
Subject: Faculty Retirement Transition Program

1. Purpose.....	1
1.1 Background	1
2. Policy	1
2.1 Program Objectives	1
2.2 Eligibility for Participation in the Program.....	2
2.3 Major Program Elements.....	2
2.3.1 Continuation of Medical Benefits to Age 65	2
2.3.2 Part-time temporary re-employment after retirement	2
2.4 Authority	3
3. Procedures.....	3
4. Definitions	3
5. References.....	3
6. Approval and Revisions.....	3

1. Purpose

This policy outlines the program to assist the university's tenured faculty in their transition from full-time active service to retirement and, in some cases, to facilitate their subsequent part-time re-employment to address staffing needs or to support research efforts.

1.1 Background

The Virginia General Assembly passed legislation in Spring 1988 making it possible for institutions of higher education in the Commonwealth to propose retirement incentive plans for tenured faculty over the age of 60. Any such program would be funded by the institution's own resources and must meet the applicable requirements as specified by the *Code of Virginia* and the Appropriations Act.

2. Policy

There are two major aspects to the program:

1. Continuation of the employer portion of medical premiums paid by the university until age 65 for those who retire earlier.
2. Part-time temporary reemployment for faculty members who want to reduce their full-time commitment but not abruptly sever their ties with the university.

These elements of the plan are discussed in greater detail below.

2.1 Program Objectives

To facilitate the transition of faculty from full-time active service to retirement by continuing to pay the employer portion of medical premiums and, if mutually agreeable, to consider those faculty for temporary work assignments in areas where their expertise may be needed.

To provide the university some added flexibility in hiring new faculty members.

2.2 Eligibility for Participation in the Program

Participants in the program must:

1. be at least 60 years of age;
2. be a faculty member or administrator with tenure or a contractual right to continued employment (such as librarians and Extension faculty with *Continued Appointments*);
3. have at least ten years of full-time service at Virginia Tech (full-time service may include periods of leave with full or partial pay, but not periods of leave without pay);
4. agree to withdraw from active membership in the [Virginia Retirement System \(VRS\)](#), or Optional Retirement Plans. The university will cease making payments to VRS or optional retirement plans;
5. comply with any additional criteria established by the Board of Visitors;
6. voluntarily participate in the program.

2.3 Major Program Elements

2.3.1 Continuation of Medical Benefits to Age 65

For many prospective retirees, the loss of employer-paid medical benefits can be a significant factor in their decision to postpone retirement. Under this program, eligible faculty members will be reimbursed for the equivalent of the employer's portion of the health insurance premium until age 65 whether they opt for complete retirement or return at a later time for temporary employment. The reimbursement amount will be adjusted by Human Resources in accordance with changes in the state's retiree health insurance rates. The request for participation in this program and for reimbursement of health care insurance premiums must be in writing. See Section 3: Procedures.

2.3.2 Part-time temporary re-employment after retirement

Part-time temporary re-employment is considered a desirable option by many faculty members who would like to utilize their professorial talents but with a reduced workload. A primary criterion in the approval of an employment arrangement must be the enhancement of the academic or research program of the department.

Faculty members may assume teaching roles, mentor graduate students, conduct sponsored research, or take on other part-time responsibilities where their expertise will make a significant contribution to the employing unit. By utilizing temporary employment, the university hopes to make it possible for long-term faculty to remain actively involved in the life of the university while reducing their professorial responsibilities.

The following guidelines apply to the part-time temporary employment program:

- a. Part-time employment following retirement is not a faculty right, but may be arranged on mutual agreement of the faculty member and the department head, with the approval of the dean.
- b. VRS regulations dictate certain parameters for reemployment following retirement. A one month break in service prior to reemployment is required. The faculty member may not return to a position that provides retirement benefits. The temporary work after retirement cannot be identical to the work

performed prior to retirement. Typically this requirement can be satisfied by reemployment doing part, but not all, of the prior role – for example, only conducting research or only teaching a course.

- c. Any agreement for reemployment must be in writing, but may not be developed until AFTER retirement. The agreement should specify the nature and duration of the assignment and the amount of compensation. The reemployment agreement should be reevaluated every six months, or on a similar periodic cycle based on the assignment.
- d. Appropriate office space (perhaps shared) and reasonable access to clerical support and departmental operating resources may be furnished. Please see Policy 4405 on emeritus appointments for further information.

2.4 Authority

The Board of Visitors reserves the right to modify, amend, or repeal the program.

3. Procedures

Prior to retirement, a written request for continuation of the employer-paid portion of health care premiums and/or reemployment should be initiated by the employee and approved by the department head and dean. A copy of the approved request must be sent to Human Resources in order to initiate procedures for reimbursement of the health insurance premium.

An agreement for reemployment may only be negotiated after retirement. The reemployment agreement should be approved by the department head and the dean. The department must complete a Part-Time Faculty Authorization for Payment (P14A) and enter in Banner HR to initiate part-time reemployment. Reemployment may not begin until there is at least a 30-day break in service following the official retirement date. Normally the percent appointment will not exceed .50 FTE. If the retiree is teaching, the FTE will count against the department's teaching position allocation.

4. Definitions

5. References

[Policy 4405: Emeritus Faculty](http://www.policies.vt.edu/4405.pdf) (<http://www.policies.vt.edu/4405.pdf>)

6. Approval and Revisions

The Faculty Retirement Transition Program was endorsed in principle by the Employee Benefits Committee and the Commission on Faculty Affairs.

Approved August 13, 1990, by the Board of Visitors.

Approved September 17, 1990, by Senior Vice President and University Provost, E. Fred Carlisle.

- Revision 1

Information about retirement counseling programs removed. Changed specific references to TIAA to "optional retirement plans" (ORP).

Indefinite continuation of the program endorsed by the Commission on Faculty Affairs.

Approved April 26, 1993, by the Board of Visitors.

- Revision 2

Addition of link to VRS web page and minor clarifications.

Approved January 22, 1999, by Executive Vice President, Minnis E. Ridenour.

- Revision 3

Revisions to the requirements for faculty retiring from VRS to comply with Virginia Retirement System restrictions on post-retirement employment, and general updating.

Approved February 11, 2004 by the University Provost and Vice President for Academic Affairs, Mark G. McNamee.

- Revision 4

September 1, 2006 – Technical revision to change name from Personnel Services to Human Resources