

Renewal of Loyola University New Orleans Phased Retirement Program for Tenured Faculty

I. Purpose

The Loyola University New Orleans Phased Retirement 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 initial effective date of the program was May 15, 2005. The program is renewed for five years effective November 16, 2010.

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. 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 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. 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 apply. The University has the authority to determine or set limits on who can 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 first¹. That is, a faculty member whose "Age" is 69 or 68 may participate in the Program for one or two years respectively. Once a 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. 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

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

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, 2015 for phase out periods beginning no later than academic year 2016-2017. Extension or continuation of the 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 should one be offered during the period the phased retirement program is in effect. If a buyout program is offered and accepted by a participating faculty member, his or her participation in the Phased Retirement Program will end.

If a faculty member's employment is terminated while participating in the Program, any/all obligations by Loyola under the Program are also terminated.

Faculty participating in the Program are eligible to apply for Emeritus Status as described in the *Faculty Handbook*, Chapter 6, page 8.