

**Loyola University New Orleans
Phased Retirement Program
for Tenured Faculty**

Plan Summary

I. Purpose

The Loyola University New Orleans Phased Retirement Program (“The Program”) is designed to provide an opportunity for eligible full-time tenured faculty members (“Eligible Faculty Members”) to make an orderly transition to retirement through reduced teaching load or (equivalent) service. 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 entirely voluntary and will be entered into by a written agreement between the Eligible Faculty Member and Loyola University New Orleans. The effective date of the program is May 15, 2005.

II. Eligibility and Approval

- A. The Program is available only to full-time tenured faculty members. Non-tenured and tenure-track faculty members are not eligible for The Program. In order to be eligible to elect participation, faculty members must be between the ages of 60 and 70 as of the date participation would begin and have at least 15 years of full-time service with Loyola University New Orleans as of the date participation would begin. *(Note: there will be no maximum age limitation for the first academic year The Program is offered).* Faculty who occupy full-time administrative or staff positions are not eligible for The Program until they vacate the administrative or staff position and assume a faculty appointment. Thus, services rendered while in phased retirement will be only those teaching and other duties under faculty appointment.

- B. The decision to elect to participate in The Program rests entirely with Eligible Faculty Members. An election to participate in The Program must be submitted between May 15 and November 15 of the year prior to the beginning of the academic year in which the faculty member would like to begin participation in The Program.

Participation in The Program is subject to administrative approval. Criteria used to determine whether a faculty member’s election is accepted will be the general

welfare of the University, the ability of the University, college, and/or department to maintain academic quality, and the seniority of the applicant.

- C. To elect to enter The Program, the Eligible Faculty Member will complete and submit an election form including a phased retirement course load plan to his/her department chair and dean. After receiving the election form, the dean, in consultation with the department chair, will prepare and send the Provost a plan for covering the courses that the faculty member would have taught.¹ The election to enter The Program is subject to final approval by the Provost and Vice President for Academic Affairs.
- D. Faculty will be notified of the status of their election (acceptance or rejection) no later than December 15 of the year in which they elect to participate. In any year in which the applicant's election is rejected, he or she will be able to extend eligibility to the next year.
- E. Once participation has been mutually agreed to by faculty member and the University, and the required ADEA review and revocation periods have been satisfied [see below at III. B.], participation in The Program is irrevocable.

III. Terms and Conditions

- A. Phased retirement under The Program is subject to the following terms and conditions:
 - 1. While participating in The Program, a faculty member will maintain full-time status and retain tenure. At the conclusion of The Program, the faculty member will retire from the University, relinquish tenure, and end employment at the University.
 - 2. Phased retirement under The Program may be for a period of up to 3 years or age 70 whichever comes first². That is, a faculty member whose "Age" is 69 or 68 may participate in The Program for one or two years respectively. (*Note: there will be no maximum age limitation for the first academic year the program is offered and faculty members may elect to participate for a period of up to three years*). Once The Program has been approved for an individual faculty member, he or she may reduce the number of years in The Program but may not increase the number of years.
 - 3. Participating faculty members enter into reduced teaching activity during The Program. Reduced teaching activity may consist of full-time teaching for one semester or half-time teaching spread over two semesters of an academic year.

¹ When faculty member enters The Program, there is no automatic guarantee that his/her department will receive authorization to hire a tenure-track replacement. If the department wishes to make such a request, it will need to go through the standard search authorization process.

² To participate in the Program in a given academic year, the faculty member must be 69 or younger on August 1 of that year.

Under either pattern The Program enrollment period begins with the fall semester. Teaching, research, service, and administrative assignments during the period of phased retirement are individually negotiated by the Eligible Faculty Member and the appropriate department chair and/or dean, subject to final approval by the Provost and Vice President for Academic Affairs. Teaching, research, service, and administrative assignments during the period of phased retirement can be utilized to fulfill the terms of the phased retirement program.

4. The “Base Faculty Salary” is the ten-month salary the faculty member (twelve-month salary Library faculty) would normally receive during the academic year in which they begin the program. The Base Faculty Salary does not include any administrative or other stipends. During the first year of The Program, participating faculty members receive a salary equal to one-hundred percent (100%) of their “Base Faculty Salary”. During subsequent years, participating faculty members receive a salary equal to fifty percent (50%) of their “Base Faculty Salary”. Compensation is paid over ten (10) or twelve (12) months irrespective of the pattern of duties under the faculty member’s work plan. Faculty salaries are paid consistent with contract dates that normally run August through May. Participating faculty members are eligible for salary increases based on annual evaluations and criteria established by their respective departments and colleges.
5. The individual faculty member and the respective department chair and/or dean will each make a good faith effort to develop a mutually acceptable plan of active involvement by the faculty member during the period of phased retirement.
6. Participating faculty members will retain their professional rank and rights during The Program.
7. Participation in The Program precludes outside employment except as permitted pursuant to the *Faculty Handbook*.
8. Participating faculty shall remain eligible for participation in fringe benefit plans offered by the University on the same terms as other full time faculty, including tuition remission, employer contributions to health, disability and life insurance plans, and contributions to the 403(b) retirement plan. During the period of phased retirement, the University will continue to contribute 8% of the Base Full time Faculty Salary to the faculty member’s retirement account, and the faculty member will contribute the required 3.5% of the Base Faculty Salary, subject to contribution limitations and any related adjustments arising from the results of nondiscrimination testing requirements under the Internal Revenue Code, ERISA or other applicable legal requirements. Participating faculty members should contact the Human Resources

Department to confirm current benefits coverage and changes in coverage that may occur.

9. Participating faculty members will remain subject to all policies of Loyola University New Orleans, including the *Faculty Handbook*.
 10. Participation in The Program does not preclude or guarantee post retirement part-time teaching at regularly compensated college-specific part-time salary rates for the faculty member during the fall or spring semester, or the regularly compensated base salary percentage rate during summer terms.
- B. In conjunction with the Phased Retirement Agreement executed under The Program, an Eligible Faculty Member must execute a waiver of rights under the Age Discrimination in Employment Act (“ADEA”) and other laws (the “Release”).
1. The Release will fully comply with the requirement for knowing and voluntary waivers as provided in the ADEA. The Release will be offered to the Eligible Faculty Member upon acceptance by the Provost and Vice President of Academic Affairs of the faculty member’s election to participate in The Program. The Eligible Faculty Member will have no fewer than forty-five (45) days within which to consider the Release.
 2. Eligible Faculty Members are advised to consult with an attorney prior to executing the Release. The Release does not become effective and enforceable for the period of seven (7) calendar days following execution, 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 (7) day period, the Eligible Faculty Member will retain the same full-time tenured employment status as he or she held prior to execution of the Release, and the Agreement will become null and void. Revocations must be in writing, personally signed by the affected faculty member, and effected by personal delivery or posting by United States mail to the Office of Academic Affairs.

IV. Term of Phased Retirement Program

The Phased Retirement Program for Tenured Faculty will remain in effect for a period of five years; eligible faculty members may submit applications no later than November 15, 2010 for phase out periods beginning no later than academic year 2011-2012. Extension or continuation of The Program after the initial five year period will be at the sole discretion of Loyola University New Orleans, and will be based upon consideration of factors such as prevailing financial considerations and overall faculty participation.

V. General Provisions

Nothing in The Program precludes a participating faculty member from terminating his or her employment with Loyola University New Orleans at any time, nor does it preclude the participating faculty member from accepting a buyout agreement should one be offered during the period the phased retirement program is in effect. If a buyout agreement is offered and accepted by a participating faculty member, his or her participation in the Phased Retirement Program will end.

May 19, 2005

{Eligible Faculty Member}

Dear {}:

I am pleased to announce the establishment of the Loyola University New Orleans Phased Retirement Program (the "Program"). It is intended to provide uniformity throughout the University with regards to phased retirement. Our records indicate that you are eligible to participate in the Program or will be eligible to participate in the Program by August 15, 2006. This letter sets out in summary fashion mechanics of the Program. We have enclosed for your review a Program Summary, a Loyola New Orleans Phased Retirement Election Form, a sample release, and a list of other individuals at Loyola who appear eligible for the Program.

The Program is available only to full-time tenured faculty members. In order to be eligible to elect participation, faculty members must be between the ages of 60 and 70 as of the date participation would begin and have at least 15 years of full-time service with Loyola University New Orleans as of the date participation would begin. *(Note: there will be no maximum age limitation for the first academic year the program is offered 2006-07).* An election to participate in the Program must be submitted between May 15 and November 15 of the year prior to the academic year in which the faculty member would like to begin participation in the Program.

Participation in the Program is subject to administrative approval. Criteria used to determine whether a faculty member's election is accepted will be the general welfare of the University, the ability of the University, college, and/or department to maintain academic quality, and the seniority of the faculty member.

To elect to enter the Program, you will need to complete and submit an election form including a phased retirement course load plan to your department/area chair and dean. After receiving your election form, the dean, in consultation with the department/area chair, will prepare and send to the Provost a plan for covering the courses that you would have taught. Your election to enter the Program is subject to final approval by the Provost and Vice President for Academic Affairs.

You will be notified of the status of your election (acceptance or rejection) no later than December 15 prior to the academic year in which your participation would begin. In any year in which an applicant's election is rejected, he or she will be able to extend eligibility to the next year.

In conjunction with the Phased Retirement Agreement executed under the Program, an Eligible Faculty Member must execute a waiver of rights under the Age Discrimination in Employment

Act (“ADEA”) and other laws (the “Release”). You will receive this release for review and consideration once your election has been accepted.

The Phased Retirement Program for Tenured Faculty will remain in effect for a period of five years; eligible faculty members may submit applications no later than November 15, 2010 for phase out periods beginning no later than academic year 2011-2012. Extension or continuation of the Program after the initial five year period will be at the sole discretion of Loyola University New Orleans, and will be based upon consideration of factors such as prevailing financial considerations and overall faculty participation.

You are encouraged to call TIAA-CREF’s counseling representatives who will be happy to help you with your decision by reviewing all your retirement income distribution and settlement options and by providing calculations based on your situation. You can reach them at 800-842-2776. When you call, please have handy all your retirement plan benefits documents, such as your Social Security benefits illustration and your current TIAA-CREF and non-TIAA-CREF retirement accounts statements. In addition, TIAA-CREF representatives will come to campus this fall specifically to answer your questions about your various individual retirement scenarios.

Please contact Sue Metzner at extension 7914 if you have questions or need additional information about the Phased Retirement Program.

Sincerely,

Walter Harris, Jr.
Provost and Vice President
for Academic Affairs

Other teaching duties (including seminars, lectures, undergraduate or graduate advising, clinical or field supervision, mentoring, etc.):

Research:

Research and publication plans: _____

External grant and contract activities, laboratory supervision, and other research activities:

Service:

University, College and Department committee assignments (cannot include Promotion and Tenure Committee):

Professional association activities, outreach, and other service activities:

Facilities and Equipment Provided:

Office space: _____

Laboratory space: _____

Clerical or other assistance: _____

Computer or other equipment: _____

Other agreed provisions: _____

Faculty Member Signature: _____ Date: _____

Department/Area Chair Signature: _____ Date: _____

Dean Signature: _____ Date: _____

Provost Signature: _____ Date: _____