

To: Faculty Senate

From: Faculty Status & Welfare Committee
Barry Brunson, Chair

Subject: Early Retirement, E.K.U. variety

Attached is a description of the early retirement plan approved by the Board of Regents of Eastern Kentucky University on 7 January 1984. In view of current discussions at Western, the faculty may find it of interest.

Early Retirement Option

Current trends indicate a continuation of relatively stable or slightly decreasing enrollment of students for the University overall and of shifts in student choices of academic programs. These trends result in a continuing need to affect shifts in the allocation of resources among academic departments.

In prior years, reallocation of resources has been possible upon the creation of vacancies that could be abolished rather than filled. These vacancies have developed as a result of normal attrition through retirement, resignations, or other causes.

In an effort to accelerate this process of reallocation, a program has been devised to encourage the earlier retirement of eligible faculty. This program is based on the concept that certain faculty would retire if they could retain, for a period of time, a professional relationship with the University and have time to adjust to a reduced income.

The Kentucky Teachers Retirement System (KTRS) provides that a member who has retired may receive his/her annuity without reduction and work as much as 100 days per fiscal year in a teaching capacity. A member is eligible to retire upon attainment of age 60 or thirty years of Kentucky service. Up to six years of purchased military service may be used toward the thirty years retirement. Up to eight years of purchased out-of-state service may be included with the payment of additional matching funds at the time of retirement. A member with fewer than thirty years service may retire at age 55 with a reduction of annuity.

The early retirement incentive program would provide for the employment of eligible faculty electing retirement, on a half-time basis until age 65 or for

five years, whichever is less.

The specific components of the proposed program are set forth below:

Eligibility and Application

Any tenured member of the faculty may apply for the early retirement program by submitting a request to the chair of the department. The Chair will endorse the request when such early retirement is in the best interests of the University. Among the considerations in this determination shall be a fiscal impact analysis which demonstrates the release of resources for reallocation. The request shall be reviewed by the dean of the appropriate college and the Vice President for Academic Affairs. Upon their favorable recommendation, the President shall consider the request for recommendation to the Board of Regents.

Provisions of the Plan

Upon approval of the application by the Board of Regents, the faculty member will be placed in a special tenured category based on employment not to exceed full-time for one semester or half-time for the academic year, at a salary proportional to the assignment, provided the faculty member applies for and is granted retirement status under KTRS. This period of special tenure will expire the 65th birthday of the member or at the expiration of five years, whichever is less. It is understood that the faculty member would be fully retired by this date.

During the period of special tenure and part-time employment, the faculty member shall receive all appropriate staff benefits except health insurance. Further, the faculty member will receive any cost-of-living increases, based on the salary being paid under this early retirement option.

Assignment of faculty in the program will be made by the chair of the department in such manner as to fit the needs of the department and the limitations of KTRS.