



08.440 PHASED RETIREMENT PROGRAM

Authority:	Chancellor
History:	Adopted July 1, 2002; Amended March 24, 2009
Source of Authority:	UNC Policy Manual 300.7.2 Phased Retirement UNC Policy Manual 300.7.2.1 [G] Guidelines on Implementing Phased Retirement Policy
Related Links:	UNCW Human Resources subsection on Program; Phased Retirement Application and Reemployment Agreement; Release; UNC Policy 300.7.2; UNC Policy 300.7.2.1 [G]
Responsible Offices:	Human Resources, Academic Affairs

I. Purpose

The University of North Carolina at Wilmington Phased Retirement Program (the "Program") provides an opportunity for eligible faculty members, who meet certain age and service conditions, to retire and change from a full-time to half-time employment at the university for three (3) years. The goals of the Program are to promote renewal of the professoriate in order to ensure institutional vitality and to provide additional flexibility and support for individual faculty members who are nearing retirement. The Program is completely voluntary and is available when agreed to and entered into by a mutual written agreement between an eligible faculty member and the University of North Carolina at Wilmington ("UNCW"). UNCW's Phased Retirement Program has been developed in accordance with the phased retirement policy approved by the UNC Board of Governors.

II. Eligibility

- A. The Program is available only to full-time tenured faculty members. Non-tenured and tenure-track faculty are not eligible for participation in the Program.
- B. Except as set forth in this Section II, the Program is available to all full-time tenured faculty members who:
 - 1. Have at least five years of full-time service at UNCW;
 - 2. Be age 62 or older for members of Teachers' and State Employees' Retirement System (TSERS) or be at least age 59 ½ for participants in the Optional Retirement Program (ORP); and
 - 3. Are eligible to receive retirement benefits through either TSERS or the ORP.

- C. A full-time administrator or EPA professional who also holds faculty tenure is eligible to participate in the Program after vacating his or her administrative or EPA professional position and returning full-time to his or her tenured faculty position. Department chairs should consult with the dean to convert an administrative salary to an academic or fiscal year faculty salary per UNCW retreat policies. Reference UNCW Policy 03.220, Separation and Retreat Policy for Senior Academic and Administrative Officers (SAAO), and UNCW Policy 03.225, Terms and Conditions for Faculty Serving in Administrative Positions.

III. **Limiting Participation in the Program**

- A. Eligible faculty members do not have an absolute right to participate in the Program. UNCW may limit participation in the Program based on various conditions. One condition is the finding that financial exigencies prohibit enrollment in the Program, as that term is defined *The Code of the Board of Governors of the University of North Carolina* (The Code). Another condition is that further enrollment in the Program will substantially weaken academic quality or disrupt program sequence. For the purposes of financial exigency and employment termination, employees participating in the Program will have the same standing as full-time, fixed-term faculty. The university will provide a Program participant as much advanced notification as possible of any change in her or his employment status.
- B. Enrollment is subject to participation limits equal to 10 percent of total tenured and tenure-track faculty within UNCW and 20 percent of such faculty within the relevant department. Should interest by eligible faculty exceed these limits, priority will be given to eligible faculty with the greatest length of service with UNCW.

- IV. **Duration of Program Participation.** Upon entering the Program, a faculty member relinquishes permanent tenure and in exchange receives a contract for half-time employment, 50 percent of full-time salary received immediately prior to entering PRP (minus any administrative supplement, if applicable); paid over the fiscal year (twelve month) period, and half-time workload for each of the next three (3) years. By mutual agreement, the parties may terminate the agreement at any time.

V. **Program Notice**

- A. Program materials can be found on the UNCW website at the Human Resources' subsection link (see 'Related Links' above). Each year by September 1, all faculty members who will be eligible to participate in the next academic year will receive a letter from Human Resources outlining the Program. The letter will provide the date, time, and location of information session on the UNCW Phased Retirement Program. At the information session, Human Resources shall provide a chart of the university-sponsored deduction and benefit programs available, which Human Resources is obligated to prepare. In addition, Human Resources shall also supply a copy of this policy, and copies of UNC Policy 300.7.2.1[G] (see 'Related Links' above), the Model Program Application and Reemployment Agreement, the Model Program Release, and Chart reflecting information regarding persons who are eligible and those who are ineligible for potential participation in the Program.

- B. It is the faculty member's responsibility to become informed about the Program. For those unable to attend an information session, Human Resources will offer a personal information session.
- C. It is the individual faculty member's responsibility to ensure that UNCW has all information necessary for it to determine the eligibility of the applicant as to age, service at UNCW, and retirement benefit eligibility within either TSERS or the ORP. For these purposes, UNCW shall determine an applicant's age and service longevity with reference to the August 1 that follows submission of an application for participation.

VI. Program Application Process

- A. An application to enter the Program must be submitted to the eligible faculty member's department chair. It is subject to the conditions noted in Section III above, development of a mutually agreed upon "work plan," and final written approval by the chief academic officer. However, if the limitations do not apply and a final "work plan" is agreed upon, the final decision to enter or not enter the Program rests with the eligible faculty member. Once eligible faculty members have met with officials designated by UNCW to answer questions about the Program, they may approach their respective department chair or dean to negotiate participation and their half-time work plan for the phased retirement period. Once the duties and arrangements with the eligible faculty member are fully determined, the agreement to participate in the program must be stated in writing in a formal Phased Retirement Application and Reemployment Agreement.
- B. The eligible faculty member must submit the Phased Retirement Application and Reemployment Agreement (see 'Related Links' above) to the eligible faculty member's department chair at least six (6) months but not more than eleven (11) months before the commencement of the first semester of an eligible faculty member's requested participation in the Program, to begin at the start of the next academic year.
- C. In conjunction with the Agreement to be executed under the Program, an eligible faculty member must also execute a waiver of rights and claims under the Age Discrimination in Employment Act (the "ADEA") and other laws (this document is known as "Release" and can be located in 'Related Links' above). The ADEA requires that for the release of age discrimination claims to be valid, the Release must include the job titles and ages of all individuals eligible for the Program and the ages of all individuals in the same job classification who are not eligible. A table of eligible and ineligible positions is provided to all eligible faculty members at the time the Agreement and Release package is delivered to the eligible faculty member for review and signature.
- D. After the Agreement and Release are finalized, the Agreement is signed by the appropriate administrators, and the Agreement and Release are delivered to the eligible faculty member, the eligible faculty member shall have forty-five (45) days within which to consider the Agreement and Release. Eligible faculty members are encouraged to carefully review the terms of the Agreement and the Release and to consult an attorney prior to executing such materials. However, eligible faculty members may sign the Agreement and Release before the end of the 45-day period, if they so choose.

- E. Once the eligible faculty member has executed and returned the Agreement and Release, it shall not become effective for seven (7) calendar days, during which time the eligible faculty member may unilaterally revoke the Release. Revocation must be in writing and delivered to the office or officer to which the prior application was submitted.
- F. If an eligible faculty member elects to revoke the Agreement and Release within the 7-day revocation period, the Agreement is void. Moreover, in such circumstances, the eligible faculty member will continue in his or her same full-time employment status as the faculty member held immediately prior to the execution of the Release.
- G. If the Release is not revoked, it becomes effective after the seven (7) day period. The eligible faculty member is then bound to commence participation in the Phased Retirement Program the next following fall semester.
- H. Once made, a decision to enter the Program (signified by the eligible faculty member's signing and non-revocation of the Phased Retirement Application and Reemployment Agreement and Release) is binding.

VII. Changes or Renegotiation of Work Plan. A faculty member participating in the Program may seek to renegotiate his or her work plan duties with his or her department chair. Likewise, should University needs change, the department chair, with the approval of the dean and vice chancellor for academic affairs, may make reasonable changes in assignments that are consistent with departmental needs and the participant's abilities. Any changes resulting from the renegotiations must be in writing and signed by the Program participant, department chair, dean and the provost with an effective date. Any renegotiations should be completed at least one semester in advance of the effective date of the desired change(s).

VIII. Terms and Conditions

- A. Upon entering the Program, eligible faculty members give up tenure. Participants terminate full-time employment and contract for a three year period of half-time service to UNCW. Half-time responsibilities may vary among departments. In addition, half-time service may consist of full-time work for one-half of a year (e.g., full-time work for one semester of an academic year) or half-time work for a year (e.g., half-time work in each of the two semesters of an academic year). However, half-time work plans do not include summer school duties.
- B. The enrollment period for the Program begins with the fall semester with actual participation to commence at the start of the next academic year (provided an Eligible faculty member's application is approved). Teaching, research and service assignments during the period of phased retirement are individually negotiated by the eligible faculty member and the appropriate supervisors and/or personnel committee(s). The details of such half-time service (a "work plan") must then be set forth in a University of North Carolina Phased Retirement Program Application and Reemployment Agreement (the "Agreement").
- C. Participating faculty members initially receive a salary equal to fifty percent (50 percent) of the full-time salary they received immediately prior to phased retirement (e.g., based on

the faculty member's prior nine- or twelve-month contractual term, as applicable). Department chairs should consult with the dean to convert an administrative salary to an academic or fiscal year salary per the UNCW retreat policies referenced in Section II, Eligibility. In addition, compensation paid during phased retirement is paid in equal installments over twelve (12) months irrespective of the pattern of duties under the faculty member's work plan. Subject to any limitations imposed under the State Retirement System and the legislative appropriations process, participating faculty members are eligible for salary increases and merit pay in subsequent years of Program participation based on annual evaluations.

- D. Participating faculty members will remain subject to *The Code and Policies of The University of North Carolina* and UNCW's policies. In addition, without expressly or constructively terminating any Agreement, UNCW may place a participating faculty member on temporary leave with pay and/or reassign a participating faculty member's duties during or as a result of any investigation or disciplinary action involving the participating faculty member. Such authority shall be invoked only in exceptional circumstances when the participating faculty member's department chair determines that such action is in the best interests of UNCW. Further, nothing in the Program or these guidelines shall in any way be interpreted to provide a participating faculty member with greater rights, claims or privileges against UNCW regarding continued employment than otherwise provided in The Code and policies of the University and UNCW.
- E. Eligible faculty members who elect into the Program will retain their professorial rank and the full range of responsibilities, rights, and general benefits associated with it, except for tenured status or as otherwise modified pursuant to an eligible faculty member's agreed-to "work plan." UNCW will keep records of participation so as to note those faculty members who are in phased retirement.
- F. Participating faculty members are expected to maintain high levels of professional commitment to UNCW.

IX. Benefits, Privileges, and Services

- A. Eligible faculty members participating in the Program do not enjoy the benefits of tenure. They may not serve on committees that require members be tenured. Otherwise, participants have the same academic freedoms and responsibilities as other faculty members and have access to all grievance and appeal procedures available to non-tenured members of the faculty who are not participating in the Program.
- B. Tenured full-time faculty who served for eight (8) or more years at UNCW are eligible to seek emeritus status.
- C. Eligible faculty members participating in the Program remain eligible for participation in University-sponsored deduction and benefit programs available to regular half-time employees; with the exception of leave accrual.
- D. Enrolling eligible faculty members may elect to begin receiving the benefits they have accrued under either the TSERS or the ORP, but they are not required to do so. However,

so long as an eligible faculty member does not receive a monthly retirement benefit, he or she will not receive university paid State Health Plan benefits. If a faculty member does not elect to receive a monthly retirement benefit from TSERS or ORP, upon entering phased retirement he/she may continue participation in the State Health Plan as a permanent halftime employee on a fully contributory basis. In that case, the faculty member would not be eligible to receive the University contribution.