

College of William and Mary
Faculty Retirement Transition Program
Draft proposal (December 1, 2005)

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1. Purpose

This policy outlines the program to assist the university's tenured faculty in their transition from full-time active service to retirement and, in some cases, to facilitate their subsequent part-time re-employment to address staffing needs.

1. Background

The Virginia General Assembly passed legislation in spring 1988 making it possible for institutions of higher education in the Commonwealth to propose retirement incentive plans for tenured faculty at or over the age of 60. Any such program would be funded by the institution's own resources and must meet the applicable requirements as specified by the *Code of Virginia* and the Appropriations Act.

2. Policy

There are two major assets to the program:

1. Continuation of the employer portion of medical premiums paid by the university for the employee and his/her spouse for a period of five years or age 65 whichever comes first.
2. Part-time temporary reemployment for faculty members who want to reduce their full-time commitment but not abruptly sever their ties with the university.

These elements of the plan are discussed in greater detail below.

2.1 Program Objectives

1. To facilitate the transition of faculty from full-time active service to retirement by continuing to pay the employer portion of medical premiums and, if mutually agreeable, to consider those faculty for temporary work assignments in areas where their expertise may be needed.
2. To provide the university some added flexibility in hiring new faculty members.

2.2 Eligibility for Participation in the Program

Participants in the program must:

1. be at least 60 years of age;
2. be less than 70 years of age when participation in the program begins; (?)
3. be a faculty member or administrator with tenure or a contractual right to continued employment;
4. have at least ten years of full-time service at the College of William and Mary (full-time service may include periods of leave with full or partial pay, but not periods of leave without pay);
5. have a finding of satisfactory in teaching on the most recent post-tenure review, or a positive evaluation of teaching in the last three years of annual merit evaluations;
6. agree to withdraw from active membership in the *Virginia Retirement System (VRS)* or Optional Retirement Plans. The university will cease making payments to VRS or optional retirement programs;
7. voluntarily participate in the program.

2.3 Major Program Elements

1. Continuation of Medical Benefits

For many prospective retirees, the loss of employer-paid medical benefits can be a significant factor in their decision to postpone retirement. Under this program, eligible faculty members will be reimbursed for the equivalent of the employer's portion of the health insurance premium for the employee and his/her spouse for a period of five year or until the age of 65 whichever comes first. This is true whether the faculty member opts for complete retirement or returns at a later time for temporary employment. The reimbursement amount will be adjusted by Personnel Services in accordance with changes in the state's retiree health insurance rates. The request for participation in this program and for reimbursement of health care insurance premiums must be in writing. See Section 3: Procedures.

2. Part-time temporary re-employment after retirement

Part-time temporary re-employment is considered a desirable option by many faculty who would like to utilize their professorial talents but with a reduced workload. A primary criterion in the approval of an employment arrangement must be the enhancement of the academic or research program of the department.

Faculty members may assume part-time teaching roles where their expertise will make a significant contribution to the employing unit. By utilizing temporary employment, the university hopes to make it possible for long-term faculty to remain actively involved in the life of the university while reducing their professorial responsibilities.

The following guidelines apply to the part-time temporary employment program:

- a. Part-time employment following retirement is not a faculty right, but may be arranged on mutual understanding of the faculty member, and the department chair (and program director, if applicable), with the approval of the dean.¹
- b. VRS regulations dictate certain parameters for reemployment following retirement. A one month break in service prior to reemployment is required. The faculty member may not return to a position that provides retirement benefits. The temporary work after retirement cannot be identical to the work performed prior to retirement. Typically this requirement can be satisfied by re-employment doing part, but not all, of the prior role – for example, by teaching (with research not an expectation of re-employment).²
- c. Any agreement for re-employment must be in writing, but may not be developed until AFTER retirement. The agreement should specify the nature and duration of the assignment and the amount of compensation. The percentage of salary shall be pro-rated for the work assignment (i.e. the salary will be proportional to the pre-retirement salary.)³ The reemployment agreement should be reevaluated every six months, or on a similar periodic cycle based on the assignment.
- d. Typically, the timeframe for re-employment will be for one year, renewable up to a total of five years.

¹ If the dept chair does not approve the request, an Arts & Sciences faculty member may appeal to the A&S Dean. In the professional schools, if a dean does not approve the request, a faculty member may appeal to the Provost.

² The focus of this program is on teaching. Part-time re-employment in the FRT Program will be based on instructional responsibilities (not for writing and publishing articles). Exceptions for advisory services at the School of Marine Science will be reviewed on a case by case basis.

³ In the event that faculty participating in the Faculty Retirement Transition Program also received a salary enhancement bonus in the final year or two preceding retirement, the additional increment (beyond the average merit increase) received for the purposes of salary enhancement will not be included in the calculation of the salary to be paid during the FRT Program.

- e. Faculty in the FRT Program may work no more than 50% and no less than 25% during the period of re-employment. Instructional responsibilities are based (proportionately) on typical assigned loads for senior faculty in that unit (“typical” – meaning usual teaching obligations for faculty without endowed professorships, named chairs or administrative responsibilities).
- f. Appropriate office/professional space (perhaps shared) and reasonable access to clerical support and departmental operating resources may be furnished.

3. Procedures

Prior to retirement, a written request for continuation of the employer-paid portion of health care premiums and/or re-employment should be initiated by the employee and approved by the department chair and dean. A copy of the approved request must be sent to Personnel Services in order to initiate procedures for reimbursement of the health insurance premiums.

An agreement for reemployment may only be negotiated after retirement. The reemployment agreement should be approved by the department chair (and program director, if applicable) and the dean. The department must complete a Part-Time Faculty Authorization for Payment. Re-employment may not begin until there has been at least a 30-day break in service following the official retirement date. Normally the percent appointment will not exceed .50 FTE.

For planning purposes, a written request for possible temporary re-employment may be submitted anytime after the faculty member reaches the age of 55 years. A formal agreement or contract, however, may only be negotiated after retirement.