

**RECOMMENDATION TO THE BOARD OF
TRUSTEES EXTENDING PHASED RETIREMENT
OF FACULTY**

Academic and Student Affairs Committee – June 25, 2020
Executive and Compensation Committee – June 25, 2020

RECOMMENDATION

The President recommends that the Board of Trustees extend the Phased Retirement Options for University of Louisville Faculty for a five-year period; and

That the Executive Vice President/University Provost re-evaluate this policy in the Spring of 2025 for continuation, discontinuation, or change.

BACKGROUND

In February 2003, the Board of Trustees authorized the implementation of the subject policy for a two-year period and in February 2005 extended it for five more years; the Board of Trustees extended the subject policy for five years more in February 2010 and again in June 2015. The policy allows faculty who meet certain criteria to enter retirement through a phased reduction in their university workload assignments. This has been a successful option for faculty and has allowed the units to realize significant budgetary savings.

The Executive Vice President and University Provost consulted with Faculty Senate leadership and deans to get feedback on their experience with this policy. The experience of all concerned has been positive and continuation of the policy is recommended.

The Executive Vice President and University Provost joins the President in making this recommendation.

COMMITTEE ACTION:

Passed X
Did Not Pass _____
Other _____

Signature on File
Assistant Secretary

BOARD ACTION:

Passed X
Did Not Pass _____
Other _____

Signature on File
Assistant Secretary

PHASED RETIREMENT OPTION FOR UNIVERSITY OF LOUISVILLE FACULTY

I. Objectives: This policy is established for the mutual benefit of the university and of individual faculty members:

1. To provide full-time tenured faculty with an attractive option for gradual reduction in university responsibilities as they near retirement. The plan provides the same full health insurance available to full-time faculty and a continuing University contribution to retirement funds proportional to the percentage of work effort.
2. To permit units and departments to plan over several years for the integrated management and replacement of senior faculty while also utilizing that expertise.
3. To allow departments, units, and the University to phase in replacements of full-time faculty in a manner which benefits the future academic efforts of the University.

II. Phased Retirement Plan

1. A single unified plan will be available to each full-time tenured faculty member who has at least ten years of service at the University of Louisville and whose age plus years of service equals at least 70. After an initial two-year trial period during which faculty members may elect to participate, the President shall evaluate the plan for extension.
2. Participants will officially retire effective at the beginning of their phased retirement period to enable them to have access to their retirement benefits. They will be re-employed for no less than 33% or no more than 50% effort yet receive the same health insurance benefits provided to full-time faculty and a retirement fund contribution proportional to the percentage of work effort. Tuition remission benefits available to full-time faculty would remain as well.
3. Once this plan is fully implemented, faculty may participate in the plan for no less than one (1) year nor more than three (3) years.
4. In order to meet department and unit needs, the proposal for participation must be developed as no less than 33% or no more than 50% annual work plan by the department chair in consultation with the other department faculty.
5. Upon recommendation from the department chair, the Dean shall evaluate each request for phased retirement for its consistency with the program's initiatives and its benefits to the faculty member and the university. The Dean shall then provide the unit recommendation to the Provost. Final approval and decisions on appeals will rest with the Provost.
6. During the phased retirement period, most released CAR or general funds will remain with the unit but may be distributed to the department, following consultation with the Dean. At the end of the phased retirement period, the usual process for retention of the faculty line shall be followed.
7. Term faculty paid from general funds who meet the eligibility requirements may request a phased retirement as a final term contract. The unit has discretion to allow the phased

retirement as well as to offer full-time health and tuition benefits under this plan.

8. Schools may develop alternatives for faculty paid from restricted funds, which may include grant funding and/or clinical revenues to permit a phased retirement option while retaining full health and tuition benefits.

Approved by Board of Trustees February 13, 2003

Extension approved by Board of Trustees February 10, 2005

Extension approved by Board of Trustees January 14, 2010

Extension approved by Board of Trustees June 4, 2015