Voluntary Phased Retirement Plan
for Full-time Staff Policy

Effective Date: October 1, 2007

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Policy

The University of Hartford has adopted a Voluntary Phased Retirement Plan (the “Plan”) for regular full-time non-union University staff (non-faculty) to: (1) provide staff an opportunity to devote increased time to personal interests by retiring in planned stages while continuing to provide service to the University in their area of expertise; and (2) encourage staffing flexibility, consistent with overall University and individual department needs.

University administrators will give consideration to all requests to participate in the Plan. The nature of the applicant’s duties and responsibilities may or may not lend themselves to a reduced schedule. These and other practical considerations may preclude approval of an application. Participation in the Plan is not an entitlement or a right available to all persons who meet the eligibility criteria, but is subject to approval described below and will be reflected in a written agreement. If staff members participating in the Plan elect to retire earlier than originally stated in their approved phased retirement agreement, they would be responsible for providing their supervisor with a minimum of 60 days notice. The decision to permit phased retirement in each case is at the discretion of the University Officer who oversees the department, and the Officer’s decision is final. A staff member in the Plan is considered full time for benefits eligibility purposes (see “Components of the Plan” below), regardless of the reduced work schedule.

Definition

“Voluntary Phased Retirement Plan” is an arrangement for retirement in planned stages, as detailed in a written agreement between the University and the staff member, consistent with the provisions of the Plan. The Plan follows the University’s current principle of “employment at will” which allows either party to terminate the employment relationship at any time and for any reason, with or without notice.
Application Process

A staff member who wishes to be considered for participation in the Plan should complete the application and submit it to his/her immediate supervisor at least six months in advance of the requested phased retirement date. Step-by-step instructions are included in the Appendix. Denial of a request does not preclude the submission of a subsequent application.

Approval

All applications will be reviewed by staff member’s immediate supervisor, and, if approved, will also need Department Head, and appropriate Officer approval. The immediate supervisor will make a recommendation to the next level of approval regarding the application’s feasibility. Denied applications can be re-submitted after six months. The decision of the University to permit phased retirement in each case is at the University’s discretion and its decision is final.

Components of Plan

- **Eligibility Requirements**: A staff member must be at least 55 years of age and have completed 10 years of continuous full-time employment at the University at the onset of the Plan to be eligible to participate in the Plan. For purposes of determining completed years of service, the University will use the staff member’s Original Hire Date or Adjusted Service Date (calculated by HRD if there is a break in service of less than one year).

- **Notice**: A staff member must complete an application form to notify his or her immediate supervisor of the request for consideration of a phased retirement arrangement. Applications for the Plan can be submitted at any time (see Application Process).

- **Duration**: The duration of the agreement will be no less than six (6) months and no longer than two (2) years, after which employment is terminated.

- **Workload**: It is the responsibility of the staff member to develop a proposed workload which will be acceptable to the University (see Economic Impact Analysis Worksheet). Commonly, the work load is reduced by 50% in phased retirement plans; however, alternative schedules may be considered based on departmental and/or University needs. A proposal may include working non-standard hours for a pre-determined number of hours/days per week or some variation of a compressed work week. No Plan will be considered if the workload being proposed is less than 25% of the regular work schedule.

- **Salary**: The salary of a staff member participating in the Plan will be adjusted based on the approved application work schedule. For example, a 50% schedule will earn 50% salary.

- **Raises**: A staff member participating in the Plan would be eligible for consideration for an annual merit increase after it has been adjusted for the phased retirement.

- **Medical/Dental Insurance**: A staff member participating in the Plan can retain his or her medical and dental insurance at the same contribution rates as regular full-time staff. The
contribution rate will be calculated based on the staff member’s salary after it has been adjusted for the phased retirement.

- **Disability/Life Insurance**: Group Disability and Life Insurance benefits will be calculated based on the staff member’s salary after it has been adjusted for the phased retirement.

- **TIAA-CREF**: During phased retirement, the University’s contribution to the 403(b) Defined Contribution Retirement Plan will be based on the staff member’s salary after it has been adjusted for the phased retirement. However, the University will continue to make contributions to the Defined Contribution Retirement Plan based on the staff member’s full salary if the staff member agrees to do likewise. In addition, staff who are approved to participate in the Plan may access their Defined Contribution Retirement Plan while they are still working, subject to the terms of the Funding Vehicle. For more information, please contact your designated HR Manager.

- **Vacation**: Vacation is allotted during the prior fiscal year and available during the next fiscal year, providing there is a continuance of employment after July 1. Year 1 of an individual’s Plan is a transition year, and the work schedule could be adversely impacted by using all of a staff member’s allotted vacation hours. Therefore, in order for the staff member to receive their full vacation allotment, the Plan would allow a one-time cash-out of all or a portion of unused vacation only during Year 1 of the Plan. Vacation Time taken in the form of time off would be documented in the participant’s work schedule. Vacation allotment going forward would be calculated based on the staff member’s phased-retirement work schedule. Upon implementation of the Plan, a staff member will continue to earn vacation, and it will be pro-rated based on his or her work schedule. For example, a staff member who elects a 50% phase-out will earn vacation at 50% of his/her rate based on the University’s current vacation policy.

- **Comprehensive Paid Leave (CPL)**: For non-exempt staff, CPL allotment will be pro-rated based on the number of hours which constitute the staff member’s phased-retirement work schedule. All other terms and conditions defined in the University’s current CPL policy will apply.

- **Holidays**: Holiday pay will be calculated at the staff member’s current rate of pay for the number of hours which constitute his or her regular phased-retirement work schedule. All other terms and conditions defined in the University’s current holiday policy will apply.

- **Exempt/Nonexempt**: HRD ensures compliance with all federal wage and hour laws (FLSA). If necessary, HRD will review and make determination regarding a position’s classification (exempt or non-exempt) based on the retained tasks of the staff member in the Plan and any task reallocation made to co-workers during the duration of the Plan.

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**Appendix**

- **Voluntary Staff Phased Retirement Process**

- **Application for Voluntary Phased Retirement Plan for Full-time Staff form**

- **Employee Compensation Worksheet** – to be completed by the staff member with his/her designated HR Manager
Note: The vacation-cost (pay for time not worked) is not factored into total fringe-benefit package rates; therefore, the cost will not be factored into the phased-retirement economic impact analysis. All other terms and conditions defined in the University’s current vacation policy will apply.

- **Staff Voluntary Phased Retirement Plan Economic Impact Analysis** – HRD will provide the staff member the total direct and benefits compensation figure for savings calculation purposes and return the worksheet to the staff member. It is then the responsibility of the staff member to provide feasible options regarding costs associated with the reallocation of duties during his/her proposed phased retirement. This worksheet must then be submitted to the direct supervisor for consideration.