|---------------|-----|-----|
| None | 65% | 66% |
| One | 27% | 14% |
| Two | 9% | 16% |
| Three or more | 0% | 4% |

What is your age?

| | | |
|-------------|-----|-----|
| 64 or under | 51% | 40% |
| 65 to 69 | 29% | 29% |
| 70 to 74 | 13% | 24% |
| 75 or above | 6% | 7% |

How do you identify?

| | | |
|--------|-----|-----|
| Male | 68% | 79% |
| Female | 32% | 21% |

FRIP Survey Winter 2021

V1: Comparison by income

Page 2: Retirement plans and awareness of FRIP options

| | Household income | |
|---|--------------------|-------------------|
| | Under \$300,000 | Over \$300,000 |
| Have you met with a financial planner? | | |
| Yes, at least annually | 29% | 21% |
| Yes, more than once | 24% | 20% |
| Yes, once | 25% | 21% |
| No | 23% | 38% |
| Do you have a plan to retire? | | |
| Yes, and it is a firm plan | 10% | 2% |
| Yes, but it is not a firm plan | 29% | 47% |
| No, but I am thinking... | 35% | 27% |
| No, and I am not thinking... | 25% | 24% |
| At what age do you plan to retire? | | |
| Age 60 to 64 | 0% | 0% |
| Age 65 | 17% | 4% |
| Age 66 to 70 | 37% | 19% |
| Age 71 to 75 | 27% | 50% |
| Above age 75 | 20% | 27% |
| How familiar are you with FRIP? | | |
| Very familiar | 33% | 41% |
| Somewhat familiar | 56% | 48% |
| Not at all familiar | 11% | 11% |
| Do you plan to make use of FRIP Early? | | |
| Yes | 15% | 7% |
| Unsure | 52% | 48% |
| No | 33% | 45% |
| Do you plan to make use of FRIP Half-time? | | |
| Yes | 9% | 15% |
| Unsure | 68% | 61% |
| No | 23% | 24% |

FRIP Survey Winter 2021

V1: Comparison by income

Page 3: FRIP incentive alignment and attitudes

How well do the following aspects of FRIP meet your needs?

(Percentage responding "extremely well" or "very well")

| | Household income | |
|---|--------------------|-------------------|
| | Under \$300,000 | Over \$300,000 |
| Health [...] costs post-retirement | 41% | 47% |
| Health care quality [...] post-retirement | 29% | 49% |
| Retirement bonus amount | 25% | 29% |
| Work requirements during FRIP Half-time [...] | 35% | 38% |
| Age limits for FRIP early retirement option | 11% | 21% |

How well do the following aspects of non-FRIP university support meet your needs?

(Percentage responding "extremely well" or "very well")

| | Household income | |
|--|--------------------|-------------------|
| | Under \$300,000 | Over \$300,000 |
| Maintaining sufficient post-retirement income | 25% | 37% |
| Support for financial planning costs | 57% | 50% |
| Other resources to help with retirement planning | 15% | 26% |
| Office space availability post-retirement | 13% | 26% |
| Support for research activities post-retirement | 10% | 17% |
| Other institutional support for emeriti | 7% | 15% |

How much do you agree with the following statements?

(Percentage responding "strongly agree" or "agree")

| | Household income | |
|---|--------------------|-------------------|
| | Under \$300,000 | Over \$300,000 |
| Financially secure in retirement | 85% | 92% |
| Provide financial support to other family members | 69% | 88% |
| Afford healthcare in retirement | 78% | 91% |
| Retirement age based on needing to build up savings | 61% | 47% |
| Retirement age based on other financial commitments | 42% | 27% |
| Would like to keep working for as long as possible | 66% | 67% |
| Reluctant to retire/aspects of work I enjoy | 79% | 96% |
| Eager to retire/aspects of work I do not enjoy | 39% | 29% |
| Other activities I look forward to | 68% | 74% |
| Generally uncertain or anxious | 49% | 36% |
| Important to remain part of intellectual community | 88% | 84% |

FRIP Survey Winter 2021

V1: Comparison by income

Page 4: Response rate

| | Responses | Pop. | Rate |
|--|-----------|------|------|
| Total response count (N) | 140 | 332 | 42% |
| What is the unit of your primary appointment? | | | |
| Biological Sciences (Basic Science departments) | 21 | 46 | 46% |
| Biological Sciences (Clinical departments) | 17 | 67 | 25% |
| Humanities Division | 23 | 54 | 43% |
| Physical Sciences Division | 26 | 55 | 47% |
| Social Sciences Division | 24 | 51 | 47% |
| Booth School of Business | 8 | 22 | 36% |
| Crown School of Social Work, Policy, and Practice | 4 | 8 | 50% |
| Divinity School | 5 | 6 | 83% |
| Harris School of Public Policy | 4 | 9 | 44% |
| Law School | 6 | 10 | 60% |
| Pritzker School of Molecular Engineering | 2 | 4 | 50% |

FRIP Survey Winter 2021

V2: Comparison by gender

Page 1: Respondent demographics

| | Female | Male |
|---------------------------------|--------|------|
| Total response count (N) | 36 | 104 |

What is the unit of your primary appointment?

| | | |
|---|-----|-----|
| Biological Sciences (Basic Science departments) | 8% | 17% |
| Biological Sciences (Clinical departments) | 14% | 12% |
| Humanities Division | 25% | 13% |
| Physical Sciences Division | 0% | 25% |
| Social Sciences Division | 31% | 13% |
| Booth School of Business | 3% | 7% |
| Crown School of Social Work, Policy, and Practice | 6% | 2% |
| Divinity School | 6% | 3% |
| Harris School of Public Policy | 0% | 4% |
| Law School | 6% | 4% |
| Pritzker School of Molecular Engineering | 3% | 1% |
| Percentage from HUM, SSD, and DIV | 61% | 29% |

What is your rank?

| | | |
|-----------|-----|-----|
| Professor | 94% | 96% |
| Associate | 6% | 4% |

What is your relationship status?

| | | |
|--------------------|-----|-----|
| Married or similar | 78% | 94% |
| Divorced/separated | 14% | 3% |
| Widowed | 6% | 3% |
| Never married | 3% | 0% |

What is your household income?

| | | |
|------------------|-----|-----|
| Under \$150K | 3% | 6% |
| \$150K to \$199K | 13% | 14% |
| \$200K to \$249K | 39% | 11% |
| \$250K to \$299K | 6% | 14% |
| \$300K to \$349K | 6% | 8% |
| \$350K to \$399K | 6% | 12% |
| \$400K or above | 26% | 34% |

How many dependents?

| | | |
|---------------|-----|-----|
| None | 66% | 65% |
| One | 20% | 22% |
| Two | 11% | 12% |
| Three or more | 3% | 1% |

What is your age?

| | | |
|-------------|-----|-----|
| 64 or under | 54% | 44% |
| 65 to 69 | 17% | 34% |
| 70 to 74 | 23% | 15% |
| 75 or above | 6% | 7% |

How do you identify?

| | | |
|--------|------|------|
| Male | 0% | 100% |
| Female | 100% | 0% |

FRIP Survey Winter 2021

V2: Comparison by gender

Page 2: Retirement plans and awareness of FRIP options

| | Female | Male |
|---|--------|------|
| Have you met with a financial planner? | | |
| Yes, at least annually | 36% | 22% |
| Yes, more than once | 28% | 20% |
| Yes, once | 19% | 24% |
| No | 17% | 33% |
| Do you have a plan to retire? | | |
| Yes, and it is a firm plan | 0% | 9% |
| Yes, but it is not a firm plan | 50% | 32% |
| No, but I am thinking... | 32% | 32% |
| No, and I am not thinking... | 18% | 26% |
| At what age do you plan to retire? | | |
| Age 60 to 64 | 0% | 0% |
| Age 65 | 6% | 13% |
| Age 66 to 70 | 29% | 28% |
| Age 71 to 75 | 35% | 38% |
| Above age 75 | 29% | 21% |
| How familiar are you with FRIP? | | |
| Very familiar | 33% | 38% |
| Somewhat familiar | 47% | 54% |
| Not at all familiar | 19% | 8% |
| Do you plan to make use of FRIP Early? | | |
| Yes | 8% | 15% |
| Unsure | 60% | 45% |
| No | 32% | 40% |
| Do you plan to make use of FRIP Half-time? | | |
| Yes | 14% | 10% |
| Unsure | 68% | 63% |
| No | 18% | 27% |

FRIP Survey Winter 2021

V2: Comparison by gender

Page 3: FRIP incentive alignment and attitudes

How well do the following aspects of FRIP meet your needs?

(Percentage responding "extremely well" or "very well")

| | Female | Male |
|---|--------|------|
| Health [...] costs post-retirement | 27% | 51% |
| Health care quality [...] post-retirement | 17% | 46% |
| Retirement bonus amount | 15% | 31% |
| Work requirements during FRIP Half-time [...] | 26% | 41% |
| Age limits for FRIP early retirement option | 16% | 14% |

How well do the following aspects of non-FRIP university support meet your needs?

(Percentage responding "extremely well" or "very well")

| | Female | Male |
|--|--------|------|
| Maintaining sufficient post-retirement income | 21% | 34% |
| Support for financial planning costs | 47% | 58% |
| Other resources to help with retirement planning | 17% | 21% |
| Office space availability post-retirement | 4% | 25% |
| Support for research activities post-retirement | 8% | 15% |
| Other institutional support for emeriti | 0% | 16% |

How much do you agree with the following statements?

(Percentage responding "strongly agree" or "agree")

| | Female | Male |
|---|--------|------|
| Financially secure in retirement | 80% | 91% |
| Provide financial support to other family members | 65% | 81% |
| Afford healthcare in retirement | 69% | 89% |
| Retirement age based on needing to build up savings | 51% | 58% |
| Retirement age based on other financial commitments | 41% | 33% |
| Would like to keep working for as long as possible | 63% | 67% |
| Reluctant to retire/aspects of work I enjoy | 89% | 84% |
| Eager to retire/aspects of work I do not enjoy | 32% | 36% |
| Other activities I look forward to | 71% | 70% |
| Generally uncertain or anxious | 53% | 40% |
| Important to remain part of intellectual community | 85% | 87% |

FRIP Survey Winter 2021

V2: Comparison by gender

Page 4: Response rate

| | Responses | Pop. | Rate |
|--|-----------|------|------|
| Total response count (N) | 140 | 332 | 42% |
| What is the unit of your primary appointment? | | | |
| Biological Sciences (Basic Science departments) | 21 | 46 | 46% |
| Biological Sciences (Clinical departments) | 17 | 67 | 25% |
| Humanities Division | 23 | 54 | 43% |
| Physical Sciences Division | 26 | 55 | 47% |
| Social Sciences Division | 24 | 51 | 47% |
| Booth School of Business | 8 | 22 | 36% |
| Crown School of Social Work, Policy, and Practice | 4 | 8 | 50% |
| Divinity School | 5 | 6 | 83% |
| Harris School of Public Policy | 4 | 9 | 44% |
| Law School | 6 | 10 | 60% |
| Pritzker School of Molecular Engineering | 2 | 4 | 50% |