

University of Idaho

PLANNED RETIREMENT PROGRAM APPLICATION AND AGREEMENT

EMPLOYEE NAME: _____
DATE OF ENTRY INTO PROGRAM: _____
DATE OF PROGRAM COMPLETION: _____
DEPARTMENT: _____
COLLEGE: _____
AGE: _____ YEARS OF SERVICE: _____ BASE SALARY: _____

I, the undersigned employee, apply for, and if accepted, agree to participate in, the Planned Retirement Program (“Program”) at the University of Idaho (“University”). In consideration for the opportunity to participate in and receive the benefits of the Program, I agree to the following terms:

I understand and acknowledge that my application and decision to participate in the Program are voluntary, that the University will rely on my decision in making future plans for my unit, and that I will be unable to later change my mind and revoke my decision to participate in the Program, except as provided in paragraph 5 of the Release, **Attachment B** hereto. I understand that I may choose to fully retire at any time prior to completion of my term of participation in the Program.

This Agreement incorporates the Program summary set forth in **Attachment A** hereto. If any terms of this Agreement are inconsistent with the terms of the Program summary, the terms of this Agreement shall prevail.

My participation in the Program is conditioned upon the signing of a Release of all Claims against the University (“Release”) (**Attachment B**).

If I am a tenured faculty member, I understand that I will have full tenure protection while participating in the Program, subject to the reduced salary and responsibilities established in this Agreement. I understand that I will be bound by the retirement deadline set forth below.

My term of participation in the Program will be ____ consecutive months (not to exceed 24 consecutive months) commencing on the first day of _____ and ending on the last day of _____, at or before which time I will retire from the University. During my initial period of participation (up to but not including the last 12 months of participation) my appointment will be reduced to ____ FTE (not to exceed .75 FTE and no less than .50 FTE). During the last 12 months of participation my appointment will be at .50 FTE. My continued appointment as reduced will be subject to performance reviews, and I will remain subject to discipline, including termination, under the policies of the University and Regents.

In addition to the above, the following terms apply during the term of participation:

1. Compensation, retirement plan contributions, and salary-based benefits such as life and disability insurance will be based on the salary associated with the reduced appointment. Leave accruals during the period of participation will be based on the percentage of appointment.
2. Benefits under the active employee benefit programs and my share of cost will be determined based on the then current benefits plan; however, my share of cost will be calculated based on my employment status immediately prior to the start of the period of participation in the Program, e.g. if I am a full-time employee, my share of cost for benefits throughout my participation in the Program will be that of a full-time employee, regardless of my reduced appointment status.
3. I will not be eligible for sabbatical leave, leave for professional improvement, or personal leave of absence during the Program period. Military leave will require suspension of the Program period. Upon reinstatement from military leave, the period of participation in the Program may be reestablished.
4. I may not take and will not be eligible for promotion in rank, but will be eligible for regular pay increases.

The specific duties that I shall perform during the term of participation under this agreement are as follows:

During the term of participation I will not be granted nor will I accept any additional duties at the University, except that if I am faculty, I may, with the prior written concurrence of the dean or department chair, accept summer teaching at an additional compensation commensurate with the teaching assignment, provided the summer teaching does not otherwise interfere with performance of my specified duties hereunder.

I remain subject to, and responsible for compliance with, the Idaho State Board of Education and Regents of the University of Idaho Governing Policies and Procedures Manual and Rule Manual, as well as the University of Idaho Faculty-Staff Handbook, and other University policies as all may be amended from time-to-time without notice.

This Agreement, including the attachments hereto, constitutes the entire agreement with respect to my participation in the Program. There are no other agreements or inducements for my participation in the Program.

Eligible Employee:

Signature: _____
Print Name: _____

Date: _____

Unit Head:

Signature: _____

Date: _____

Print Name: _____

Dean:

Signature: _____

Date: _____

Print Name: _____

Provost and Executive Vice President:

Signature: _____

Date: _____

Print Name: _____

**Vice President for
Finance and Administration:**

Signature: _____

Date: _____

Print Name: _____

- Attachment A - Planned Retirement Program Summary**
- Attachment B - Release Form**

Attachment A - Planned Retirement Program Summary

University of Idaho Planned Retirement Program Summary

1. Purpose

The purpose of the Planned Retirement Program (Program) is to assist employees in preparing for retirement through a gradual reduction in work hours with no increase to the employee in the cost of health benefits as a result of a reduced appointment. The Program also provides educational seminars and financial planning analyses.

2. Program

a. The Program allows employees to reduce their appointment and phase gradually into retirement during a period not to exceed 24 consecutive months. Faculty and staff maintain health program benefits at a cost that is not increased as a result of a reduced appointment. Employees in the Program continue to be subject to generally applicable annual increases in health benefit rates and annual changes in the health benefit program.

3. Eligibility Criteria

- a. University of Idaho health-benefit eligible employees whose appointment is greater than half-time.
- b. The employee must be at least 53 years old on the date they enter the Program and must be at least age 55 on the date of retirement.
- c. The employee must complete a minimum of 10 years of employment service at the University of Idaho in a health benefits eligible position prior to the date of retirement. Each month of participation in the program while working at least half-time or greater will equate to a full month of service for purposes of eligibility.
- d. Employees who are retiring under another retirement agreement or have received written notice of: a) termination; b) non-renewal of contract; c) suspension with or without pay; or d) initiation of disciplinary proceedings are ineligible for this program.
- e. Enrollment in the Program is voluntary, but subject to approval by the unit administrator and dean and appropriate vice president or Provost. Approval may or may not be granted, depending on the needs of the unit. Any denial must be in writing and accompanied by an explanation of why unit needs preclude the employee's entry into the Program.

4. Effective Date of Program – Period of Participation in the Program

- a. Effective Date. An employee may execute an agreement to participate in the Program at any time up to the earlier of May 31, 2014, or the date the University elects to cancel the program if cancelled prior to May 31, 2014. The University may elect to continue the Program after May 31, 2014, but is under no obligation to do so. In the event the University cancels the Program prior to May 31, 2014, Agreements entered into prior to cancellation will be honored.

- b. Period of Participation. No period of participation in the Program can commence prior to July 1, 2010. The period of participation must be at least 12 calendar months and can be no more than 24 calendar months. The period of participation must end no later than June 30, 2016, unless the University elects to continue the Program after May 31, 2014. The period of participation must begin on the first day of a calendar month and end on the last day of a calendar month or last day of the fiscal year. Program participation will also end on the date job separation occurs for any other reason.

5. Elements

- a. The reduction in appointment for the last 12 months of participation shall be to .50 FTE. The reduction in appointment for the months of participation prior to the last 12 months shall be to no greater than .75 FTE and to no less than .50 FTE.
- b. Leave accruals during the period of participation will be based on the percentage of appointment. Health benefits will be extended on the same basis as other similarly situated employees who are not participating in the Program, but the employee cost will be based on the appointment that was in effect on the day before the employee entered into the Program. For example, a three-quarter time employee with a reduced appointment to half-time would continue to pay the three-quarter time employee rate during the full period of participation under the Program. Similarly, when an appointment is reduced from full-time to part-time, the employee pays the full-time employee rate. However, benefit programs and rates for Program participants are subject to change when changes are also made for employees who are not participants of the Program.
- c. Participants will remain eligible for all of the health programs of the active employee benefits program. Benefits paid from disability will be based on the reduced salary. For example, a full-time appointment with a salary of \$50,000 is reduced to half time at a salary of \$25,000. In the event of disability, 50%, 60%, or 66.67% (depending on employee election) of the \$25,000 annual salary would be replaced by the disability benefits.
- d. Retirement plan contributions will be based on the pay that results from the reduced appointment. Defined benefits such as those available from PERSI and defined contributions such as those made to the ORP impact retirement payments differently. Employees considering participation in the Program should contact their plan administrator to evaluate potential impacts before making a final decision.

PERSI www.persi.state.id.us

VALIC www.valic.com

TIAA CREF www.tiaa-cref.org

- e. The participant must designate a date certain for retirement, not to exceed 24 consecutive months from the date on which he/she enters the Program.
- f. The participant may choose to fully retire at any time before the end of the Program.
- g. The participant is not eligible for sabbatical leave, leave for professional improvement, and promotions in rank after he/she enters the Program.
- h. During the Program period, the participant may not take on any additional duties except summer teaching at the University, but will remain eligible for regular annual pay increases.

6. Emeritus and Honored Staff Rank

Emeritus and Honored Staff title and status will be granted in accordance with the terms and conditions for these programs (FSH 1565 and 3730). The rules for these programs are unaltered as a result of this program. An Emeritus or Honored Staff title does not automatically confer eligibility for retiree medical or other University of Idaho benefits.

7. Health Benefits

a. Health Benefits during the Program

- 5. Health benefits, as determined by the participant's elections, will continue and may be changed on the same basis afforded to similarly situated employees who have not entered the Program. The participant's share of the cost, which is subject to change, will be based on the then current benefits plan, calculated based on the participant's employment status immediately prior to the start of the period of participation in the Program, e.g. if the participant is a full-time employee, his/her share of cost for benefits throughout participation in the Program will be that of a full-time employee, regardless of participant's reduced appointment status.

b. Retiree Health Benefits

Participants will be eligible for up to 24 full months of service credit in determining eligibility for retiree health benefits while participating in the Program. Service credits for this purpose will be calculated based on the appointment that was held prior to participation in the Program. Participants will enter the retiree health program based on the terms, rates and other conditions that are in effect on the date of retirement and are subject to change.

8. Contract

Participants will be required to sign a release signifying their agreement to abide by the terms of the Program and to release the University from legal liability for certain

specified claims. The scope of duties for all employees during the Program must be approved by the unit head and/or Vice President or Dean of the affected unit.

If you have questions after review of the Program elements and details, please contact a Retirement Specialist in Benefit Services at (208) 885-3608.

Documents are available in Benefit Services or the Office of General Counsel.

Attachment B - Release Form

Release – Planned Retirement Program

1 As a material inducement for University to enter into a Planned Retirement Program Agreement (“Agreement”) with the undersigned Employee, Employee hereby irrevocably and unconditionally releases, acquits, and forever discharges the state of Idaho and University of Idaho (“University”) and its officers, agents, and employees and all persons acting by, through, under, or in concert with any of them (collectively “Releasees”), from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including attorneys’ fees and costs actually incurred), of any nature whatsoever, known or unknown (“Claim” or “Claims”), that Employee may now have, own, or hold, or claims to have, own, or hold, or that Employee at any time heretofore had, owned, or held or claimed to have, own, or hold, or that Employee at any time hereafter may have, own, or hold, or claim to have, own, or hold and that relate to employment with University up to the date the Agreement and Release are executed by all parties, against Releasees, or any of them.

2 It is specifically understood by Employee that this Release includes, but is not limited to, any Claim or Claims that he/she may have or claim to have under the Age Discrimination in Employment Act (ADEA) and the Older Workers Benefit Protection Act (OWBPA) and any comparable Idaho law, except that with respect to the ADEA and OWBPA, this Release shall not include a Claim or Claims that arise(s) after the date the Agreement is executed by all parties.

3 For the purpose of implementing a full and complete release and discharge of the University and all Releasees, Employee hereby expressly acknowledges that this Release is intended to include, in its effect, without limitation, all Claims that Employee does not now know or expect to know to exist in his/her favor at the time of execution hereof, and that this Release contemplates the extinguishment of any such Claim or Claims, except as set forth elsewhere in this Release.

4 This Release releases any Claim Employee has under the Age Discrimination in Employment Act and the Older Workers Benefit Protection Act. By executing the Agreement and Release, Employee acknowledges that she/he has been advised to consult with his/her attorney prior to executing the Agreement and this Release and has been given the opportunity to do so.

5 Employee further understands that Employee has a period of twenty-one (21) days after receiving the Agreement and this Release to consider whether or not to sign them. Employee further understands that, for a period of seven (7) days following Employee’s signature, Employee may revoke the Agreement and Release by giving

written notice of Employee's revocation to University. To be effective, notice of revocation must be in writing and received by the University within seven (7) days after the date on which Employee signs the Agreement and Release. The Agreement and Release do not become effective or enforceable until the seven (7) day revocation period has expired without revocation of by Employee.

6 Employee hereby waives any and all rights he/she may have under any Idaho Board of Education, Regents of the University of Idaho, or University of Idaho policy or regulation to grieve or otherwise complain about any matter or issue related to his/her employment with University, arising on or before the date of execution of the Agreement and this Release relating to any matter set forth in the Agreement or in the Release.

Eligible Employee:

Signature

Date

Print Name: _____