

Phased Retirement Program for UUP and Management Confidential Employees

Purpose:

SUNY Fredonia offers a voluntary Phased Retirement Program for Full-time UUP Faculty, Librarians and Professionals, and Management Confidential employees. This program allows eligible staff with the opportunity to transition into retirement by planning a reduction in work or obligation.

Eligibility:

Full-time UUP Employees and Management Confidential employees who have at least ten years of full-time SUNY service and are eligible for retirement at the time of participation in the phased retirement program.

Program Details:

The eligible employee must initiate possible participation in the program.

Employees who are interested in reviewing their options are encouraged to seek counsel from their tax advisors, retirement system representatives, financial planner, the Social Security Administration, and SUNY Fredonia benefits administrators, before deciding to apply to participate. UUP represented employees should also consult with UUP to fully understand the potential impact on terms and conditions of employment as a result of entering into a phased retirement agreement.

Once enacted, the program has the following elements:

- Reduction in time – Upon request of the employee and after appropriate approvals, the Phased Retirement Program will allow participants to work at a reduced FTE. FTE may not be below 50%.
- Revised obligation – Obligations at the reduced FTE will be established in consultation with the appropriate unit head, Dean/Director, and division Vice President or Provost. As appropriate a revised performance program reflecting the reduced obligation will be required within 30 days.
- Length of Plan – Phased retirement contracts may be for a minimum of one semester and a maximum of two years. The plan may upon management discretion be renewed providing for a maximum of two years total in the program.
- Appointment Status – The employee will remain in their existing budget title and maintain their permanent or term status. MC employees will also remain in their existing budget titles.
- Salary – The starting salary for the Phased Retirement Program is calculated based upon comparison of the employee's full-time base salary immediately preceding participation in the phased retirement program compared to the proposed FTE. For example, X employee enters the program at a reduced FTE of .80 with a current salary of 65,000. This would result in a 20% reduction in salary to \$52,000. Phased retirement program participants in UUP remain eligible for negotiated across-the-board salary increases.

- **Benefits** – Participants remain enrolled as active employees in all benefits programs according to the program's guidelines. For Optional Retirement Program participants, the employee contributions, if required, will continue until such time as the employee retires. The retirement contributions would continue at the percentage achieved prior to entering the phased retirement program, but on the reduced salary received while in the program. For UUP represented employees enrolled in the NYS Teachers' Retirement System (TRS) and Employees' Retirement System (ERS) participants, they will continue to be counted in their respective retirement system and receive service credit as per TRS and ERS crediting guidelines. Final average salary calculations are based on the three or five highest consecutive salaried years of earnings, based on retirement tier enrollment and corresponding terms. Employees will remain eligible for health, dental, vision as long as they meet the requirements defined in The UUP Agreement or the threshold for benefits eligibility as an MC employee. There will be no change to life insurance coverage or premiums except as may be applicable for all employees based on NYS and/or UUP or MC insurance guidelines.
- **Leave Accruals** – Participants will continue to accrue and use applicable leave accruals but on a part-time basis as outlined in The UUP Bargaining Agreement.
- **Leave of absence** – Phased Retirement Program participants are not eligible for leaves of absence defined under Article 23.7a or 23.7b. in The UUP Bargaining Agreement. All Participants may be eligible for other leaves, such as Family and Medical Leave Act leave, if eligibility requirements are met as defined by law.

Procedure:

Full-time employees who want to participate in the Phased Retirement Program must complete (working with their department head to determine appropriate obligation) a Request for Phased Retirement form and submit it for appropriate approvals. Applications are due from the department head at least three months prior to when the phased retirement is requested to begin. Management has the discretion to deny participation into this program based upon operational need.

After the application is approved, the employee will be provided with a memorandum of understanding delineating the length of the agreement, obligation and phased retirement. As appropriate they will be issued an updated performance program within 30 days outlining the reduced obligation. Following submission of the initial application, the employee will have 10 working days to return the signed document along with an irrevocable letter of resignation for purposes of retirement bearing an effective date coinciding with the cessation of the phased retirement program. Once executed, the phased retirement agreement is irrevocable by the employee and the employer, unless employment is terminated earlier than originally expected or both parties agree to an extension of the plan up to a maximum of two years. Participants should not expect to be rehired as a retiree.

The College Administration has the right to terminate this program at any time they feel it no longer serves the best interest of the College. The College President has the final approval for all phased retirement requests.