



REDUCED EFFORT

FIAP is a severance plan. When a senior faculty member participates in FIAP, they terminate their employment and, as such, are expected to stop performing all services for the University. In particular special circumstances, a senior faculty member may be permitted to return to work for the University. Before returning to work, the faculty member is required to obtain the approval of their Dean as well as the Vice Provost for Faculty. If approved, the level of services to be performed after termination should be no more than 20% of the level of services performed before the termination. Faculty members take on different responsibilities and roles as members of the University community. The 20% rule will be applied based upon all available facts and circumstances, in consultation with the department chair, Dean, and the Provost's Office. Requests to return to work after termination under FIAP should demonstrate that this engagement is required to maintain mission continuity and must be reapproved annually.

The expectation of no employment above 20% of pre-retirement effort applies in perpetuity.

Employee or Independent Contractor Status: Much like the level of service issues described above, the determination of whether the faculty member is being re-engaged as an employee or as a consultant through their personal company depends on the relevant facts and circumstances.

The University has a process for determining the classification of individual service providers which should be followed.

If services are determined to be paid through Workday, a new job needs to be created. A job requisition is required to create the position in Workday. Job profiles that need to be utilized under this situation are: **Emeritus Professor, Emeritus Associate Professor, Emeritus Professor Clinician Educator or Emeritus Associate Professor Clinician-Educator**. Please use the appropriate job profile dependent upon the faculty being hired. Clinical pay, one-time payments, changes in compensation, etc. should NEVER be put on the primary role, if applicable, of Faculty Early Retirement.

Upon the faculty member's retirement date, they will be terminated with a reason of Retired. Under the rare instances when a faculty member continues to work after their retirement date, they will need to be rehired as a Retired/Active and Emeritus as a job Profile/title.

TAXES

Faculty FIAP benefits are taxed in the same manner as they were taxed prior to retirement. Federal, State and Local taxes do not change.

The FIAP benefit is not eligible for Philadelphia Wage Tax Refund. The payments are connected with the faculty member's employment at Penn, and must be sourced to Philadelphia, PA.

OTHER ITEMS OF NOTE

Health and Wellness: Health and Wellness benefits remain in place as active employees. Upon separation, individuals will be eligible for retirement benefits under the same terms and conditions as all other retirees that are in the effect on the date of retirement.

Retirement Plans: Eligible for coverage as active employee during phased work period. Upon conclusion of phased work period and complete termination of employment, rules for terminated participants apply. No contributions can be made or received through the plans if working in an ineligible position. If rehired to an eligible position, rules for active plan participants apply. No employee contributions from (and no University contributions on) FIAP payments made after termination of employment.

Royalties: Faculty members who receive royalties for intellectual property (e.g. Online content, etc.) will be eligible to receive royalties (as a vendor) as provided by University policy or contract.

Online Learning Stipends: If a faculty member was receiving an annual stipend for their upkeep of content on the Coursera/Online course through compensation, upon retirement/leaving the institution, they will only receive that annual stipend for their work they are approved to do so from their Dean and the Vice Provost for Faculty (see reduced effort on the left).

Death: If a faculty member passes while on FIAP, please contact Provost Administrative Affairs (acoll@upenn.edu), the Vice Provost of Faculty Office (provost-fac@upenn.edu) and Human Resources (hrbenefits@hr.upenn.edu). PAA will reach out to all relevant parties to process any remaining benefit, that will be paid as a lump sum. Please DO NOT terminate the individual. This will be done by the Office of the Provost.

If a faculty member dies after they have relinquished their tenure rights under this Policy, but before they have received any unpaid cash payment through FIAP, the residual amount will be paid in a lump sum to the faculty member's surviving spouse, or, if none, to the faculty member's estate. If a faculty member elects to participate in FIAP but dies before they have relinquished their tenure rights under this Policy, no benefits shall be provided or paid under FIAP.

Scholarly Leave: Faculty may take scholarly leave immediately before participating in Immediate FIAP or Phased Work FIAP, provided they meet the FIAP eligibility requirements. Eligible senior faculty are reminded that, regardless of when the scholarly leave is taken, the faculty member is expected to engage in scholarly study and research during the course of the leave. Faculty members who elect to participate in Phased Work FIAP may NOT take scholarly leave during the phased work period.