



University adopts phased retirement plan

Dear faculty colleagues,

At its meeting last Friday, the Ball State Board of Trustees approved a phased retirement plan. Allow me to take this opportunity to provide details and perhaps answer some questions about the plan, which allows faculty members to maintain full benefits while working a reduced schedule for reduced pay.

This program is voluntary and requires the mutual agreement of the university and the participating employee. It is designed primarily for regular, full-time tenured faculty who are eligible for emeritus/emerita status; however, participation by full-time contract faculty who have at least 15 years of employment in full-time positions eligible for benefits will be considered on a case-by-case basis. Only faculty holding positions that can reasonably be performed on a less than full-time basis without adverse impact on the academic program or its students may participate.

Several other universities, including IU and Indiana State here in our state, have adopted phased retirement programs. These plans enable faculty to ease into retirement while generally continuing to receive their full university pension contribution and health benefits, and allow academic departments to better plan for staffing needs as well as retaining talented faculty who could otherwise leave. Our plan was developed at the request of the Salary and Benefits Committee of University Senate, and it takes effect in fall semester 2012. The current early retirement plan is authorized through summer 2013.

If you are interested in the phased retirement program, you should understand that your agreement must provide for between 50 percent and 75 percent service. Participation is limited to a maximum of three years; you may cease participation in the plan at the end of the first, second, or third year. After entering the program, you may not return to full-time regular status except in extraordinary cases with the approval of the university president.

Participation in phased retirement begins on the first day of classes of the semester selected as the start date by the faculty member. If you already have signed up for early retirement in 2012-13, you can switch to phased retirement by March 5 (**UPDATE: New due date is April 9, 2012**). Other faculty may submit a request to begin participation in the fall semester; these will be considered in the order they are received. Participation beginning in spring semester 2013 must be requested in writing by September 1; priority will begin with academic rank, then months of service within that rank, and finally, total months of service at Ball State. Applications received after that priority deadline (or after February 1 for future fall semesters) will be considered in the order they are received, but only if there are still openings in a unit after all applications received before the priority deadline have been considered.

If you are considering participation in the phased retirement plan, you should begin by discussing the advantages and implications with your administrative head, professional personnel in Payroll and Employee Benefits, and representatives of retirement fund managers or independent financial advisors. A written request to participate in the plan, including the desired load percentage, the desired effective date, and the proposed duration of the phased retirement, must be submitted through your dean to me. If your request is approved, you will meet with the vice president for business affairs and treasurer to create your formal agreement.

This phased retirement plan supports Ball State's tradition of excellence. It permits the university to retain the services and contributions of experienced faculty while enabling those faculty to remain engaged in their profession and build additional financial security for the future. If you have any questions about the program, please contact me at tsking@bsu.edu or 285-1333.

Sincerely,

Terry S. King
Provost and Vice President for Academic Affairs