

Phased Retirement for Tenured Faculty

Executive Summary

Effective July 1, 2007, WPI adopted a Phased Retirement Plan (PRP) to facilitate the voluntary retirement of tenured faculty. While faculty are not constrained to retire at any age, arrangements for retirement are naturally a part of a faculty member's personal and professional planning. A clear, uniform, and fiscally responsible policy is to the overall advantage of both the faculty and the university. It helps faculty and their respective departments plan for retirement in an orderly way.

The PRP provides certain tenured faculty an opportunity to begin to retire over a defined period of time. Certain tenured faculty who would not otherwise be planning to retire in the near future, but for whom there is a defined, mutual interest between WPI and that individual for retirement in the near future, may qualify to participate in the PRP. Mutual interest may include, but not be limited to, the faculty member's desire for more free time, the need of a department to hire faculty with different qualifications, or the consideration of the financial needs of the university.

The PRP allows certain faculty members to partially retire, or retire in planned stages, while continuing to receive certain benefits and to provide services to the university in their areas of expertise. Final decisions regarding phased retirement participation rest with the president of the university.

Phased Retirement – Definition

- a. Phased retirement is an employment arrangement that allows the participant to phase into full retirement by reducing the workload time and effort over an agreed time period. Phased retirement is considered a method of retirement in which the retiree forfeits a portion of his or her full-time position. The purpose of the PRP is to encourage staffing flexibility, consistent with overall university and individual department needs, and to provide faculty an opportunity to devote increased time to personal interests by partially retiring, or retiring in planned stages, while continuing to receive certain benefits and to provide services to the university.

Eligibility

- a. Full-time tenured faculty members who are at least 59 1/2 years of age and have worked at WPI for at least 10 years are eligible to participate in the PRP.

- b. PRP agreements are for the mutual benefit of the employee and the university. Applications may be denied due to the needs of WPI for the services of the eligible faculty member.

Phased Retirement Program

- a. Length of Agreement – The term of the PRP will be clearly defined in the Phased Retirement Program Agreement, but will in no case extend beyond three (3) years. At the end of the three year period, or sooner as the case may be, the participant will retire from WPI. Once the agreement is executed, the agreement is irrevocable. The participant will no longer have tenure. However, certain rights and privileges associated with tenure, such as academic freedom and faculty voting rights, will continue to be available.
- b. Time and Effort Requirements – The FTE assignment (e.g., agreement as to the specifics of course loads, advising and other responsibilities to be determined) must be reduced by at least 25 percent but not more than 50 percent.
- c. Salary Continuation - Participants may use the PRP for up to three consecutive years, and must continue working at least 50 percent effort. Salary is pro-rated based on the scheduled FTE.
- d. Benefits Continuation - Participants will continue to receive health insurance benefits under their current plan status (e.g., individual, family) at a level equivalent to that available to other full-time faculty and staff. Health insurance benefits for all PRP participants will continue up to age 65. For those whose period of phased retirement exceeds age 65, health insurance benefits will continue through the term of the agreement. The university's contribution to the participant's health insurance benefit will be equal to that for full time faculty. Other salary-based benefits such as contributions to TIAA-CREF/Fidelity and disability coverage will be prorated in accordance with the salary under the PRP agreement.

Application/Approval Process

- a. The faculty member wishing to participate in the PRP will discuss possible elements of an agreement with the department head/supervisor. On the basis of this discussion, the faculty member may proceed to submit a written proposal to the department head or supervisor. The proposal should specify the desired effective date, and any other specific details.
- b. Department head/supervisor meets with interested faculty member to discuss the presence of mutual interest at least six months in advance of the date upon which partial retirement is to be initiated.

- c. The department head/supervisor will evaluate the proposal, meeting with the applicant as necessary, and then forward his or her recommendation to the Senior Vice President and Provost.
- d. The Senior Vice President and Provost will review the proposal and the department head/supervisor's recommendation, and will submit the proposal and his/her own recommendation to the President.
- e. The President will accept the recommendation, declare a lack of mutual interest, or suggest how the Senior Vice President and Provost and the applicant might negotiate an acceptable agreement.
- f. Final decisions to approve negotiated agreements will be made on behalf of WPI by its President.

Development of the Formal Agreement/Contract

Upon approval, a formal agreement/contract will be drawn up that will contain the provisions of the agreement, to be reviewed by WPI's legal counsel and signed by both the President and the participant.