



Loyola University of Chicago Phased Retirement Program for Tenured Faculty

This policy outlines a voluntary Phased Retirement Program for Loyola University Chicago (LUC) full-time, tenured faculty members.

Purpose: The Phased Retirement Program (Program) is intended to assist in the transition from full-time teaching, research and service duties. Entry into the Program is voluntary.

To Whom this Policy Applies: The Program will be open to all LUC full-time, tenured faculty members who have a record of satisfactory performance in teaching, research and service and who meet any one of these two conditions:

1. Fifteen or more years of continuous full-time service on the LUC faculty, or
2. Ten or more years of continuous full-time service and age of sixty years or more.

Responsibility: Each Office of the Provost administers this policy with support from LUC Faculty Administration and Human Resources.

Guidelines Concerning Duties, Responsibilities and Salary:

Rank & Tenure: While participating in the Program, a faculty member will retain tenure, current academic rank, faculty voting rights and access to labs, equipment and office space as is customary in his or her department or school and as necessary for the performance of his or her duties, as agreed to by the dean of the school. At the conclusion of a faculty member's participation in the Program, the faculty member will relinquish his or her tenure and end his or her employment at the University. Participation in the Program does not affect a faculty member's ability to apply for or to be given the title of professor *emeritus* in accordance with existing procedures or to receive any privileges associated with that title.

Duration: Normally, the length of the period during which a faculty member may participate in the Program shall be from one semester to three years. The period of a faculty member's participation in the Program will be set forth in a letter of agreement between the faculty member and the Provost. That period may be subsequently shortened by written agreement between the faculty member and the Provost but may not be lengthened.

Duties: A general description of the expected teaching, research and service duties that a faculty member is to perform during his or her participation in the Program will be set forth in the letter of agreement. The letter of agreement will not include commitments regarding specific courses to be assigned or times at which courses will be scheduled. However, with the exception of the single semester research and service option under the Program, it is expected that faculty teach each semester during their participation in the Program. Course assignments and scheduling will be determined each semester or year in accordance with the customs and policies of the school and the department. Faculty members participating in the Program will be evaluated in the same manner as full-time faculty members of the department and school with regard to the performance of their faculty duties.

The letter of agreement will set forth a percentage workload that reflects the proportion of a standard set of duties that have been assigned to the faculty member. The following guidelines will shape the Phased Retirement letter of agreement:

- Except for those faculty members who opt for one of the single semester options under the Program (shown in the below chart as .5 years), the teaching, research and service responsibilities for a faculty member in the Program at the Lakeside Campuses are expected to be spread over the academic year, which is typically 9 months. The teaching duties for a faculty member who has been consistently scholarship-active until the time the faculty member begins participating in the Program will be proportionate to the percentage of teaching that would normally be expected of a scholarship-active

faculty member. Therefore, a scholarly active faculty member with a teaching load of 5 courses for the academic year will have a three course teaching load at a phased transition of 50%.

- Except for those faculty members who opt for one of the single semester options under the Program (shown in the below chart at .5 years), for faculty at Stritch School of Medicine and any other faculty on a 12-month contract, teaching, research and service responsibilities will be spread throughout the duration of their contract, which is typically 12 months. Duties for individual faculty will vary depending on their role and will be determined by the department chair and the dean.
- Teaching assignments during participation in the Program may not be completed during special sessions, such as the J-Term or Summer Sessions.

The letter agreement will specify the proportionate workload percentage for each year the faculty member participates in the Program. For those faculty who opt for a phased transition over multiple academic years, each academic year, the proportionate faculty duties can be equal to or lower than the previous academic year, but the proportion cannot be increased.

Salary: The reduced salary received during participation in the Program is in part determined by the length of the phased transition. If one semester or one year of phased transition is selected, the percentage of salary received is higher than when extending phased transition beyond one year. The following table explains the options based on the number of years, the percentage of time/effort and the percentage of salary.

Phased Retirement Salary/Effort Options					
Number of Years	% Time/Effort	% of the Faculty Member's Base Academic Year Salary Immediately Prior to Participating in the Program			
		½ Year	1st Year	2nd Year	3rd Year
0.5	25	50%	N/A	N/A	N/A
0.5	50	75%	N/A	N/A	N/A
0.5	50*	75%	N/A	N/A	N/A
1.0	75	N/A	85%**	N/A	N/A
1.0	50	N/A	75%**	N/A	N/A
2.0	75	N/A	75%	75%	N/A
2.0	50	N/A	50%	50%	N/A
3.0	75	N/A	75%	75%	75%
3.0	50	N/A	50%	50%	50%

* Research and service responsibilities only.

** Available only if participation in the Program does not exceed one year.

For each year that a faculty member participates in the Program, the faculty member will receive a reduced percentage of his or her salary corresponding to, based on the above table, the reduced percentage of time/effort as set forth in the letter of agreement with respect to the faculty member's duties. Faculty members participating in the Program will be eligible for annual merit raises, which are calculated on the base academic year salary of the year for which the faculty member is being evaluated.

Supplemental Salary: As a general rule, tenured faculty participating in the Program will not be eligible for the kinds of projects or activities that result in salary supplements, such as J-Term and summer teaching, except at the discretion of the dean.

Incentive Payment: In consideration for, and upon relinquishment of tenure and the termination of their employment with the University at the conclusion of the Program, in addition to the reduced workload, faculty

members participating in the one-semester or one-year options under the Program will receive a one-time incentive payment of \$20,000 from the University at the conclusion of the Program. In consideration for, and upon relinquishment of tenure and the termination of their employment with the University at the conclusion of the Program, in addition to the reduced workload, faculty members participating in the Program beyond one year will receive a one-time incentive payment of \$10,000 from the University at the conclusion of the Program.

Other Employment and Leaves: Participation in the Program precludes employment elsewhere as set forth in the *Faculty Handbook*. While participating in the Program, a faculty member will be eligible for leaves without pay, but not for paid teaching or research leaves. Time on leave does not extend the duration of the period of one's phased transition

Benefits: Faculty participating in the Program may continue to participate in any University benefit plans, for which they are eligible, in accordance with the terms and policies of the applicable plans. Benefits that are based on salary levels will be provided based on the reduced salary that will be paid to the faculty member while participating in the Program. At the conclusion of a faculty member's participation in the Program, the faculty member's eligibility for and/or participation in University benefit plans shall cease or change in accordance with the terms and policies of the applicable plans. The faculty member is not required to commence benefits under any retirement plan in order to participate in the Program. Because the exact terms and conditions may vary from time to time, persons interested in the Program are advised to consult with Human Resources for specific terms and conditions regarding benefits programs. This Phased Transition Program does not replace or amend any existing benefit or retirement plans.

Application Procedures: Faculty members eligible and interested in participating in the Program should contact Faculty Administration at the Lakeside or Health Sciences Campus. A letter of agreement between the faculty member and the Provost will document the reduced workload, reduced salary and duration for the faculty member's participation in the Program. If not initially consulted, the faculty member's chairperson and dean will have the opportunity to review the proposed letter of agreement, to comment and propose changes in the terms and conditions of the letter of agreement, and to express their endorsement or reservations with the reduced workload and duration of the faculty member's participation in the Program. Ordinarily the letter of agreement must be completed no later than May 1 of the academic year before the faculty member will enter the Program.

Tax Considerations: In accordance with the Internal Revenue Code, the following applies if the incentive payment will be paid to the faculty member in any year following the year in which the faculty member makes his or her election to enroll in the Program. In order to receive the incentive payment, a participating faculty member must remain employed and perform all duties through, and relinquish their tenure at, the end of the phased transition period elected by the faculty member, or the incentive payment under this Program will be forfeited. Once the incentive payment is no longer subject to a substantial risk of forfeiture, the incentive payment must be paid as required under the Internal Revenue Code (currently, the incentive payment must be paid within 2½ months after the later of (A) the June 30th close of the University's fiscal year; or (B) the December 31st end of the faculty member's tax year - but in no event more than 24 months after termination of the faculty member's employment with the University - and the incentive payment may not exceed the equivalent of two times the total annual compensation paid to that faculty member during the calendar year immediately prior to the faculty member's termination of employment with the University).

Rights Reserved: This Program policy supersedes any other policy or practice relating to the subject matter of this policy, including the 2013 policy regarding the "Phased-Retirement Program for Tenured Faculty". This Program does not supersede the Voluntary Transition Incentive Program. The University reserves the right to amend or discontinue any or all of the provisions in this policy.