

**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.<sup>1</sup> 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 first<sup>2</sup>. 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.

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<sup>1</sup> 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.

<sup>2</sup> 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.





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

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**Research:**

Research and publication plans: \_\_\_\_\_

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

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**Service:**

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

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**Professional association activities, outreach, and other service activities:**

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**Facilities and Equipment Provided:**

Office space: \_\_\_\_\_

Laboratory space: \_\_\_\_\_  
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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: \_\_\_\_\_

## RELEASE

THIS RELEASE is by and between \_\_\_\_\_ ("Employee"), a resident of the Parish of \_\_\_\_\_, State of \_\_\_\_\_, and Loyola University ("Loyola"), a nonprofit Louisiana corporation having its principal place of business in New Orleans, Parish of Orleans, State of Louisiana.

1. Release. Employee expressly understands and agrees that the terms of this Release are contractual and not merely recitals and that the agreements herein have been made in consideration of Loyola's offer of the Loyola University New Orleans Phased Retirement Program for Tenured Faculty ("the Program"). The purpose of this Release is to compromise doubtful and disputed claims and avoid litigation, and that no statement or consideration given shall be construed as an admission of liability by Loyola, its directors, officers, employees and agents, all such liability being expressly denied. Employee agrees to release, acquit and discharge and does hereby release, acquit and discharge Loyola from any and all claims and from any and all causes of action against Loyola, its affiliated and subsidiary companies and their respective directors, officers, employees and agents, of any kind or character, whether now known or not known, he/she may have against Loyola, its directors, officers, employees and agents, including, but not limited to, any claim for salary, benefits, expenses, costs, damages, compensation, remuneration or wages; and all claims or causes of action arising under his/her employment, termination of employment, or any alleged discriminatory employment practices, including but not limited to any and all claims or causes of action arising under the Age Discrimination in Employment Act, as amended, 29 U.S.C. 621, et seq. and any and all claims or causes of action arising under any other federal, state or local laws pertaining to discrimination in employment or equal employment opportunity, breach of contract, wrongful termination, or any other cause or right of action I have had, now have, or may hereafter have, arising out of events occurring prior to the date of this release and growing out of or in any way directly or indirectly connected with my employment with Loyola; except that the parties agree that Employee's release, acquittal and discharge shall not relieve Loyola from its obligations under this Release or under the Program associated with this Release. This Release also applies to any claims brought by any person or agency or to any class action under which Employee may have a right or benefit.

2. Choice of Law. This Release shall be interpreted and construed in accordance with and shall be governed by the laws of the State of Louisiana, except that federal law may apply.

3. ADEA Rights. Employee acknowledges and agrees:

(a) that he/she has at least forty-five (45) days from receipt of this Release to review this Release before accepting.

(b) that he/she has been advised in writing by Loyola to consult with an attorney regarding the terms in this Release;

(c) that, if he/she accepts this Release, that he/she has seven (7) days following the execution of this Release to revoke this Release; and

(d) that he/she is not entitled to the benefits of the Program except in return for execution of this Release.

(e) that he/she understands and acknowledges that in the event he/she elects not to execute this release or elects to cancel this release after execution, no such benefits shall be paid by or due from Loyola. He/she further acknowledges and agrees that this release shall not be effective or enforceable until the seven (7) day period of cancellation and revocation set forth above expires.

4. Release Voluntary. Employee acknowledges and agrees that he/she has carefully read this Release and understands that, except as expressly reserved herein, it is a release of all claims, known and unknown, past or present including all claims under the Age Discrimination in Employment Act. He/she further agrees that he/she has entered into this Release in return for the benefits of the Program to which he/she understands he/she is not otherwise entitled. He/she warrants that he/she is fully competent to execute this Release which he/she understands to be contractual. He/she further acknowledges that he/she executes this Release of his/her own free will, after having a reasonable period of time to review, study and deliberate regarding its meaning and effect, and after being advised to consult an attorney, and without reliance on any representation of any kind or character not expressly set forth herein.

He/she executes this Release fully knowing its effects and voluntarily in return for participation in the Program.

Attached hereto and incorporated into this Release are the Plan Summary for the Program, Program Election Form executed by the Employee, the Letter of Eligibility addressed to the Employee, and the Half-Time Work Plan executed by the Employee and Loyola.

[REMAINDER OF PAGE LEFT INTENTIONALLY  
BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Release to be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, this \_\_\_\_\_ day of \_\_\_\_\_, in the year \_\_\_\_\_, at \_\_\_\_\_, Louisiana, to be effective the eighth day following execution unless earlier revoked.

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EMPLOYEE: \_\_\_\_\_

\_\_\_\_\_  
Employee's Signature

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

LOYOLA UNIVERSITY OF NEW ORLEANS

BY: \_\_\_\_\_  
Authorized Officer

ACKNOWLEDGEMENT OF RECEIPT OF RELEASE

This release was given to me on the date appearing below my signature. I was advised to contact an attorney to advise me with respect to this Release and the accompanying Phased Retirement Program for Tenured Faculty.

\_\_\_\_\_  
Name

Release received this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

ACCEPTANCE OF RELEASE

After having the opportunity to consider this Release as stated above, I hereby accept the terms and conditions stated therein. This Release will become effective and enforceable seven (7) days after the date indicated below unless I revoke it during that seven day period.

\_\_\_\_\_  
Name:

Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

LOYOLA UNIVERSITY

BY: \_\_\_\_\_  
Authorized Officer