



FACULTY RETIREMENT PLANNING PROGRAM

Retirement Planning & Faculty Continuity

Our faculty are our greatest resource. Their knowledge and experiences enliven the classrooms, labs and out-of-classroom interactions that shape the Baylor experience for our more than 17,000 students. It is vital that we continue to consider how to support and equip our faculty as we focus our planning on Baylor's academic enterprise. Recent projections made during the 2016-2017 academic year reveal that one third of Baylor University's faculty will likely retire in the next eight to ten years. These projections were made using a population of all current tenured/tenure-track and non-tenure-track faculty and internal data on average retirement age. This presents a possibly unprecedented season of change for Baylor faculty, their departments and for the University as a whole. It is important that Baylor's leadership be thoughtful and intentional when planning for this imminent transition.

The Provost's Office, working in concert with Deans, Faculty Senate and the President's Office, has designed the Faculty Retirement Planning Program outlined below to create proactive pathways for retirement planning that will mutually benefit the faculty members who are planning for retirement and the institution. Use of these planning pathways will afford the faculty a predictable route through this decision and academic units the opportunity to think carefully and strategically for the future, and possibly provide both more time for

smooth and healthy transitions. Longer-term planning will provide academic units maximum opportunity to assess needs and develop strategies for outstanding candidate recruitment. It is anticipated that faculty searches could be authorized early based on retirement plans created under this program, with each instance being evaluated based on timing and overall budgetary needs. Upon implementation, this retirement planning program will be in place for three years, at which time it will be reviewed for possible renewal. Annual renewal of the program, even during this initial three-year period, will be contingent upon the overall financial position of the University.

Eligibility

To retire from Baylor University, one must be at least 55 years of age. Benefits eligibility is determined by the number of service years a faculty member has worked as a full-time, permanent employee at Baylor. There are five retiree classifications outlined in Baylor University Personnel Policy 600 – Retirement Benefits. The retirement program outlined in this document is intended to provide planning incentives that are in addition to any standard personnel and/or retirement benefits provided by the University through existing policy. This document does not describe the terms of eligibility or other requirements under the Baylor University Retirement Income Plan.

Faculty Retirement Planning Program Outline

The Retirement Planning Program is active from August 1 through January 31 each academic year. During this time window, faculty may request through their department chair (or dean where there are no department chairs) to enter a retirement pathway contract. The Provost will receive retirement plan requests from deans. Once the retirement pathway is confirmed by the department chair, dean, and Provost, the faculty member will receive and sign a retirement contract. The basic contract terms are outlined below, and while the core terms are not designed to be negotiable, there could be special addenda terms considered on a case-by-case basis. That retirement agreement will take the place of annual contracts during the agreed-upon period and will include

additional provisions (e.g., withdrawal/termination). This Retirement Planning Program document does not, in and of itself create any legal obligation or contractual rights.

There are three options for retirement considerations under this plan, plus some step-down options, should the faculty member desire to reduce workload while transitioning to retirement. This program is intended to be applied prospectively, however provisions are provided below for faculty that previously announced retirement who wish to opt in to one of these pathways. The original retirement date would still apply in for retirements previously announced. See more information below.

Retirement Planning Program Plan A

The Plan A retirement planning pathway is only provided in the first year the Retirement Planning Program is launched and is intended to address individuals who have submitted their retirement notice and are still employed at Baylor or are contemplating retirement during the 2017-2018 academic year. An individual faculty member who by January 31, 2018 designates that his or her intended retirement date will be sometime between May 2018 and August 2018 will receive a retirement planning award of \$7,500. The retirement planning award will be payable within 45 days of a memorandum of understanding being signed by the faculty member.

Retirement Planning Program Plan B – one-year contract

This plan is elected when the faculty member provides one academic years' notice of retirement. For example, during the August 1, 2017 to January 31, 2018 retirement planning window, there would be an election to retire in May 2019. In other words, the faculty member would be providing approximately 18 months' notice for retirement (the 18 months is the approximate time between the middle of the notification period and May 2019 retirement). This would make 2018-2019 the final academic year.

Contract terms for Plan B:

- Merit pay increase of 3.25% is provided in the retirement contract for the final academic year, assuming the annual performance review is determined to be "effective" or better.
- The faculty member will not be required to participate in University committees in the final academic year, but may elect to continue serving. Departmental and school/college committee service deemed essential by the department chair and dean's office may still be required.
- A retirement planning award of \$7,500 is payable

within 45 days of the faculty member's execution of the retirement contract.

- A reduction in work load of 50% is offered during the final spring semester, with pay still at the full contracted amount. Workload distribution between teaching, research or other activities is agreed to by the faculty member, chair and dean.

Retirement Planning Program Plan C – two-year contract

This plan is elected when the faculty member provides two academic years' notice of retirement. For example, during the August 1, 2017 to January 31, 2018 retirement planning window, there would be an election to retire in May 2020. In other words, the faculty member would be providing approximately 30 months' notice. This would make 2019-2020 the final academic year.

Contract terms in Plan C:

- Merit pay increase of 3.25% is provided in the retirement contract for each of the final academic years, assuming the annual performance review is determined to be "effective" or better.
- The faculty member will not be required to participate in University committees in the final two academic years, but may elect to continue serving. Departmental and school/college committee service deemed essential by the department chair and dean's office may still be required.
- A retirement planning award of \$7,500 is payable within 45 days of the faculty member's execution of the retirement contract.
- The faculty member is offered a retirement transition sabbatical in the final spring semester (two quarters) or a reduction in workload of 50% during the last contract year. Pay will still be at the full contracted amount. The workload distribution between teaching, research or other activities will be agreed upon by the faculty member, department chair and dean.

Resources for Retirement Planning

Baylor's Human Resources Department provides resources and tools to help faculty members think through various aspects of retirement decisions. Financial advisors are made available through each of the funds in which Baylor participates (i.e., Vanguard, TIAA-CREF, or GuideStone). These advisors are available at any time to schedule a personalized appointment to review financial and personal income aspects of retirement. Additionally, the faculty member should review which retiree classification he or she meets in order to understand best the related benefits available. Those benefits are outlined in Baylor University Personnel Policy 600 – Retirement Benefits, which may be changed by Baylor from time to time in its sole discretion and without notice. Retiree resources are

found at <http://www.baylor.edu/hr/index.php?id=74405>. Baylor reserves the right to deny or terminate fringe benefits such as listed below, or access to campus, in accordance with law, Baylor policy, as a business necessity, or for campus safety.

Moving

Baylor academic departments are responsible for moving faculty who request assistance vacating their office. Departments should contact Facility Services to procure boxes and, if needed, to arrange for the transportation of packed boxes to another on-campus facility or to an on-campus curbside destination.

Library Benefits

Several benefits remain available to retirees who wish to remain connected to academic life at Baylor. Some of those benefits offered through the University Libraries are highlighted below:

- Physical materials are available for checkout, as is InterLibrary Loan for borrowing from another library. (The faculty member must keep his or her Baylor ID and password active so as to remain in the system.)
- Special and/or rare collections are available by appointment, including sessions for small groups.
- Online resources (databases, e-journals, e-books) are available, including off-campus access. Again, an active Baylor ID and password is necessary to remain in the system.
- Laptop computer checkout is available at the TechPoint desk on the Garden Level of Moody.
- The Media Lab on Moody Garden level is available for the retiree to create video or audio recordings.

Spaces Available:

- All Baylor libraries welcome retired faculty for research, writing, or meeting with groups.

- There are small group study rooms in the Graduate Research Center on the second floor of Poage Library that are available for retirees to reserve.
- The Libraries offer many quiet nooks for working with quick access to our library staff for research or resource support.

Other Benefits

Baylor University encourages retirees to stay connected to the University through offering these additional benefits highlighted below.

- Retiree and spouse ID card
- Student Life Center and recreation facilities access
- Dining discount at the McMullen-Connally Faculty Center
- 10% bookstore discount
- Access to free athletic events
- Season (discount) tickets for football and basketball games - pending availability
- Check cashing services
- Parking permits
- Email with active Bear ID

Retirement Planning Timeline

The table below illustrates the retirement planning window each year and the relative retirement dates under each of the three options. The retirement window is the time period under which retirement elections are made and approved through the Dean and Provost. Faculty may elect to retire at any time; however, they would not be eligible for the benefits under this program if the election is pursued outside of this process.

In order to take advantage of one of the retirement pathways, the faculty member should submit a letter to his/her department chair or dean, with the following items outlined:

- The specific plan selected
- The intended date of retirement
- If selecting Plan C, would the faculty prefer the reduced workload during their final academic year or the transitional sabbatical their final semester. If a reduced workload is elected, distribution of that workload could be discussed in the letter, but is not required to be outlined in detail.
- If selecting Plan B, the letter should indicate whether a reduced workload will be elected in the final spring semester. Distribution of that workload could be discussed in the letter, but is not required to be outlined in detail.

| Academic Year | Retirement Window Opens | Retirement Window Closes | Retirement Dates Under Each Plan* | | |
|---------------|-------------------------|--------------------------|-----------------------------------|---------------|--------------|
| | | | Plan A | Plan B - 1 YR | Plan C - 2YR |
| 2017-2018 | 1-Aug-2017** | 31-Jan-2018 | 31-May-2018 | 31-May-2019 | 31-May-2020 |
| 2018-2019 | 1-Aug-2018 | 31-Jan-2019 | N/A | 31-May-2020 | 31-May-2021 |
| 2019-2020 | 1-Aug-2019 | 31-Jan-2020 | N/A | 31-May-2021 | 31-May-2022 |

*Summer retirement dates may also be considered on a case-by-case basis. Faculty who receive recurring 12-month contracts ending in July, may substitute July 31st for the retirement dates described above.

** Faculty who informed their chairs of plans to retire on 31 May 2018, 2019 or 2020 earlier than 1 August 2017 and are currently employed at Baylor, will be treated as if they had applied on or after this date and will be eligible for Plan A, Plan B, or Plan C, depending on their original choice of retirement date. Department chairs (or equivalent) for these faculty should submit the faculty member's original retirement request to the Dean's office then forwarded to the Provost's office for final processing during the retirement window.