Tenure buyout Q&A

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Q. When and how are the tenure buyout payments made?
A. All tenure buyout payments are made on payroll.
   - Spring retirements (May/June): 2 payments—1st payment end of May (or June); 2nd payment end of January of the following year.
   - December retirements: 1 payment—end of January the following year
   - Phased one retirement: ½ annual salary paid on payroll at the end of each month during working months of contract. Buyout paid in 2 payments—1st payment end of May (or June); 2nd payment end of January of the following year.
   - Phased one retirement: annual salary paid on payroll at the end of each month during working months of contract. No lump sum payment at end of working contract.

Q. Is social security taken out of tenure buyout lump sum checks?
A. Yes. The ER Match for FICA is made with the federal tax deposit which is due the day after the payment for every payroll. Since tenure buyout is on payroll it is due and paid by the next business day after the check date.

Q. Are Federal and State taxes taken out of my tenure buyout check?
A. Yes. Tenure buyout payments are treated as wages so are subject to Federal and State taxes.

Q. Can you help me estimate how much the tax implication will be for the tenure buyout check?
A. No. Because payroll does not know your estimated income for the coming year, our payroll specialists cannot estimate your taxes. Please see your financial specialist.

Q. When does health insurance end?
A. At the end of the month during your last working month as a full-time employee.
   - End of May or June for spring retirees who are taking the immediate retirement
     - End of July for those who are taking phased retirement
   - End of December for fall retirees

Q. Can I stay on Marquette’s COBRA health insurance plan after retirement if I am not yet eligible for Medicare?
A. Yes, for 18 months. Or, retirees who are not yet 65 years old have the option of purchasing Marquette Retiree Health Insurance through the University (assuming eligibility).

Q. How much does retiree insurance cost?
A. Note that the entire premium must be covered by the faculty member. Please see:
   http://www.marquette.edu/hr/documents/2017RetireeRates.pdf
Q. Is Marquette’s TIAA-Cref match made on the tenure buyout payment?
A. The law allows the match to be made only on working wages.
   • Marquette is able to match the working portion of salary in the Phased One plan (i.e., ½ salary)
   • Marquette is able to match the working portion of salary in the Phased Two plan (i.e., both years at 50% salary since the faculty member is working at half time and the other half is a buyout of time)
   • Marquette is not able to match lump sum payments made at the end of May, June or January.

Q. Can I still make a TIAA-Cref contribution from my tenure buyout lump sum payment, even if there is not a university match?
A. Yes, you can make a contribution up to the IRS allowable maximum per year.

Q. Can I hold full-time employment after I retire?
A. Yes, if you wish; although you may not hold full-time employment at Marquette University.

Q. Can I keep my email address?
A. Only faculty members who reach the status of emeritus may retain email.

Q. When should I apply for emeritus?
A. By December 1 in the final year in which you are a full-time faculty member.

Q. If I am still named on grants, can I still work on those grants as faculty emeritus?
A. Yes. Be sure to let ORSP and your budget director know that you are staying on with a grant so that they will ensure that access to everything you need in the system remains active.

Q. If I have patents pending and I retire, am I still eligible for royalties if the patent is granted?
A. Yes. Royalties transcend retirement or leaving Marquette. A faculty member is still an inventor and is eligible for royalties once legal bills are paid off, etc.