VSIP FAQs

General Inquiries

1. I’m not certain that I want to participate this year. Can I wait until the next year?
   • No. To participate, Notice of Intent has to be submitted by April 7th, 2017 and the actual Separation
     Agreement needs to also be submitted by the deadline. Once Notice of Intent and subsequently the
     agreement has been submitted, only Faculty will have the Option to select two different separation
dates.

2. Do my years of service need to be consecutive?
   • No. For VSIP eligibility purposes, faculty and staff must have been employed by UTRGV, and one of the
     legacy institutions (UTPA or UTB/TSC) for at least five (5) years of creditable service.

3. Do I have to retire with TRS/ORP?
   • No. Yet, your last employer needs to be a UT System institution in order to qualify for UT System
     Health Insurance.

4. Would the employee be able to claim unemployment benefits?
   • No. Employee will not be eligible for unemployment.

5. Can an employee continue to work with UTRGV for 19 hours or less?
   • No. Employee cannot apply for a position with UTRGV or any UT System institution within 12
     consecutive months after separation date.

6. Will any Sick Leave (SL) hours be compensated?
   • No. Unused sick leave balances are not paid to University of Texas employees when they separate
     from service either by termination or retirement. You can also donate some or all of your hours to the
     Sick Leave Pool (SLP) or submit a Direct SL Donation upon retirement by contacting your local Office of
     Employee Benefits.

Process/Timeline

7. What is the process to apply?
   • Eligible employees will receive a personal notification through their UTRGV email account.

8. What is the deadline for applying?
   • Eligible employees will have to submit Notice of Intent by April 7th, 2017 before 5pm CST.

9. If I decide to apply, when will I know if I’ve been accepted?
   • There is no acceptance procedure. You must comply with all eligibility requirements, fill out all
     paperwork on or before the deadline, and remain employed and in good standing until the established
     separation date.

10. Who can notarize my forms?
    • Applicable forms must be notarized by an Office of Human Resource Representative. Please call one of
       our HR Offices to set up an appointment.
11. How will approval be determine?
   - Packets with information for eligible faculty and staff will be distributed by email to UTRGV email addresses (on record) during the week of March 6, 2017. Those that receive a package and meet the guidelines of the program will be approved to retire or separate per the VSIP eligibility and they will receive the incentive approved by the program.

12. What happens if I apply, then decide I do not want to retire?
   - If you signed the Notice of Intent and later decide that you don’t want to retire or terminate, then the process stops after the VSIP Agreement deadline. If you signed the VSIP Agreement, you have to submit the Revocation Notice by the deadline on the 7th day by 5pm CST after signing Agreement.

13. What considerations should I take into account when deciding if I want to participate?
   - Eligible employees are advised to consult with an Attorney, Accountant, Tax Professional and/or Financial Advisor.

Payment/Tax

14. How is my VSIP payment determined?
   - It will be based on Actual Base Annualized Salary as of Mach 6th 2017 plus longevity at 50% for staff. For faculty, it will be based on Actual Base Annualized Salary as of Mach 6th 2017 plus longevity at 50% or 25% depending on option elected.

15. Can I defer my incentive to a Tax Sheltered Annuity?
   - Yes. Employee may be eligible to elect to contribute all or part of this one-time Voluntary Incentive Payment to his or her tax sheltered annuity or deferred compensation plan if authorized by the plan and if the election is timely made in accordance with plan requirements and limits.

16. May I have my VSIP payment made through direct deposit into a bank account?
   - Yes. The payment will be made directly to your current direct deposit account. If you need to make updates, you must log in to Oracle (Employee Self Service) and make all changes there.

17. Am I able to update my W-4 form at any time?
   - Yes. Updates on your W-4 can be processed at any time before the separation/retirement takes effect. This can be done by logging in to Oracle (Employee Self Service) to submit these changes.

18. When will I receive my last paycheck and VSIP payment?
   - The last paycheck will be received on the regular scheduled pay day.
   - VSIP payment will be issued on the last day of the month after termination.

19. Will my VSIP payment be taxed?
   - Yes. All Federal and State taxes and deductions required by law will be applied.

20. Can I delay receipt of the VSIP payment until the next tax year?
   - No. VSIP payment must be processed on applicable scheduled date.

21. Will my future VSIP payment be payable to my heirs or beneficiaries if I die before receiving it?
   - No. VSIP eligibility requires an employee to remain employed through the established termination date.

22. If I am on FMLA, Sick Leave Pool (SLP) or approved leave, can I still participate?
   - Yes. Employees will be able to participate as long as they meet VSIP eligibility guidelines. However, this will terminate any approved leave after separation or retirement. Each FMLA, SLP and approved leave case is unique; please contact UTRGV Office of Human Resources if your case needs to be reviewed.
23. What are the benefits that I qualify for as a Retiree?
   - You may view benefit options through My UT Benefits, and UT System Office of Employee Benefits Website.
24. What are the benefits of the VSIP for me?
   - VSIP is not offered on a regular basis to employees when they separate. Eligible employees are advised to consult with an Attorney, Accountant, Tax Professional and/or Financial Advisor.
25. Do the VSIP benefits include health insurance coverage?
   - Yes. Health insurance eligibility has been considered and as long as the employee retirees after termination with UTRGV he/she will be eligible for basic medical insurance.
26. How do I ensure continuation of my health (medical, dental, and/or vision) insurance?
   - By having 10 years of retirement creditable service with an entity of the University of Texas System.
27. Can I make changes to my healthcare or dental coverage at the time I retire under the VSIP?
   - Yes. Retirement is considered a Qualifying Life Event; therefore, you may elect or make changes to your available benefits.
28. If I don’t retire, but I do decide to take the VSIP and terminate, do I get COBRA benefits?
   - Yes. Employees and their covered dependents have the opportunity for a temporary extension of medical, dental and/or vision coverage at group rates. Coverage is extended only to those individuals covered at the time of termination and may only continue the level of coverage that was in effect on the day of termination, or a lower level of coverage. Contact our benefits area in the Office of Human Resources for COBRA paperwork and additional information.
29. Will I be able to immediately draw retirement benefits if I participate in the VSIP?
   - This will depend on your retirement date and timely submission of applicable retirement documents.
30. How do I get information on retirement benefits?
   - Information sessions will be conducted by the Office of Human Resources on Mar 20th, 2017 in Brownsville and March 21st, 2017 in Edinburg for Faculty and Staff. HR will be sending an email with meeting time and room location.
31. How can I find out about my Social Security benefits?
   - You may contact your local Social Security Administration office and/or visit their website at https://www.ssa.gov/.
32. What happens to accrued and unused vacation leave?
   - If you are eligible for a vacation settlement, you may defer your vacation payout to a UT Saver 457(b) DCP Voluntary Retirement Account. Otherwise, you will receive payment 30 days after termination.
33. What will I need to bring in when retiring?
   - Contact our benefits area to setup an appointment.
34. Where will the local office for UTRGV retirees be located?
   - The Woods Building, 451 E. Alton Gloor Dr., Brownsville, Texas 78526 and
   - EMASS Building, 1201 West University Dr., Rm 2.126, Edinburg, Texas 78539.
   - Local office may be subject to change.
35. Where do I pay for retirement insurance?
   - Retirees will receive a Premium Payment booklet that they can use to send checks via mail to the Bursars Office.
   - Retirees have the option to enroll in ACH for automated deductions from their bank account.
   - Retirees can pay directly at the Bursars Office over the phone or in person in any of the following addresses:
     
     i. Brownsville - The Tower, Main 1.100
        1 West University Boulevard
        2 Brownsville, Texas 78520
        3 Telephone (956) 882-7623
     
     ii. Edinburg - ESSBL 1.200
        1 1201 W. University Dr, Edinburg, TX
        2 Telephone (956) 665-2718 or
        3 (956)665-2722

*For additional questions and concerns, please contact the Office of Human Resources (hr@utrgv.edu):
  The Woods Building, 451 E. Alton Gloor Dr., Brownsville, Texas 78526 Ph: 956-882-8205 and EMASS Building, 1201 West University Dr., Rm 2.126, Edinburg, Texas 78539 Ph: 956-665-2451