

Memorandum

To: CSU Faculty

CC: Michael Schwartz, President

From: Chin Y. Kuo, Provost and Senior Vice President for Academic Affairs
Joseph Nolan, Vice President for Human Resources Development and Labor Relations

Date: September 10, 2002

Re: Fringe Benefits and Resignation

Let us emphasize at the outset that CSU faculty members who continue their employment at CSU from academic year to academic year (including both 12-month and 9-month pay options) are fully covered with regard to fringe benefits for the entire 12-month period whether or not they choose to teach in the summer. Faculty who retire can make arrangements with STRS for health, life, and disability coverage from the point at which they retire.

This memorandum is intended to clarify certain misconceptions about the applicability of the university fringe benefit programs for faculty who choose to resign from CSU to pursue professional opportunities elsewhere. The misconception is that if a faculty member delays announcing his/her resignation until the last possible moment, he/she will continue to be covered by the full range of CSU fringe benefits. This is incorrect.

What are the facts? The most common resignation scenario involves a faculty member who concludes work at CSU at the end of spring semester and plans to begin work at another institution at the beginning of the fall semester. What happens to fringe benefit coverage over the intervening summer?

1. The University continues to provide health care coverage during the summer months. Faculty who resign do not need to apply for and pay for COBRA. (Incidentally, CSU is one of the few higher education institutions in Ohio that provides such continuing health care coverage.)
2. Faculty who resign (regardless of when they actually submit a letter of resignation or reveal their intent to resign) are not covered over the summer for university-paid life insurance or long-term disability. It is an insurance policy provision that life and disability coverage cannot be continued past the "termination" date, and faculty termination dates are determined by the end date on the last active contract. (Note: if the faculty member has a summer contract, life and disability coverage will continue until the termination date of the summer contract.)

If resigning faculty members wish to continue life insurance coverage until the benefit package of the new employer takes effect, they are able to convert the University's group coverage amount to an individual policy and pay the premium. Disability protection, however, may not be converted since it relates specifically to employment at Cleveland State University. It's interesting to note, however, that since the disability policy elimination period is 60 days, most resigning faculty members will experience very minimal, if any, loss of benefit. Resigning faculty members who are vested in the State Teachers Retirement System (STRS) are eligible for STRS long-term disability benefits over the summer.

In short, a faculty member has absolutely nothing to gain by delaying his/her announcement of intent to resign. A timely announcement (The "Greenbook" recommends at least a two-month advance notice) will facilitate academic continuity and personnel replacement.

Many thanks for your attention to this matter. Please contact your benefits coordinator in HRD if you have any questions.

CYK/lco