



UNIVERSITY POLICY

Phased Retirement Program for Faculty

Policy Type:

Policy Owner:

Policy Collaborators:

Office of the Provost

Human Resources

Origination Date:

April 2023

Effective Date:

April 2023

Butler University, founded on ideals of equity and academic excellence, creates and fosters a collaborative, stimulating intellectual learning environment. We are inspired to boldly innovate and broadly educate, enriching communities and preparing all learners to lead meaningful lives.

The purpose of the Phased Retirement Program for Faculty of Butler University is to allow for transition into retirement by gradually reducing the workload, instead of abruptly going from working to being retired. Phased retirement is not an “early” retirement. The faculty member must first be eligible to retire. Retirement eligibility is defined as having at least 15 years of full-time service to the University and at least 62 years of age at the beginning of their phased retirement period, will be eligible to participate in this Program. Participation in the Phased Retirement Program is not an entitlement or a right automatically available to all faculty who meet the eligibility criteria but is subject to administrative approval.

This program will allow faculty members to reduce their work for the University by 50% in exchange for 50% of their pay for one academic year prior to full retirement. This workload reduction must occur across the full academic year and may not be consolidated into one semester of 100% workload and the other semester with 0% workload during the final year of service to Butler. Once faculty members complete their period of phased retirement, they must retire fully. They cannot then resume full-time employment with the University.

This program may be suspended by the provost in the event of financial exigencies or if the program results in unanticipated negative consequences to our core educational mission. If the provost determines that, for financial or educational reasons, the University cannot continue the program, it will be suspended for all faculty members, and can only be resumed when it is possible to offer it to all eligible faculty members.

POLICY REQUIREMENTS and IMPORTANT NOTES:

Timeline for Requests and Approvals:

Eligible faculty members who wish to participate in the phased retirement program will inform their dean (with copy to their department chair, program director, or other supervisor) in writing of their intention generally by October 1 of the academic year before they wish to begin the program. The supervisor will inform Human Resources of the request, and Human Resources will confirm eligibility and inform the supervisor. The faculty member will then meet with their department chair, program director, or supervisor, and their dean generally by October 15 to develop a concrete plan for their year of phased retirement. The plan must be approved by the dean generally by October 31 and by the provost generally by November 15. Once the plan is signed by the faculty member, dean, and provost, it is binding and the faculty member may not rescind his or her retirement notification, participation in a phased retirement during the subsequent academic year, and retirement on May 31 of that academic year.

Faculty on 12-month contracts will follow the same timeline stated above, but their phased retirement will begin the subsequent summer (e.g., a COPHS faculty member would have 50% workload for 50% pay beginning the following summer session through the following fall and spring semesters).

Faculty Workload

The program will include specific details regarding the nature of the faculty member's work assignment during the period of phased retirement. As nearly as possible, the faculty member will perform 50% of his or her usual workload for the University during the period of phased retirement. In the area of teaching, this means that the faculty member will teach 50% of their normal load (excluding course releases for administrative or other service, or for grant/research activities) in hours. (If there is ambiguity about a faculty member's "normal" load, then the average of their load for the past five years, excluding leaves and course releases related to administrative or other service and grant/research activities, should be used to determine the normal load.) This means that if a faculty member's normal load is 18 hours per academic year, they will teach nine hours, distributed across both semesters of the year, during the period of phased retirement. If the available courses for the coming year do not add up to half of the ordinary load (e.g., nine hours), it is possible that a faculty member might teach one fewer hour during the year of phased retirement, but not fewer than that. For example, if the faculty member's normal load is 18 hours, but only a five-hour and a three-hour course are available during the year of phased retirement, it is acceptable for that faculty member to teach eight hours rather than nine. It is not, however, acceptable to teach seven hours.

There is greater flexibility in workload during the year of phased retirement in the areas of research and service. Because individual colleges and departments have differing requirements and needs in the areas of research and service, it is up to the phased retirement program participant and their department chair, program director, or supervisor and dean to work out a division of the responsibilities in these two areas that will enable the department to function in a way that does not impose a burden on existing faculty or diminish the department's effectiveness in achieving its academic mission. By necessity, some faculty in the phased retirement program may spend a larger portion of their time in research activities and some may have a greater number of service assignments. However, the aim should be to make the combined service and scholarship obligations during the phased retirement period equal to 50% of the faculty member's usual load.

While all eligible faculty may elect to participate in the phased retirement program, this does not mean that individual faculty may dictate the terms of their phased retirement. Rather, a plan must be developed that is acceptable to the department chair, program director, or other supervisor; the dean; and the provost as meeting the requirements of the program (i.e., a 50% reduction in work) in a way that does not diminish the quality of the academic experience provided for students or is burdensome to other colleagues. Faculty entering a phased retirement period will also need to discuss with their department chair, program director, other supervisor, and dean changes that may need to be made to space (e.g., office or lab) allocations or other aspects of their department/program operations during the final year of service as a result of the need to cover work assignments in which the faculty member would otherwise be engaged.

Faculty members holding positions with administrative duties in addition to their faculty status will need to discuss with their supervisor resignation of those administrative duties when applying for phased retirement.

Benefits During Phased Retirement

During the phased retirement period, the faculty member will be considered a full-time employee and will enjoy many of the rights and privileges, as well as the responsibilities, that come with this status. This means that the faculty member will receive health insurance and other benefits equal to those of a full-time employee, unless otherwise noted below and/or at the time phased retirement is approved.

Medical Coverage

Health insurance is not impacted by phased retirement and continues as it did prior to participation in the program.

Life Insurance

Life insurance is tied to a faculty member's salary and will, therefore, be reduced to match the faculty member's salary during phased retirement. Disability insurance will also be reduced based on the faculty member's salary during phased retirement.

Retirement Savings Plan

Phased retirement will reduce the University's contributions to the faculty member's retirement account by 50%.

Vacation Time or Paid Time Off Accrual

Vacation and PTO time (12-month faculty) are not protected by phased retirement. Faculty members must maintain eligibility for vacation pay or PTO during phased retirement for accrual to continue. Accrual is based on the actual workload during the phased retirement period, and maximum accrual eligibility rules apply.

Other Resources

Faculty on phased retirement are also eligible for the standard resources available to full time faculty (e.g., travel to present funds, internal grants, etc.). They may be considered for emeritus status during the final year of employment.