

Human Resources

Phased Retirement Agreement and Release
Between
Northern Arizona University (on behalf of the Arizona Board of Regents)
and

Employee: _____

Employee status at University (check one): Tenured faculty member
 Non-tenured faculty member
 Continuing Professional
 Year-to-Year Professional

This Agreement is subject to the Phased Retirement Program (Program) under Arizona Board of Regents Policy 6-602, *Optional Retirement Program*. The enforcement of this Agreement is subject to Arizona law and University and ABOR policy. Employee will remain subject to ABOR and University policies during phased retirement.

Section I:

By initialing below, Employee certifies that s/he

- a. is eligible to participate in the ABOR Phased Retirement Program, and
- b. is a vested participant in the ABOR Optional Retirement Program (ORP), and
- c. is age 62 or older

Employee Initials: _____

Section II:

A. Term of appointment:

1. Under this Agreement, Employee will begin phased retirement on _____ and will terminate employment, relinquish tenure/continuing appointment, if applicable, and retire on _____ [no more than three years after the first date]. Employee understands that his/her retirement, if accepted, is irrevocable. The termination date can be accelerated upon mutual written agreement of the University and Employee, but the termination date cannot be extended.
2. During this period of phased retirement, Employee's appointment will be on a reduced FTE for the following periods (insert dates as applicable):
 - a. _____ to _____ at [50 to 95%] time.
 - b. _____ to _____ at [50 to 95%] time.
 - c. _____ to _____ at [50 to 95%] time.

[Note: This section allows for different percentages for different periods or semesters of the phased retirement period, and can have as few as one line or as many as the number of periods or semesters covered by the phased retirement period. ABOR 6602.C.3 also allows for less than 50% FTE if requested by the participant. This will be decided on a case-by-case basis by the Provost and Vice President for Academic Affairs.]

Human Resources

IMPORTANT: Employee must maintain at least a 50% work schedule during both semesters of the academic year (.5FTE) to remain benefit-eligible and retain voluntary benefits such as medical coverage.

B. Compensation:

Employee's compensation during phased retirement will be based on the above designated percentage of the full-time base annual salary that Employee was earning immediately prior to the beginning of this phased retirement, based on Employee's last 9- or 12- month contract term of regular benefits-eligible employment at University. If a faculty member or professional holds a fiscal year administrative appointment in the year preceding phased retirement, the University will first establish an academic year base faculty or professional salary in accordance with ABOR 6-103 and relevant University policies, and then the reduced FTE percentage will be applied against that base. During phased retirement, Employee will continue to be subject to performance reviews and annual evaluations. Employee will be eligible to receive proportionate salary and merit pay increases allocated by the legislature or University, and approved pursuant to ABOR and University policies, based on annual evaluations.

C. Duties and Responsibilities:

The specific duties to be performed by employee under this Agreement, detailed each year in the Statement of Expectations, are as follows:

D. Employee Benefits and Voluntary Retirement Programs:

During the phased retirement period Employee may continue or elect to participate in all state, ABOR, or University sponsored employee benefit and voluntary retirement programs for which s/he is eligible based on established eligibility standards and subject to the benefits provisions for all University employees. ***IMPORTANT: Employee must maintain at least a 50% work schedule during both semesters of the academic year (.5FTE) to remain benefit-eligible and retain voluntary benefits such as medical coverage.***

E. Optional Retirement Plan:

1. Both Employee and employer contributions to the Optional Retirement Plan will continue until the participant's retirement date as required by Arizona Revised Statutes 15-1628C and the Optional Retirement Plan document. Both the University's and the Employee's contributions to the ORP account will be based on the employee's reduced salary, subject to contribution limits imposed by applicable section(s) of the Internal Revenue Code.

Human Resources

2. Effective when phased retirement begins_____, the employee may elect to start receiving the benefits accrued under the Optional Retirement Plan, but is not required to do so. Furthermore, all retirement benefits for which Employee is eligible shall be determined in accordance with the Optional Retirement Plan and Employee's selected investment company(s).

F. Post-Retirement Employment:

After Employee completes the phased retirement period, neither ABOR nor the University has any obligation to offer Employee additional employment.

Section III:

A. General Release:

By entering this Agreement, Employee releases the State of Arizona, the Arizona Board of Regents, University, and their board members and employees from all claims, causes of action, costs, and attorney fees that may have arisen prior to Employee's signing of this Agreement and that are related to Employee's University employment, including the conclusion and resignation of Employee's present employment status, the voluntary relinquishment of tenure rights or continuing status (if applicable), or entering into this Agreement.

This release includes contract and tort law claims, and claims under the Age Discrimination in Employment Act of 1967, as amended (29 U.S.C. § 621 *et seq.*), including the Older Workers Benefit Protection Act of 1990; Title VII of the Civil Rights Acts of 1964, as amended (42 U.S.C. § 2000e *et seq.*), including the Civil Rights Act of 1991 and the Civil Rights Act of 1866, 1870, and 1871 (42 U.S.C. § 1981 *et seq.*), the American with Disabilities Act of 1990 (42 U.S.C. § 12101 *et seq.*); and the Rehabilitation Act of 1973; Arizona Civil Rights Act (ARS § 41-1461 *et seq.*) or any other federal, state, or local statutory or common laws relating to employment discrimination or employment.

Employee agrees that s/he does not have any prior or current claims and is not entitled to any compensation or other benefits arising under the Fair Labor Standards Act (29 U.S.C. § 201 *et seq.*) or Family and Medical Leave Act (29 U.S.C. § 2601 *et seq.*) that have not otherwise been paid or provided to him/her by the University.

Nothing in this Agreement prohibits Employee from filing a charge with the Equal Employment Opportunity Commission (EEOC), but this release includes a release of Employee's right to file a court action or to seek individual remedies or damages in any EEOC filed court action, and Employee's release of these rights shall apply to any proceeding arising from the EEOC charge.

B. Matters Not Released Under the General Release:

Employee does not waive or release any claims that may arise after the date that Employee signs this Agreement. Employee also does not waive or release the right to seek employee retirement benefits or to seek or continue to receive other employee group benefits to which Employee is not entitled or for which Employee will be eligible while a participant in the Program, whether eligibility for the retirement benefit or employee group benefit has been established by federal or Arizona law or by contract between Employee and the employing institution.

In addition, Employee does not waive or release: (a) any vested and accrued rights as a participant in the ABOR 401(a), Optional Retirement Plan, or State of Arizona approved contributory, defined benefit retirement plan, including but not limited to the Arizona State Retirement System and the Public Safety Personnel Retirement System; (b) Employee's right to potential indemnification or defense as a current or prior officer or employee of University under applicable law or policy; or (c) Employee's right to assert any claims relating to University's obligations under this Agreement.

Human Resources

Section IV:

A. Proper Prior Notice of Certain Information:

Employee acknowledges that s/he has been provided with a notice, as required by the Age Discrimination in Employment Act of 1967 and the Older Workers Benefit Protection Act of 1990, that contains information about individuals covered under the Program, eligibility factors for participation in the Program, time limits applicable to the Program, if any, the job titles and ages of the employees in the identified job classification designed as eligible to participate in the Program, and the ages of all individuals in the same job classification who have not been designated as eligible to participate in the program.

B. Time to Consult an Attorney, to Consider Signing this Agreement, and Time to Consider Revoking the Agreement:

1. Employee acknowledge the s/he knowingly and voluntarily waives any and all rights or claims which s/he may have arising under the Age Discrimination in Employment Act of 1967 or the Older Workers Benefit Protection Act of 1990, in regard to his/her retirement from University in exchange for the valuable consideration set forth in this agreement. In signing this agreement, Employee expressly acknowledges that:
 - a. Employee has been advised in writing of his/her right to consult with an attorney, at this/her own expense, prior to signing this Agreement;
 - b. Employee has either consulted with an attorney or has elected not to consult, and if s/he consulted with counsel, his/her attorney has reviewed with and explained to Employee the terms of this Agreement, including the consideration and the effect of the release, and that any questions s/he had regarding this Agreement have been answered to his/her satisfaction;
 - c. Employee has been provided with a period of up to 45 days to consider the terms of and whether to execute this Agreement;
 - d. Employee enters into this Agreement voluntarily and with full knowledge and understanding of its significance; employee acknowledges that s/he was not induced by University thought fraud, misrepresentation, or threat to withdraw or alter this Agreement prior to expiration of the 45-day period.
 - e. Employee may revoke this Agreement within 7 calendar days after signing the Agreement, if s/he so chooses, by providing written notification of his/her withdrawal to the office of the Provost, Box 4120, Northern Arizona University, Flagstaff, AZ 86011.
 - f. The Agreement will not be effective or enforceable until the 7-day revocation period has passed without his/her having revoked the Agreement.
2. Employee acknowledges that s/he is entering into this Agreement in exchange for consideration, which is in addition to anything of value that s/he is other entitled to receive. Employee further agrees that if a portion of this Agreement is held void, the remainder of this Agreement will remain enforceable.

C. Effective Date and Amendments:

1. This Agreement contains the entire agreement of the parties with respect to its subject matter. No prior or contemporaneous agreement, written or oral, will be interpreted to alter these terms.

Human Resources

2. This Agreement must be signed by Employee and the appropriate administrators. The University must approve this Agreement and the proposed retirement date, and University approval is not effective until this Agreement is signed by the Provost and Vice President for Academic Affairs.
3. This Agreement may be changed only by mutual consent of the parties. All amendments must be in writing, comply with applicable policy, be signed by the parties and reviewing administrators, and will become effective only when signed by the Provost and Vice President for Academic Affairs.

Section V – Signature Page:

Employee Signature: _____ Date: _____

Human Resources Review

*Please have HR sign off on this certification prior to routing this document beyond the **employee** level.*

Human Resources has reviewed this application's eligibility for participation in the phased retirement program, and deemed that it **does** **does not** meet the eligibility requirements.

Print Name of HR Representative

Signature: _____ Date: _____

Department Head Signature: _____ Date: _____

Dean or Vice President Signature: _____ Date: _____

Provost and Vice President Academic Affairs: _____ Date: _____

Please return a signed copy of this document to the Human Resources Department (PO Box 4113 or hr.contact@nau.edu) when all signatures are complete. Thank you!