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Approved by: _____
Owner Dept: HR
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Title: Phased Retirement Program

Purpose: The University of North Carolina Phased Retirement Program (the “Program”) is designed to provide an opportunity for eligible full-time tenured faculty members (“Eligible Faculty Members”) to transition to retirement through half-time (or equivalent) service. The goals of the Program are to provide additional flexibility and support for individual faculty members who are nearing retirement and to promote renewal of the professoriate in order to ensure institutional vitality. Enrolling Eligible Faculty Members may elect to begin receiving the benefits they have accrued under either the NC Teachers’ and State Employees’ Retirement System (“TSERS”) or the UNC Optional Retirement Program (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/State paid State Health Plan benefits.¹ This policy is written in accordance with UNC Policy 300.7.2 and includes the revisions approved on September 7, 2007.

Scope: The Phased Retirement Program is entirely voluntary and is available when agreed to and entered into by mutual written agreement between an eligible full-time tenured faculty member and the university.

Policy: **ELIGIBILITY AND APPROVAL**

A. The Program is available only to full-time tenured faculty members. Non-tenured and tenure-track faculty are not eligible for the Program.

B. Participating faculty members must:

1. Be at least age 62 or older for members of TSERS or 59 ½ for participants in the ORP upon entering the Phased Retirement Program.²

Note: Age calculations are based on age as of August 1 of the year in which phased retirement begins.

¹ 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’s contribution.

² To comply with federal law, the increase in minimum age for participation from 50 to 62 for TSERS and 59 ½ for ORP participants becomes effective for faculty who first enter phased retirement beginning in the 2008-2009 academic year.

2. Have at least five (5) years of full-time service at his or her current institution, and
 3. Be eligible to receive a retirement benefit under TSERS or ORP, as applicable.
- C. Faculty members are individually responsible for providing to their employing institution age and service data needed to determine their Program eligibility. Faculty who occupy full-time administrative or staff positions are not eligible for the Program until they vacate the administrative or staff position. Thus, services rendered while in phased retirement will be only those teaching, research and administrative duties under faculty appointment.
- D. Eligible Faculty Members do not have an absolute right to participate in the Program. Departments, schools or institutions may limit participation in the Program based on three conditions:
1. A finding that financial exigencies prohibit enrollment in the Program by the Eligible Faculty Member.
 2. Further enrollment in the Program will substantially weaken academic quality or disrupt program sequence within the department, school or institution.
 3. A department or school or an institution may each establish a cap or limit on the number of Eligible Faculty Members who may enter the program.
- E. An application to enter the Program must be made at least six (6) months but no more than eleven (11) months before the effective date of an Eligible Faculty Member's requested participation in the Phased Retirement Program, to begin at the start of the next academic year.
- F. An application to enter the Program must be submitted to the Eligible Faculty Member's Department or Division Head. An application is subject to final approval by the Institution's Chief Academic Officer following evaluation of the conditions outlined in section D above and the development of a mutual "work plan" with the Eligible Faculty Member.
- G. If an Eligible Faculty Member and the employing institution tentatively agree to the faculty member's participation and a mutual work plan, the decision to enter or not enter the Program then rests with the Eligible Faculty Member.
- H. Once made, a decision to enter the program is binding and cannot be reversed.
- I. The Program has been made a continuing benefit of the University, subject to reservation by the UNC Board of Governors of the right to modify, suspend, or discontinue the Program. Eligible Faculty Members may timely seek to

enter the Program for the number of years uniformly specified by UNC Asheville for all of its participating faculty.

TERMS AND CONDITIONS

A. Phased retirement under the Program is subject to the following terms and conditions:

1. Upon entering the Program, Eligible Faculty Members give up tenure. They terminate full-time employment and contract for a period of half-time (or equivalent) service to UNC Asheville. Half-time responsibilities may vary among departments in the university. 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). Under either pattern the Program enrollment period begins with the fall semester. 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 the half-time service (“work plan”) must be set forth in a UNC Phased Retirement Application and Reemployment Agreement (the “Agreement”).
2. In conjunction with the Agreement executed under the Program an Eligible Faculty Member must execute a waiver of rights and claims under the Age Discrimination in Employment Act (the “ADEA”) and other laws (the “Release”). The Release must fully comply with the requirements for knowing and voluntary waivers as provided in the ADEA and other applicable law. After the Agreement is drafted and signed by the appropriate administrators, it must be delivered to the Eligible Faculty Member and the Eligible Faculty Member has no fewer than forty-five (45) calendar days within which to consider the Release. The Release does not become effective and enforceable until after a period of seven (7) calendar days following its execution by the Eligible Faculty Member, and during such period the Eligible Faculty Member may unilaterally revoke the Release. If the Eligible Faculty Member elects to revoke the Release within the seven-day period, 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, and the Agreement becomes null and void. Revocations must be in a writing personally signed by the faculty member and received by the official to whom the prior application to participate in the Program had been submitted.
3. Participating Faculty Members initially receive a salary equal to fifty percent (50%) 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 terms, as applicable). In addition,

compensation paid during phased retirement is paid 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.

4. Participating Faculty Members will remain subject to The Code and policies of The University of North Carolina and UNC Asheville policies. In addition, without expressly or constructively terminating any Agreement, UNC Asheville 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 or Division Head determines that such action is in the best interests of the university.
 5. Phased retirement under the Program may be for a period of at least one but not greater than five years. Each institution will set the length of phased retirement for its faculty. All Eligible Faculty Members at each institution will have the same period of phased retirement. At UNC Asheville, phased retirement may be for a period of at least one year but not greater than three years.
- B. UNC Asheville will develop a list of employee benefit plans or programs in which Eligible Faculty Members may participate during the phased retirement period. In addition, Eligible Faculty Members who elect into the Program will retain their professorial rank and the full range of responsibilities, rights and other general benefits associated with such rank, except for tenured status or as otherwise modified pursuant to an Eligible Faculty Member's agreed-to work plan. (UNC Asheville will, however, keep records of participation so as to note those faculty who are in phased retirement.)

GENERAL PROVISIONS

- A. Nothing in the Program precludes a participating Faculty Member from terminating his or her phased retirement at any time if the employing institution provides its consent.
- B. Eligible Faculty Members participating in the Program do not enjoy the benefits of tenure. They may not serve on committees that require members to 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.

- C. Participating Faculty Members are expected to maintain high levels of professional commitment to UNC Asheville.

Procedures:

The following information represents UNC Asheville's institutional guidelines for phased retirement.

I. Institutional Limits on Participation in the Phased Retirement Program

UNC Asheville has not established departmental or institutional caps on the number of participants in the Phased Retirement Program (PRP). However, an application to participate can be denied if participation in the PRP would substantially weaken academic quality of department or university programs. This finding, however, must be supported by objective measures of program quality. A judgment to deny participation on these grounds must be confirmed by the Provost/Vice Chancellor for Academic Affairs, if first made by a Department Chair. A judgment to deny participation must be confirmed by the Chancellor when first made by the Vice Chancellor for Academic Affairs.

If the initial application is not approved, faculty members may appeal to the Grievance Committee if they feel they have been inappropriately denied access to the Program or if they feel the Program's guidelines have not been properly followed.

II. Limits on Participation Because of Financial Exigencies

Financial exigency shall be determined according to the stipulations of The Code of the University of North Carolina (Section 605, A, B, C) and the UNC Asheville Tenure Policies and Regulations (Section V, 1,2). The following conditions must be met in order for there to be any effect upon the application of the PRP.

- A. Funds in the "101" faculty salary amount must be insufficient to support fully the number of FTE faculty positions of the previous year, and
- B. A determination has been made by the Chancellor, under the conditions set by The Code, to terminate a designated program or to reduce the number of faculty members in a designated program.

In the event a financial exigency is declared according to the provisions of The Code, entry into phased retirement for faculty in the programs being eliminated may be suspended until the financial exigency is declared at an end.

III. Eligibility

Faculty are individually responsible for providing to the Office of Academic Affairs their age and service data needed to determine their program eligibility.

A list of faculty by rank, age, discipline area and administrative title (without names) of those faculty eligible and ineligible to participate in the program will be prepared annually each year and mailed as part of the PRP program materials. (See item V.B.6)

IV. Procedures Ensuring Eligible Members Are Informed

- A. All full-time tenured faculty will receive a letter announcing the PRP and providing eligibility information from the Office of Academic Affairs.
- B. All eligible faculty members, and those who appear to be qualified for participation, will receive program materials from the Office of Academic Affairs by September 1 of each year. Program materials will be sent by certified mail in order to document the receipt of it by the eligible faculty member.

The Phased Retirement materials will consist of the following:

1. A letter announcing the program,
 2. The program summary,
 3. A copy of the model UNC Phased Retirement Application and Re-employment Agreement,
 4. A copy of the model Phased Retirement Release,
 5. A chart outlining effects of participation in Phased Retirement Program on employee benefits, and
 6. A chart reflecting information regarding persons who are eligible and those who are ineligible for the program.
- C. Annual presentations will be advertised and held to provide further information about the Program to interested faculty, through a cooperative venture between the Office of Academic Affairs and the Office of Human Resources.
 - D. Questions about the program should be directed to the Office of Academic Affairs.

VI. Procedure Used To Accept, Review and Approve Applications

- A. Application to the PRP must be made at least six (6) months but no more than eleven (11) months before the effective date of an Eligible Faculty Member's requested participation in the Phased Retirement Program, to begin at the start of the next academic year.

- B. Faculty members intending to enter the PRP will develop a half-time work plan with the Department Chair. This plan will be subject to approval by the Vice Chancellor for Academic Affairs. A faculty member who is currently serving as a Department Chair will develop a half-time work plan with the Vice Chancellor for Academic Affairs, who will consult with senior members of the department about the plan. The plan will be subject to approval by the Chancellor.
- C. The Office of Academic Affairs will receive the applications, recording the date of their receipt. The Vice Chancellor will review the application and render a decision regarding its approval with regard to its effect on the academic quality of the department or university programs. When an application is received from a current Department Chair, the Chancellor will review the application and render a decision regarding its approval.
- D. If the Application is approved:
 - 1. A checklist and the Agreement and Release Package will be provided to the faculty member by the Office of Academic Affairs. The checklist will ensure and document that the eligible faculty member has received all materials in the Agreement and Release Package. The eligible faculty member will sign the checklist, confirming receipt of these materials as well as the Agreement and Release forms.
 - 2. Upon signing this checklist and receiving the completed Agreement and Release forms signed by the institution, the faculty member has 45 days in which to sign and return the forms to the Office of Academic Affairs. If the Agreement and Release forms are not returned within 45 days, there is no active request to participate in the Phased Retirement Program at that time. A faculty member may apply to the Program at a later date in accordance with the provisions of this policy.
 - 3. If the signed forms are received by the Office of Academic Affairs within 45 days, there will be a 7-day waiting period in which the faculty member has the right to revoke the fully executed Agreement and Release. If the application is not revoked, the faculty member is officially enrolled in the Program. If revoked, the faculty member will not be eligible to participate in the program at that time, but may reapply to participate at a later date. The Office of Academic Affairs will provide to the Office of Human Resources a listing of all faculty members who have enrolled in the Program.

VII. Guidelines for Half-time Work Plans

- A. The faculty member will carry a teaching load which is reduced by one-half of the standard load, currently 24 semester hours (or their equivalent) per academic year. Thus, the faculty member participating in PRP will carry 12 semester hours per academic year. Faculty members in the Program will not typically be eligible for additional time released from teaching.
- B. The faculty member will carry one-half of faculty responsibilities including service and scholarly activity (advising, departmental work, campus committee assignments, and community service).
- C. Only faculty with 12-month contracts (e.g. research professors) may perform services during other than the fall and spring semesters of the regular-term academic year. No work plan may include duties incident to summer school curricula.
- D. Compensation is paid over the 12-month participation year even if services are rendered during only part of the 12 months.

The faculty member will work together with the Department Chair to define specific service responsibilities under VII. B., recognizing that these may shift from year to year during the Phased Retirement.