

1.03.03 Tenure Relinquishment Policy

A. Policy Statement

1. Eastern Oregon University, acting under and within the policies of the Oregon State Board of Higher Education, has the option of offering to faculty with indefinite tenure certain incentives for the relinquishment of tenure in connection with retirement. The relinquishment of tenure is accomplished through the development and signing of a "tenure relinquishment agreement." The major incentive offered is an increase in base salary.

2. Upon execution by the University and a faculty member of an agreement to relinquish tenure and retire at a date certain, that retirement date being within three years from signing of the tenure relinquishment agreement, the faculty member's base 9-month salary is immediately increased by six percent. The faculty member is eligible to participate in any subsequent salary increases due the faculty in a normal fashion. The faculty member's tenure status changes from "indefinite tenure" to "fixed term" upon signing the agreement.

3. However, agreements state that, for purposes of possible changes in appointments resulting from sanctions for cause or elimination or reduction of programs, the faculty member will be treated as though she or he had indefinite tenure. Annual personnel review processes associated with tenured faculty would continue to apply.

B. Procedure

1. Currently, Oregon Public Employees Retirement System (PERS) retirees may work, during a calendar year, a maximum of 1039 hours in the employ of public, PERS participating, employers without affecting PERS retirement benefits. Depending upon the needs of the University, the tenure relinquishment agreement may include provisions for employment with the University after the date of retirement on what are called "1039-hour" appointments.

2. To minimize academic program disruption and to facilitate recruitment of a replacement for the retiring faculty member, these "1039-hour" appointments will be structured to allow for *complete* academic year appointments. The basic idea is to allow for the faculty member, during "their last academic year," to have both 1039-hour appointment income and retirement benefits income available if the faculty member finds that in their interest.

3. For example, a faculty member retiring on 12/31 would continue through the following Winter and Spring terms on a 1039 hour appointment, thereby drawing normal salary and retirement benefits simultaneously for that period and ceasing to be in the University's employ at the end of the academic year. Faculty members retiring in the summer before what they wish to be their last full year of teaching could complete Fall term on one 1039-hour

appointment and then finish the academic year - Winter and Spring terms - on a second 1039-hour appointment. (In this latter case, the second appointment is made possible by the limitation, within PERS, to 1039 hours of employment within a single *calendar year*.)

4. Unless the needs of the University dictate otherwise, the University does not offer more than one academic year on 1039-hour appointments and only appointments that would allow for the completion of a full academic year. The faculty member's normal base salary continues through 1039-hour appointments as does eligibility for raises normally provided to faculty, and participation in the other benefit programs offered as a component of regular employment with the University.

5. Employees without indefinite tenure are not eligible for the six percent salary adjustment incentive for the relinquishment of tenure. The use of 1039-hour appointments can, depending upon the needs of the University, be used in conjunction with the retirement of faculty - instructional and administrative support - who do not have indefinite tenure; See Retirement Incentives in Chapter IX.

6. Historically, the Oregon University System has, occasionally, offered additional one-time-only incentive programs for early retirement although this has not been the case for some years now. Should such programs again be created, they would be widely announced. Such programs, when they are available, offer alternatives to the University Tenure Relinquishment program; these one-time-only alternatives are not "added on" on top of the University Tenure Relinquishment program being described here. If a new early retirement incentive program were offered *after* a tenure relinquishment agreement was in effect and that new OUS program was preferred by the retiring faculty member to the terms of the signed tenure relinquishment agreement, the University could not agree to cancel the tenure relinquishment agreement unless, and this is unlikely, it did not fiscally disadvantage the University to do so.

7. Each case is different. Faculty must work carefully with PERS to determine, for example, what retirement date best meets their interests and to assess the various trade offs involving 1039-hour "extra" income versus the retirement income effects of accelerating a retirement date. The University cannot and will not offer advice on such matters, and PERS, not the University, should be the source used by employees for information on PERS policies and practices. We do strongly encourage all contemplating retirement to take advantage of regular retirement planning workshops offered by PERS and, at least three years prior to the contemplated date of retirement, to meet individually with PERS, with the Social Security Administration, and with a professional accountant.

8. The process of forming a tenure relinquishment agreement is initiated by meeting with the Provost and Vice President for Academic Affairs. A tenure relinquishment agreement is then developed, often going through a number of drafts, to assure that the agreement meets the

needs of the faculty member and the University. After discussing possibilities and preferences, the Provost will prepare a draft agreement that can be signed, further refined, or forgotten. Every effort is made to handle these discussions in an atmosphere that is sensitive to contemplation of what is a major life change, in particular to provide no pressures for any particular outcome, to encourage reliance upon outside professionals, and to attempt an agreement that works best for the individual's particular PERS - and other -- circumstances, doing so with respect for the privacy of the discussions.

9. While, with the immediate six percent salary increase, there are advantages to anticipating retirement by three years, circumstances can change over such a period of time; the terms of the tenure relinquishment agreement can be amended by the mutual agreement, in writing, of the President and the faculty member. Changes almost always concern the date of retirement because of PERS developments and/or changed personal circumstances, and the University will seek to accommodate desires for a change in the date of retirement where the faculty member wishes to retire *sooner* than had been previously agreed to. The University would not, unless clear University interests dictated otherwise, agree to amend a tenure relinquishment agreement to set a new retirement date beyond the date originally agreed to.