1. Final Pay and Retirement Incentive Separation Pay Processing
   a. Complete PA Form
      i. Attach the retirement incentive approval/signature page A8 (Appendix A)
   b. Complete Retirement Incentive Separation Pay Form 12RI
      i. Located on HR Service Center website under Forms and the Business Forms website
         under Human Resources.
      ii. Attach the Retirement Incentive Separation Pay Form 12RI to the PA form
      iii. Send PA form, Page A8 and Form 12RI to HRSC/FREH.
   c. Complete Quota Payout Form
      i. Refer to the Quota Payout process on the Business @ Purdue website under
         People/Separation. Questions on calculating terminal vacation (for exempt staff) and
         terminal vacation, sick leave conversion and personal holiday (for non-exempt staff)
         can be directed to Payroll at Timeadmin@purdue.edu.
      ii. Refer to the Quota Payout for Official Retiree Sick Leave process on the Business @
         Purdue website under People/Retirement for individuals paid on SPS funds.
      iii. Send Quota Payout Form to Payroll/FREH.

2. Obtain a Post Retirement Address
   a. Obtain address for W2s for 2010 and 2011 (staff and faculty will receive a 2011 W2 in
      February 2012 for the separation pay that was paid in 2011).

3. Transition
   a. PRF policy on retirement celebrations
   b. Collect university property (keys, fobs, computers, etc.)
   c. Exit interview
      i. Business Services, Housing and Food Services, Physical Facilities and ITAP conduct
         their own exit interviews. If an Academic area wants an exit interview, HR Employee
         Relations Specialists will be available.
   d. Collect the signed Appendix B from the employee (to be signed on their last working day)
      and send to Julie Thedans/Staff Benefits/FREH.

Notes:

- University contributions to the employee's 403(b) or Public Employees' Retirement Fund (PERF)
  accounts are made on any terminal vacation pay the faculty or staff member receives. PERF
  contributions will also be made on any sick leave conversion.
- Taxes - the final payment will include the quota payout (exempt: vacation; non-exempt: vacation,
  sick leave conversion, and personal holiday). Taxes will be deducted based on their W4 and WH4
  exemptions. Employees have the option of choosing to defer some or all of this payment to a
  TDA to avoid more taxable income at retirement.
- The lump sum payment for the RI program will be separation pay. As such, it will be subject to all
  taxes and the employee will have taxes deductions based on their W4 and WH4. This amount
  cannot be contributed to a TDA.
- Separation pay will be paid as follows:
  o Staff and non-tenured faculty – Feb. 23, 2011 (non-exempt staff)
  o Staff and non-tenured faculty – Feb. 28, 2011 (exempt staff)
  o Tenured faculty – July 31, 2011 (AY and FY)
- Direct deposit will be used for final pay and separation pay.
  o If an employee changes banks after they retire, but before they receive the separation
    pay, they will need to complete a new Direct Deposit Form.