

Voluntary Partial Retirement (VPR) Terms and Definitions

Annual Base Salary: The amount that you would be paid for working 100% for your regular work schedule. It does not include summer session, administrative supplements, awards, overloads/overtime or any additional forms of compensation beyond basic your annual rate.

Break in Service: Regulatory agencies like the IRS and the State of Indiana require at least a 30 day break from employment to retain the favorable tax treatment of retirement benefits. Plans for post-retirement return to work cannot be made prior to, or as part of a VPR agreement. Continuing in temporary or non-benefits eligible positions does not constitute a break in employment.

CUL or FTE: When a reduction in work assignment is made, a percentage of the full-time effort is expressed as CUL (Capacity Utilization Level) or FTE (Full Time Equivalency). This factor is used in calculating part-time arrangements. VPR participants generally request appointments between 50% and 80%.

DocuSign: An electronic signature and digital transaction management software tool to be used in the future to route requests to approve or revise VPR arrangements.

Responsible Executive Approver: The individual with the highest level budgetary responsibility in your organization is considered your Responsible Executive Approver. Typically Deans, Directors, Vice Presidents, Chancellors and Vice Chancellors hold this role.

Exemption Status: Employees are either exempt or non-exempt from the FLSA regulations. Eligibility for overtime pay is determined by salary and the type of work an employee performs. Under the FLSA rules, employees must be classified as non-exempt and will be eligible for overtime pay if their annual salary is below the Department of Labor's standard salary level (see Compensation's FLSA page for current figure, <https://www.purdue.edu/hr/paytimepractices/wagehourpro/flsa.php>)

Pay Frequency: Scheduled pay dates and proportion of annual pay is based on the type employee's assignment. Academic faculty pay is based on a fall and spring semester calendar. Staff holding administrative appointments are paid on a fiscal year basis with pay dates scheduled for the end of each month. Participants in VPR generally remain on the same pay schedule associated with their pre-VPR appointment.

Purdue Standard Retirement and Savings Plan (PSRSP): The 403b Base (10% university contribution) and 401a Mandatory (4% Employee contribution) defined contribution plans are offered to benefits-eligible faculty and staff in management/administrative/professional positions. The VPR program is available to participants of PSRSP who meet the age and years of service criteria.

Official Retiree: A faculty or staff member who meets the following criteria at the point they 1) separate from service or 2) gain approval to participate in VPR or 3) provide an Advance Retirement Declaration:

- Age 55 or older, and
- Employed by Purdue University in a benefits eligible position for 10 or more years