

## **Pre-retirement Leave of Absence Program for Faculty**

This Pre-retirement Leave of Absence Program allows eligible members of the faculty to elect to take a one-year leave of absence and retain half normal base salary during the leave year, in preparation for full retirement. During the leave year, the faculty member will have no formal duties or responsibilities to the College.

An eligible, tenured, full-time member of the faculty may elect to take a final, one-academic-year leave of absence during which he/she will have no teaching or other responsibilities. A faculty member who elects to participate in the Pre-retirement Leave of Absence Program is irrevocably agreeing to retire from the College immediately following his/her one-year leave of absence. The faculty member will have no option to extend the leave of absence period beyond one year or to return to teaching on a full-time basis; full retirement must immediately follow the leave of absence.

### **Eligibility**

Full-time, tenured members of the College faculty who meet all of the following criteria are eligible to participate in this Program:

- a) are at least age 64 as of the July 1 when the leave year commences,
- b) have at least 10 consecutive years of full-time service at Franklin & Marshall when the leave year commences,
- c) have not taken a sabbatical during any of the 3 academic years preceding participation in this Program, and
- d) are not participating in the Phased Retirement Program for faculty.

### **Process**

To participate in this Pre-retirement Leave of Absence Program, an eligible faculty member must enter into an irrevocable Pre-retirement Leave of Absence Agreement no later than by December 31 of the calendar year preceding the leave of absence year (this deadline will be waived for those requesting to participate effective July 1, 2009). This Agreement can be found on the Human Resources web pages, and in the Human Resources public folder in eDisk. Full-time faculty members interested in more information regarding this Pre-retirement Leave of Absence Program, and those who wish to initiate a Pre-retirement Leave of Absence Agreement, should contact the Office of the Provost.

### **Salary**

The faculty member will be eligible to receive the percentage increase that faculty outside the merit system receive, effective as of the July 1 when the leave commences. During the pre-retirement leave year, a participating faculty member will receive fifty percent (50%) of what his/her normal base salary would have been for that year, paid over the 12-month leave period.

## **Fringe Benefits**

**Health Insurance --** Faculty members participating in this Pre-retirement Leave of Absence Program will continue to be eligible for health insurance coverage per normal College policies applicable to full-time employees, including prescription drug, vision, and dental coverage, and will pay the same premiums offered to active, full-time employees. Upon full retirement, the faculty member will be eligible for health insurance coverage at rates offered to Medicare-eligible retirees per standard College policies.

Per normal College policies, upon retirement the faculty member, and his/her spouse if applicable, must enroll in Medicare parts A and B on the earliest possible date to be eligible for health insurance coverage through the College.

**Flexible Spending Accounts Plan--** During the pre-retirement year, a faculty member may continue to participate in the Medical Expense Reimbursement Account and may continue to have his/her health and/or dental premiums deducted from pay on a pre-tax basis.

**Life Insurance--** During the pre-retirement leave year, life insurance and Accidental Death & Dismemberment coverage will be equal to 1.5 times actual (reduced) salary, up to a maximum coverage level of \$100,000. Participants may be able to purchase an individual policy to replace the amount of coverage eliminated. To do so, the faculty member must contact the life insurance carrier within 31 calendar days of experiencing a reduction in life insurance coverage. Upon full retirement, life insurance coverage will equal 25% of what the coverage amount would have been immediately prior to retirement if not participating in this program.

**Long-term Disability--** Coverage under the College's group Long-term Disability Plan will terminate as of the July 1 when the leave of absence commences. Additionally, per standard College policies, long-term disability coverage is not provided during retirement.

**Retirement Plan--** The College will make its normal retirement contribution on behalf of the faculty member, based on actual (reduced) base monthly salary received during the leave of absence year. Participants may make elective, pre-tax contributions to the Retirement Plan through salary reduction. Faculty members participating in this Program may elect to begin receiving distributions from their retirement account during the leave year.

**Education Benefits--** Faculty members participating in this Program will continue to be eligible for education assistance benefits, including benefits for eligible dependents, per standard College policies. Upon retirement, faculty members will be eligible for education benefits per standard College policies for retirees.

## **Outside Employment**

While participating in this Program, a faculty member may accept outside employment.

## **Faculty Status**

Participants in this Pre-retirement Leave of Absence Program will continue to be active faculty members, with a full vote in faculty meetings. Participants will receive the standard Faculty Research and Professional Development fund amount during their leave year. However, such faculty members will not be eligible to serve as a department chair or hold other academic positions that require full-time service.

## **Full Retirement**

A faculty member who enters into an Agreement through this Program must fully retire from the College effective the last day of the leave of absence period (as of the June 30 when the academic year leave of absence ends). The Agreement will be irrevocable. The College will rely on this agreement to retire when planning for its academic staffing, including the employment of additional faculty.

Additional information about benefits available to retired College employees is available from [www.fandm.edu/x15225](http://www.fandm.edu/x15225), and through the Human Resources office.

*This Pre-retirement Leave of Absence Program may be amended, modified, or terminated by the College at any time. Such amendment, modification, or termination will not affect faculty members who have already signed a Pre-retirement Leave of Absence Agreement.*

*Effective July 1, 2009*