NC STATE UNIVERSITY

2012-2015
Phased Retirement Program
Department Guidelines

In a memo dated August 31, 2011, the Provost provided information on the NC State 2012-2015 Phased Retirement Program (PRP) to full-time, tenured faculty who appear to meet PRP age and service eligibility requirements. The PRP materials can be found on the web at: http://www.ncsu.edu/human_resources/benefits/prp.php

These materials serve as a reference as you work with faculty during the PRP application process. While the Phased Retirement Program for Tenured Faculty Regulation contains the majority of information needed to apply for the PRP, this guideline is designed to assist department heads and administrative staff with the process steps that occur during and after the application period.

1. **What constitutes a PRP application?**

   After receiving notification of eligibility to participate in the PRP, it is an individual faculty member's responsibility to determine whether to apply for participation in the PRP. In order to guarantee consideration for the PRP, a faculty member must apply for the PRP not earlier than eleven (11) months prior to commencement of the first semester of PRP participation and not later than six (6) months prior to that date.

   The application review period for faculty to apply for the 2012-2015 PRP term is September 15, 2011 through February 15, 2012. A faculty member is considered to have applied for the PRP when a UNC Phased Retirement Program Application and Reemployment Agreement (the "Agreement") has been submitted to the department head. This form contains:

   a) general information about the faculty member,
   b) a section to include specific work duties the faculty member will perform as a .5 FTE (half-time) Phased Retirement Program participant; and
   c) a section for required approvals.

   After receipt of an application, NC State will verify an applicant's qualifying conditions, i.e., age, years of contributory participation in TSERS and/or a UNC ORP, and years of full-time NC State service.

2. **Verification of PRP eligibility**

   a) ***by the department head*:** although a faculty member applying for the PRP is responsible for accurately determining eligibility, the department head should contact Program Coordinator, Joe Williams, to ensure university personnel records are consistent with the applicant's age and service eligibility.

   b) ***by the faculty member*:** the faculty member may access individual information on-line through their respective retirement plan vendor's web-site. For additional assistance, you may also contact your Benefits Consultant.

NC State University Retirement Plan Vendors and Contact Information			
TSERS	toll free: 1-877-733-4191 local: (919) 733-4191	**Federal** (CALS personnel)	campus: (919) 515-2708
TIAA-CREF Everette Cook	toll free: 1-866-904-7804 local: (919) 687-5219	**VALIC** George Wood Brent Williams	toll free: 1-800-448-2542 local: (919) 630-3508
Fidelity Katie Maxwell	toll-free: 1-866-588-2619 local: (919) 451-3047	**Lincoln Financial** Paige Lowry	toll free: 1-800-348-1212 local: (919) 829-5592

3. The PRP Application Process

The faculty member formally applies to the PRP by submitting an unsigned UNC Phased Retirement Program Application and Reemployment Agreement (the "Agreement") directly to the department head. The department head, after conferring with the faculty member, proposes the duties for a half-time work plan during the 3-year PRP term.

The department head will advise a PRP applicant as soon as practical whether or not an established limitation as described in section 4 of the Phased Retirement Program for Tenured Faculty Regulation will prevent PRP participation.

If the department head has reason to exclude any applicant due to academic program compromise considerations, the applicant should be notified in writing by the department head of the reason(s) as soon as possible after the decision is made.

Development of the PRP Work Plan:

An eligible PRP applicant must meet with her/his department head and negotiate the terms for half-time employment. A typical work plan includes services rendered full-time for one regular-term semester or half time over two regular-term semesters of an academic year. No work plan may include duties incident to summer school curricula.

The assigned duties during the PRP should be consistent with the skills and abilities of the faculty member and the objective needs of the department. The full range of faculty activities should be considered and may include teaching (undergraduate or graduate), research, creative activities, academic advising, writing of grants, publications, public service, etc. The percent of time involved will be negotiated between the faculty member and the department head as they create the PRP work plan. More information about the PRP work plan can be found in section 5.3 of the Phased Retirement Program for Tenured Faculty Regulation.

Signing the PRP Reemployment Agreement and Release:

After the faculty member and department head agree upon the half-time work plan, the department head will prepare and sign the Agreement, and pass it to the dean for consideration. If approved, the dean will sign the Agreement and submit the Agreement to the Provost via Human Resources-Benefits, Campus Box 7215.

If approved by the Provost, the faculty member will receive two documents via certified mail sent to the home address: a) the finalized and signed (department head, dean and Provost) version of the Agreement, and b) the UNC Phased Retirement Program General Release (the "Release") to consider and sign in the presence of a Notary Public.

As required by the Age Discrimination in Employment Act (ADEA), the faculty member shall be allowed at least forty-five (45) calendar days to execute and return the Agreement and the Release. The forty-five day period begins on the date of delivery to the faculty member, as evidenced by the US certified mail receipt signed upon delivery.

The faculty member shall then submit the original signed Agreement and Release to the HR-Benefits Department, Campus Box 7215, via the return mail envelope provided. The final original Agreement and Release documents will be retained in the HR-Benefits Department.

Faculty Member Option for Revocation of PRP Agreement and Release:

A faculty member electing to participate in the PRP has the right under the ADEA to revoke the Agreement and the Release anytime within seven (7) calendar days of the date both documents are fully executed by all parties. Once an application is fully executed, the commitment to enter the PRP becomes irreversible unless written revocation is initiated.

Should a faculty member wish to revoke his/her PRP application, a written, signed statement of intent must be submitted to the department head. The date of revocation is the date on which the faculty member physically delivers the revocation, the date on which the revocation is posted, or the post mark date. The date of receipt for postal handling shall be prima facie evidence of the date of the revocation.

If the Agreement and the Release are effectively revoked, the Agreement is void. The eligible faculty member will continue in his or her same full-time employment status as held immediately prior to the execution of the Agreement and the Release. The faculty member may apply for the Program in subsequent years.

Changes or Renegotiations of the PRP Work Plan:

A PRP faculty member may seek to renegotiate his/her work plan duties with the department head. Resulting changes must be in writing and signed by the PRP participant, department head, dean, and the Provost with an effective date. A PRP participant who seeks to renegotiate his or her work plan is encouraged to do so at least one semester in advance of the effective date of the desired change(s).

During PRP participation, the department head retains the right to make reasonable changes in assignments to address the needs of the department that are consistent with the participant's abilities.

4. PRP Rights, Responsibilities, and Evaluation:

Tenure

A faculty member who enters the PRP retains his or her professorial rank and the full range of responsibilities and rights associated with it except for the status of permanent tenure. As a faculty member without tenure, a PRP faculty member is no longer eligible to vote with their Departmental Voting Faculty in reappointment, promotion and tenure cases.

Performance Reviews and Salary Increases

A PRP participant is subject to annual performance reviews and is eligible for salary increases and merit pay based on annual evaluations **after** the first year of PRP participation (salary increases are prohibited during the first year). In Program years two and three, a PRP faculty member in TSERS is responsible for informing the department head of the amount of salary increase that would jeopardize her or his monthly TSERS retirement benefits. This is referred to as the "allowable earnings limitation." Optional Retirement Program retirees are not subject to earnings limitations.

A PRP participant will continue to be subject to policies, regulations and The Code of The University of North Carolina and NC State University. Participating faculty members may be placed on administrative leave with pay and/or have duties reassigned during or as a result of an investigation or disciplinary action.

Participation in this Program shall not provide a faculty member with greater rights, claims or privileges against NC State or the University of North Carolina regarding continued employment than otherwise provided in the policies, regulations and The Code of The University of North Carolina and NC State University.

5. Processing Faculty Member's Retirement and Reemployment Actions

The following section provides general appointment-related information departments need to know when processing a faculty member's retirement and re-employment actions.

Emeritus Status

Tenured full-time faculty who have served for ten or more years at NC State University are eligible to seek emeritus status prior to or following completion of the Program.

Personnel Action Processing

All faculty who enter the PRP begin half-time employment on July 1 of the three-year program period. For assistance with processing the personnel action in the HR system, contact your college/unit customer service representative.

Final Leave Balances

Upon entering the Program, 12-month faculty receive a lump sum payment of all accrued bonus leave, and all accrued annual leave up to 240 hours. Sick leave is converted to additional creditable service for TSERS participants. A TSERS participant who moved from 12-month to 9-month faculty should provide documentation of their final sick leave balance for conversion to additional creditable service.

An EPA Vacation Leave Payment Authorization form should be completed and submitted to Human Resources. An 'Additional Pay' HR personnel action must also be entered to pay out the annual leave balance (up to a maximum of 240 hours) using the salary rate at the time the full-time fiscal-year appointment ends.

Sick and Annual Leave During the PRP Appointment

Phased Retirement Program participants do not earn sick and/or annual leave during the Phased Retirement Program period.

Benefits and Payroll Deductions

Program participants remain eligible for participation in University-sponsored payroll deducted benefit programs available to regular half-time employees. Review the
http://www.ncsu.edu/human_resources/benefits/pdf/prp_continuation.pdf
for additional information.

Retirement Benefits

Any academic-year faculty member who retires from full-time employment and begins a PRP appointment should contact Joe Williams or their Benefits Consultant to prepare paperwork required to change employment status, begin retirement benefits, continue medical insurance coverage, and determine which additional benefits to continue.

- TSERS participants may begin the retirement process no sooner than 120 days prior to the retirement effective date.
- ORP participants should begin the retirement process 60 days prior to the retirement effective date.

Decision Whether to Draw a Monthly Retirement Benefit: while the majority of faculty entering the Program elect to begin receiving accrued benefits under the NC Teachers' and State Employees' Retirement System ("TSERS") or the UNC Optional Retirement Program ("ORP"), they are not required to do so. Should a Program participant elect to defer retirement benefits, he/she may continue participation in the State Health Plan by paying the full monthly premium, including the University's portion, by payroll deduction.

The Phased Retirement Program is exempt from mandatory break in service requirements.

6. PRP Application Periods and Deadlines

The application period begins September 15, 2011 and ends February 15, 2012. The deadline for submitting the PRP Agreement signed through the department head and dean levels for Provost consideration is **5*:00 PM, February 15, 2012.***

If you have questions, contact:

Joe Williams, PRP Program Coordinator
Human Resources - Benefits Dept.
Campus Box 7215
Phone: (919) 515-4311
Fax: (919) 513-2528