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| ADMINISTRATIVE DIVISION HR Human Resources | | POLICY NUMBER HR 2.00 |
| POLICY TITLE Succession Planning and Post-Retirement Employment | | |
| SCOPE OF POLICY USC System | SCOPE OF PROCEDURE USC System | |
| DATE ADOPTED December 1, 2005 | DATE OF REVISION April 12, 2018 | |
| RESPONSIBLE OFFICER Vice President for Human Resources | ADMINISTRATIVE OFFICE Division of Human Resources | |

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PURPOSE

The University of South Carolina is committed to preparing for future staffing needs for the institution through regular and systematic succession planning and strategic consideration of post-retirement employment.

DEFINITIONS AND ACRONYMS

South Carolina Retirement System (SCRS) is a defined benefit pension plan administered by the Public Employee Benefit Authority for eligible public employees of the state, higher education, and public school districts, as well as, counties, cities and municipalities and other local political subdivision and governmental entities.

South Carolina Police Officers' Retirement System (PORS) is a defined benefit pension plan administered by the Public Employee Benefit Authority for eligible police officers and fire fighters who are employed by counties, municipalities, and other local subdivisions in South Carolina and who participate in the plan.

South Carolina Public Benefits Authority (PEBA) is the state agency responsible for administering the five primary retirement plans, including the Optional Retirement Plan as well as the S.C. Deferred Compensation program, a supplemental retirement savings program.

Teacher and Employee Retention Incentive (TERI) is a program for Class Two SCRS

members which allows the participant to retire and begin accumulating his/her monthly annuity on a deferral basis without terminating his/her employment for up to 5 years or at the end of the program on June 30, 2018. At the end of a member's TERI period, the member must terminate employment.

Full-Time Equivalent (FTE) is a position authorized by the General Assembly which is expressed as a numerical value as a percentage of time in hours and of funds.

Research Grant Position (RGP) is a type of non-FTE position which is funded by federal grants, private foundation grants, research grants, medical school practice plans, individual private gifts, externally generated revenue for service testing activities and grant generated revenue or a combination of these funding sources. Employee occupying this type of position are exempt from the State Employee Grievance and Procedure Act.

Time-Limited (TL) is a type of non-FTE position which is funded by time-limited project funds authorized by the appropriate State authority.

Temporary Position is a full or part time non-FTE position for a period of time not to exceed one year.

Succession Planning is a process for identifying and developing employees for leadership and pivotal positions in the organization to reduce organizational risk associated with planned or unplanned departures.

USC retiree is a USC faculty or staff member who retired from the SCRS or PORS, including TERI participants but not including Optional Retirement Plan participants.

POLICY STATEMENT

This is the policy on succession planning and employment of university faculty and staff following retirement in the South Carolina Retirement System (SCRS) and the South Carolina Police Officers' Retirement System (PORS) both administered by the South Carolina Public Benefits Authority (PEBA), to include those who conclude participation in the Teacher and Employee Retention Incentive (TERI) program.

- A. Vice Presidents and Chancellor will plan for the long- term staffing needs of their organizations through the preparation of succession plans.
- B. The Division of Human Resources is available to assist departments with succession planning by providing consulting services.
- C. The Division of Human Resources will provide tools and consulting services to assist departments in their development and succession plans.
- D. Initial succession plans should be in place by March 31, 2018 and updated thereafter every two years. The plans will remain with the division/campus/school and are subject

to audit.

- E. All full-time FTE, research grant positions RGP, and time-limited (TL) positions must be posted in accordance with HR 1.24 Appointment policy.
- F. Post-TERI or post-retirement employment of university faculty and staff is at the discretion of the university.
- G. Employment during a post-TERI or post-retirement appointment is at-will and may be terminated at any time, with or without cause, at the discretion of the university.
- H. Post-TERI and post-retirement faculty members are not eligible for appointment with tenure.
- I. Post-TERI and post-retirement employees do not have grievance rights pursuant to Section 8-17-370 of the SC Code of Laws, as amended.
- J. Post-TERI or Post-Retirement Waiting Periods
 - 1. To return to work, after retirement, retirees must have completed a bona fide severance or termination consisting of 30 consecutive days. After 30 days of retirement, the retiree may be hired by USC.
 - 2. Failure to wait the 30 consecutive calendar days will result in the suspension of retirement payments while the retiree remains employed by USC or another covered employer.
 - 3. For TERI retirees, time participating in the TERI program counts toward the 30 consecutive calendar day waiting period; however, a post-TERI retiree must be off the university payroll for at least one work day prior to re-hire.
- K. Post-TERI or Post-Retirement Earnings Limitation
 - 1. There is no earnings limitation associated with post-TERI or post-retirement employment for an employee who retired or entered the TERI program prior to January 2, 2013.
 - 2. Effective January 2, 2013, if an employee retires before the age of 62 from SCRS or age 57 from PORS and returns to employment with a covered employer, he or she will be subject to a \$10,000 earnings limitation. The earnings limitation applies regardless of the age at which the retiree returns to work. If the retiree continues to work after earning \$10,000 in a calendar year, his or her monthly annuity will be suspended for the remainder of the year.
- L. Retirement Contributions

Any post-TERI or post-retirement employee who retired from one of the systems administered by PEBA and is re-hired by the university will be required to contribute to the South Carolina Retirement System in accordance with PEBA guidelines.

PROCEDURES

A. Appointments into Temporary Positions

1. With the approval of the appropriate Vice President, Provost or designee, or Chancellor, USC retirees may be employed in temporary positions for up to one year. For temporary positions reporting to the President or Board of Trustees, authority to offer post-TERI or post-USC retirement employment rests at that level.
2. USC retirees in temporary positions are not entitled to annual leave, sick leave, or other paid leave or holidays. Adjunct faculty may be approved for one academic year plus the summer.

B. Appointments into FTE, Time-Limited and Research Grant Positions

1. USC retirees may apply for any advertised vacancy for which they are qualified.
2. USC retirees may be hired into any FTE, RGP or TL position if it is a different position than previously held, with the approval of the appropriate Vice-President, Provost or Chancellor. In addition, the Division of HR must review and approve the hiring of any USC retiree in the same department from which they retired.
4. For positions reporting to the President or Board of Trustees, authority to offer post-TERI or post-USC retirement employment rests at that level.
5. USC retirees in FTE positions are eligible for annual leave, sick leave, and other paid leave and paid holidays.
6. USC retirees in RGP and TL positions may be eligible for annual leave, sick leave, other paid leave and paid holidays based on the grant.
7. The salary for USC retirees must be appropriate to the duties of the new position.

C. Renewal of Appointment

1. One-year renewals of temporary appointments may be offered as appropriate.
2. The same approval authority as outlined for original post-TERI/post-retirement employment is required to approve subsequent one-year temporary renewals. Adjunct faculty may be approved for one academic year plus the summer.

RELATED UNIVERSITY, STATE AND FEDERAL POLICIES

- University Policy HR 1.57 Separation from University Service
- SC Code of Law Section 8-17-370

HISTORY OF REVISIONS

| DATE OF REVISION | REASON FOR REVISION |
|-------------------------|---|
| October 19, 2017 | The revision to this policy ensures compliance with statutory changes to the retirement system, documents the institution's commitment to succession planning, includes a requirement for posting FTE positions, and revises the approval authority for post-TERI and post-USC Retirement employment. |
| April 12, 2018 | The revision to this policy require review by HR when the department is wanting to rehire the post TERI or post USC retiree in a different position with the same department. The revision allows adjunct faculty to be rehired for the academic year plus the summer. Finally for rehires into FTE's, Time-limited positions and Research Grant positions when posted, the year to year renewals are not required. In addition, the policy has been formatted and the definition of USC employee has been added. |