

STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

PROCEDURE

PROCEDURE NUMBER: 8-7-107.1

PAGE: 1 of 5

TITLE: **TEACHER AND EMPLOYEE RETENTION
INCENTIVE PROGRAM (TERI)**

**POLICY
REFERENCE NUMBER:** 8-7-107.1

**DIVISION OF
RESPONSIBILITY:** Human Resource Services

DATE OF LAST REVISION: June 9, 2017

DISCLAIMER

**PURSUANT TO SECTION 41-1-110 OF THE CODE OF LAWS OF SC, AS AMENDED,
THE LANGUAGE USED IN THIS DOCUMENT DOES NOT CREATE AN
EMPLOYMENT CONTRACT BETWEEN THE EMPLOYEE AND THE SC STATE
BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION / THE SC
TECHNICAL COLLEGE SYSTEM. THE STATE BOARD FOR TECHNICAL AND
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WHOLE OR IN PART. NO PROMISES OR ASSURANCES, WHETHER WRITTEN OR
ORAL, WHICH ARE CONTRARY TO OR INCONSISTENT WITH THE TERMS OF
THIS PARAGRAPH CREATE ANY CONTRACT OF EMPLOYMENT.**

I. GENERAL INFORMATION

South Carolina Technical College System employees who meet eligibility requirements may participate in the State's Teacher and Employee Retention Incentive Program (TERI). The TERI program is designed for employees who wish to access their retirement contributions from the SC Retirement System, but desire to continue employment with the agency and retain the same position they held prior to entering the program. Participation in the TERI Program is for a period not to exceed five years; however, a TERI program participant is not guaranteed employment for the specified program period. Effective July 1, 2012, the TERI Program is not available to new hires. New enrollees in the program after June 30, 2012, must end their participation within five (5) years or by June 30, 2018, whichever is earlier. An employee may only participate in the TERI program once.

Date of Last Review: June 9, 2017

STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

PROCEDURE

PROCEDURE NUMBER: 8-7-107.1

PAGE: 2 of 5

To be eligible to participate in the TERI Program, employees must be active, contributing Class Two members under the South Carolina Retirement System who are eligible for service retirement. Participation in the TERI Program is voluntary. To participate employees must retire for purposes of the SC Retirement System and employees' normal retirement benefits are calculated on the basis of the employees' average final compensation and service credit at the time employees enter the TERI Program.

Employees who wish to participate in the TERI Program must complete a State Retirement Application either with the Human Resources Office or the South Carolina Public Employee Benefit Authority (PEBA).

II. LEAVE

Annual/faculty leave is not paid out upon entering TERI. Instead, annual/faculty leave will be carried over and paid out upon completion of the TERI program up to forty-five (45) days. Up to 90 days of unused sick leave may be applied to a state employee's service credit upon retirement and entering the TERI program. The employee's sick leave balances will be reduced by the amount of sick leave used to calculate the employee's retirement benefit.

Participants in the TERI program will be eligible to earn and use annual/faculty leave and sick leave if they are in positions that are eligible for leave benefits. TERI program participants who are eligible for leave benefits will earn annual/faculty leave at the rate consistent with the employees' years of state service for leave accrual purposes. State service while participating in the TERI program will constitute state service for bonus leave accrual purposes only.

Upon termination of employment, a TERI program participant who has earned annual/faculty leave will be eligible to be paid for up to 45 days of unused annual/faculty leave and all unused sick leave will be forfeited. In accordance with State Board for Technical and Comprehensive Education Policy and Procedure 8-3-106 and 8-3-106.1 (Employee Leave Transfer Program) respectively, excess leave may be donated.

III. EMPLOYMENT RIGHTS AND BENEFITS

Employees who enter the TERI program gain no new employment rights and are subject to the employment policies and procedures associated with whatever position(s) they occupy during the program period, to include those policies and procedures related to salary and benefits. TERI program participants have no grievance rights or reduction in force rights.

STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

PROCEDURE

PROCEDURE NUMBER: 8-7-107.1

PAGE: 3 of 5

If a TERI employee is separated due to a reduction in force and begins receiving retirement benefits, the employee's participation in the TERI program ends.

Participants in the TERI program are eligible for active state employee insurance benefits and group life insurance benefits; however, they are not eligible for disability retirement benefits. Additionally, TERI program participants will continue to make contributions to the S.C. Retirement System.

IV. MOVEMENT FROM ONE POSITION TO ANOTHER

In accordance with the Division of State Human Resources guidelines, if a TERI program participant is selected to fill another position either in the same agency or with another agency, the employee may continue in the TERI program so long as the employee does not experience a break in service of fifteen (15) calendar days or more.

V. ENDING TERI PROGRAM PARTICIPATION

The South Carolina Retirement System requires a TERI program participant to separate from employment (terminate) for a minimum of one regularly scheduled workday at the end of the participant's pre-selected TERI program period. Upon separation, the following will occur:

- Employee will experience break in service and will not automatically retain the same position held while in the TERI program;
- Employee forfeits all unused sick leave;
- Employee shall be paid out for up to 45 days of unused annual/faculty leave. This payout will be calculated based on the employee's final rate of pay. The annual leave payment will be used in recalculating the average final compensation of the member to determine the benefit the member receives after participation in the program.

A participant in the TERI program will be considered to have terminated employment when the employee experiences a break in service.

VI. VACANCY REVIEW

When the System Office/college employee(s) end the TERI program, the employee's position will be reviewed and revised as necessary. If it is determined that the vacancy is to be filled, the position will be posted and advertised consistent with the System Office/college local hiring policies and procedures. TERI employees may apply for the previous position held or for other vacancies within the System Office/college and will be subject to the same employment procedures as any other applicant. There is no entitlement to previously held positions.

STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

PROCEDURE

PROCEDURE NUMBER: 8-7-107.1

PAGE: 4 of 5

VII. RE-EMPLOYMENT

The System Office/college is not required to re-hire an employee whose TERI program period has ended. A previous TERI program participant may be hired into any type of position (FTE position, Temporary Grant, Time-Limited, or Temporary) and shall be eligible for benefits as they relate to that position. Any decisions to re-hire a previous TERI program participant should be made in a non-discriminatory manner.

If, under normal hiring procedures, the previous TERI program participant is selected to fill a vacancy the employee will be subject to the same policies governing new hires and the following will apply:

- The employee will be considered a new hire, and subjected to human resource regulations regarding initial employment or reemployment into a full-time equivalent position;
- The employee will be exempt from the State Employee Grievance Procedure Act and therefore will not retain grievance or reduction-in-force rights;
- The employee will not be subjected to earnings limitation if the employee entered TERI before January 2, 2013;
- For TERI retirements on or after January 2, 2013, a TERI retiree may return to work after being retired for 30 days and receive a benefit subject to a \$10,000 earnings limitation; however, the \$10,000 limitation does not apply if the TERI retiree was at least 62 years of age at retirement;
- The employee will be required to pay the employee contribution to the S.C. Retirement System; and
- The employee will receive credit for all state service in a full-time equivalent position and for any time as a certified employee in a permanent position of a school district of this state for purposes of earning annual leave.

If the previous TERI program participant is hired into a position that is eligible for benefits, the employee may earn annual/faculty leave at the rate consistent with the employee's years of state service for leave accrual purposes. State service while participating in the TERI program will constitute state service for bonus leave accrual purposes only. If hired after June 30, 2005, a former TERI program participant will not receive payment for unused annual/faculty leave upon termination. Additionally, the

STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

PROCEDURE

PROCEDURE NUMBER: 8-7-107.1

PAGE: 5 of 5

employee may elect active employee coverage, in lieu of retiree coverage, within 31 days of the hire date.

Because a TERI program participant retires for purposes of the South Carolina Retirement System when entering the TERI program, if the employee has been in the TERI program for at least 30 consecutive calendar days, the employee has met the waiting period requirement pursuant to Section 9-1-1790 of the South Carolina Code of Laws.