

Retirement Options: Articles 7, 18, 19, 21

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If you're 55 or older and thinking about retirement, the contractual options available to you are discussed below, each with its own pluses and minuses. Note that "retiring" is not the same as "resigning": you retire when you begin collecting retirement benefits (for example, from STRS); you resign when you voluntarily quit your job. More details on the referenced articles below are in the *Agreement* (fa.fhda.edu).

Article 18 Reduced Workload Program

Summary: Strictly speaking, *Article 18* employment, which is a reduced contract, is not a "retirement" option but rather an easement into retirement. The California Ed. Code defines a reduced contract as one that is "less than 100 percent but more than 50 percent of a full annual load": therefore, faculty on a reduced contract are still considered full-time employees. Under *Article 18*, if you meet the qualifications, you can reduce your contract down to a minimum 50 percent of a full load for up to 10 years; salary and contractual duties are pro-rated.

As per *Article 18.8*, the two deadlines are January 15 to meet and confer with your dean or appropriate administrator to determine a schedule for the following year and, for the initial request only, by March 1 to submit a written request to the college President.

Pluses: As an *Article 18* faculty member, you work less, perhaps only two quarters per year (if reduction percentage and regular load configuration allow such a schedule). While annual salary is pro-rated, you receive full health benefits and full PAA awards. You also earn a full year of STRS or PERS service credit for each year of *Article 18* employment, and instead of using pro-rated annual salaries to determine your monthly retirement allowance, STRS and PERS use the annual salary that you would have made working full-time. Since you are technically a full-time employee under *Article 18*, you can apply for and receive additional PAA awards (*Article 38*).

Minuses: As an *Article 18* faculty member, you are not eligible for a Professional Development Leave. And although your monthly income is reduced on a pro-rata basis: you continue to pay the same deduction into your retirement system as if you were employed full-time (and of course no retirement check since you're not retired). Last, if you don't fall prey to "buyer's remorse" and return to full-time employment within one year of going on the program (*Article 18.4*), you must retire at the end of your *Article 18* service.

Article 19 Retirement Incentive Program

Summary: If qualified for *Article 19*, faculty file a written request to participate in the program and then retire. For each of up to the following five academic years, you perform a pro-rata share (based on the cumulative load factor of the classes/assignments) of all your former duties in your division, and in return receive a pro-rata share of the *Appendix A* salary you earned prior to your retirement, up to the STRS imposed annual earnings limit in effect at the time of retirement (the 2022-23 limit was \$49,746). To apply, faculty meet with their dean or appropriate administrator to complete the *Article 19* Annual Form (*19.6.1, Appendix U2*).

Pluses: Since you must retire to participate in the *Article 19* program, you receive income from both STRS or PERS and also from your post-retirement teaching work in your division. As an *Article 19* faculty member, your compensation is pro-rated from the *Appendix A* schedule that's in effect when you retired (versus the Part-time *Appendix C* schedule that is a smaller percent of the corresponding entries in *Appendix A*). Your District-paid life insurance remains in effect while you remain on the program. After full-time and *Article 18* faculty members get their assignments, you are next in line (ahead of *Article 21* and *Article 7* faculty members). You get non-cumulative pro-rata paid sick leave and personal necessity leave.

Minuses: If an assignment is lost due to low enrollment, you can't "bump" anyone else, so you may not have an assignment during that quarter unless the District finds other work for you (*Article 19.7*). And, working under *Article 19* creates a six-consecutive "break in-service" under *Article 7*, so you will lose your part-time reemployment preference (REP). Finally, it's possible that you can't earn close to the STRS limit if the District doesn't have appropriately loaded assignments for you. As an example for 2022-23 STRS limit, if each assignment earns you \$13,000, you would be able to teach only three of them per year (\$39,000) since four of them (\$52,000) would exceed the limit.

Article 21 Post-Retirement Employment

Summary: Under this article, newly retired faculty may continue working as "super part-timers" for up to two years. Faculty who wish to work under *Article 21* specify their interest to do so in their letter of resignation (*Article 30*); Human Resources then forwards the request to the appropriate dean/administrator.

Pluses: An *Article 21* faculty member is essentially an *Article 7* part-timer for up to two years following retirement, but with some additional "super part-timer" benefits: (1) you are given an assignment before all *Article 7* part-time faculty; (2) regardless of your full- or part-time salary step and column when you retire, you are compensated at the highest part-time *Appendix C* rate; (3) if you had part-time reemployment preference before going on *Article 21*, you retain it after completing *Article 21* employment, and (4) if you didn't have part-time reemployment preference (REP) before going on *Article 21*, you begin or continue earning REP credit for each quarter of *Article 21* employment. As with *Article 19*, you receive PERS/STRS retirement benefits in addition to your *Article 21* income.

Minuses: Like *Article 7* and *19* employees, you don't have any "bumping rights," so if you lose a class due to low enrollment you probably won't get another assignment until the following quarter. Like all other *Article 7* employees, you earn one non-cumulative personal necessity leave day and two cumulative sick leave days per quarter of *Article 21* employment (less than both *Article 18* and *19* employees).

Article 7 Part-Time Faculty

Summary: Some full-time retirees return to the District as part-time faculty members under *Article 7*.

Pluses: You receive *Article 7* compensation in addition to STRS/PERS retirement benefits.

Minuses: You are an *Article 7* part-time employee with all that entails, but without earning STRS/PERS service credits since you are retired. *Article 7* compensation and benefits are less than those under *Articles 18, 19* and *21*. You are not guaranteed an assignment; you cannot "bump" anyone; you are one of the last employees to get an assignment (after full-time and *Articles 18, 19* and *21* faculty), and, if you don't have reemployment preference, you may not get an assignment at all. If you do have reemployment preference, you will lose it if you have a break in service (*Article 7*).

Faculty with questions can call their campus conciliator or the FA office (650.949.7544).