ARTICLE 15
Retirement

Section A. Phased Retirement Program.

Subd. 1. Eligibility. Pursuant to Minnesota Statutes §§ 354A.094, 354B.31 and 354.66 regarding part-time employment, faculty members who have reached age fifty-five (55) and have ten (10) or more FTE years of service in the Minnesota State Universities shall be eligible for phased retirement.

Subd. 2. Implementation. A faculty member requesting phased retirement shall submit his/her request to the President by October 15 for a phased retirement that takes effect fall semester of the following academic year, or by January 15 for a phased retirement that takes effect spring semester of the following academic year. The length of the phased retirement period and the work schedule for the faculty member shall be mutually agreed to by the faculty member and the President. At the end of the phased retirement period the faculty member must move to full retirement. In no event shall the length of time for phased retirement exceed the number of years mutually agreed to or the workload of the faculty member be less than point thirty-three (.33) FTE or greater than point sixty-seven (.67) FTE. Faculty members electing phased retirement shall be entitled to all rights and benefits of full-time faculty members. If the President denies a timely request for phased retirement, the faculty member shall have ten (10) calendar days following the denial in order to provide notice of retirement and receive the benefits provided for in Article 11, Section C and Article 16.

Subd. 3. Benefits. The Employer retirement contributions necessary to accrue allowable service credit in the retirement fund during the period of part-time employment shall be paid by the Employer at the same amounts as would have been paid had the faculty member been employed full-time. Faculty members electing phased retirement shall be eligible for Employer-paid insurance benefits as if the faculty member were employed full-time. Employee contributions necessary to maintain benefits as if the faculty member were employed full-time shall be the responsibility of the employee.

Upon completion of phased retirement, a faculty member who participates in phased retirement shall be eligible for the separation incentive in Article 16, Section D, if the age and service requirements are met. Computation of the separation incentive shall be based on the percentage decline contained therein, and the faculty member shall not under any circumstances be eligible for designation at one hundred percent (100%) of salary.

Subd. 4. Faculty members participating in phased retirement shall be permitted to withdraw up to twenty-five percent (25%) of their supplemental retirement funds yearly during phased retirement by submitting a written request to the President. Withdrawal is subject to applicable state and federal laws and to conformity with State Board of Investment or other third-party provider requirements, if applicable. The faculty member and the IFO agree to indemnify and hold the university and the Employer harmless against any and all claims, suits, orders or judgments brought or issued against the Employer by a faculty member as a result of any action taken in accordance with the withdrawal of supplemental retirement funds.
Subd. 5. Expectations. Faculty members participating in the phased retirement program are expected to perform the full range of faculty duties, on a pro rata basis. They are subject to the professional development plans required under Article 22.

Section B. Annuitant Employment Program.

Subd. 1. Eligibility. Pursuant to Minnesota Statutes §§ 136F.48 and 354.445, faculty members who have ten (10) or more years of service in the Minnesota State Universities, or who have reached age fifty-five (55) shall be eligible to participate in the Annuitant Employment Program.

Subd. 2. Implementation. A faculty member requesting participation in the Annuitant Employment Program shall submit his/her request to the President by October 15 for participation that begins fall semester of the following academic year, or by January 15 for participation that begins spring semester of the following academic year. These notification deadlines may be waived by the President. The length of the annuitant employment period and the work schedule for the faculty member shall be mutually agreed to by the faculty member and the President. In no event shall the length of time for annuitant employment exceed the number of years mutually agreed to or the workload of the faculty member be less than point thirty-three (.33) FTE or greater than point sixty-seven (.67) FTE. Except as otherwise provided for by statute, faculty members electing annuitant employment shall maintain their seniority and shall be entitled to all rights and benefits, including voting rights, of similarly situated part-time faculty members. If the President denies a timely request for participation in the Annuitant Employment Program, the faculty member shall have ten (10) calendar days following the denial in order to provide notice of retirement and receive the benefits provided for in Article 11, Section C and Article 16.

Subd. 3. Benefits. Faculty members electing annuitant employment shall be eligible for Employer-paid health and dental insurance benefits as if the faculty member was employed full-time. Employee contributions necessary to maintain benefits as if the faculty member was employed full-time shall be the responsibility of the employee.

Upon completion of annuitant employment, a faculty member who participates in annuitant employment shall be eligible for the separation incentive in Article 16, Section D, if the age and service requirements are met. Computation of the separation incentive shall be based on the percentage decline contained therein, and the faculty member shall not under any circumstances be eligible for designation at one hundred percent (100%) of salary.

Subd. 4. Expectations. Faculty members participating in the annuitant employment program are expected to perform the full range of faculty duties, on a pro rata basis. They are subject to the professional development plans required under Article 22.

Section C. Supplemental Retirement. Pursuant to Minnesota Statutes §§ 354C.11, 354C.12 and 356.24, the Employer shall deduct from the salary of each full-time faculty member a sum equal to five percent (5%) of the annual salary paid after the first six thousand dollars ($6,000), up to a
maximum of two thousand two hundred and fifty dollars ($2,250) in each fiscal year to be paid into the state university supplemental retirement account of the retirement fund. The Employer shall make a contribution in an amount equal to the deductions made from the faculty member’s salary. Deductions shall begin in the faculty member’s third year of full-time employment in the System.