

EARLY RETIREMENT PLAN FOR FULL-TIME TENURED FACULTY MEMBERS

The early retirement plan for tenured faculty members was adopted in 1974 to facilitate the voluntary early retirement of tenured faculty members prior to their normal retirement date of June 30 following reaching age 68. Although no longer a compulsory retirement date, this date continues to be the “normal retirement date” for planning purposes and for the early retirement plan.

This restatement is intended to make the plan easier to understand, but is not intended to change the plan in effect prior to the restatement in any way.

Wesleyan reserves the right to amend or to terminate the plan at any time, but no amendment or termination will affect any participant then governed by its terms.

Queries concerning the early retirement plan should be addressed to the Vice President for Academic Affairs and Provost.

1. Eligibility and election

A full-time tenured faculty member who has at least ten years of full-time service may elect to:

- Fully retire pursuant to the plan effective July 1 in the calendar year in which the faculty member reaches age 59 or effective July 1 in any year thereafter prior to the normal retirement date (a participant in this option is hereafter referred to as an “early full retiree”); or
- Partially retire and serve less than full-time pursuant to the plan effective July 1 in the calendar year the faculty member reaches age 60, or effective any July 1 thereafter prior to the normal retirement date (a participant in this option is hereafter referred to as a “early partial retiree”).

An early partial retiree may elect to fully retire pursuant to the plan effective any July 1 prior to the normal retirement date.

In any case, the election must be made at least thirty days prior to the applicable July 1 unless waived by Wesleyan on a form approved by

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Wesleyan, signed by the faculty member, and approved and accepted in writing by the Early Retirement Committee.

2. Early Full Retirement

2.1 Stipend

Early full retirees are paid a special stipend for a maximum period of six years (not counting any period as an early partial retiree) or until the normal retirement date, whichever occurs first. The amount of the stipend depends on when early full retirement begins, the early full retiree's average salary for the five years preceding plan participation, and amount of full-time service.

a. *A participant whose early full retirement begins immediately following full-time service but prior to age 65 will receive an annual stipend based on the following schedule:*

Years of Full-time Service	Stipend as percent of average salary for five years preceding participation
35	40.0%
34	39.6%
33	39.2%
32	38.8%
31	38.4%
30	38.0%
29	37.6%
28	37.2%
27	36.8%
26	36.4%
25	36.0%
24	35.6%
23	35.2%
22	34.8%
21	34.4%
20	34.0%
19	33.6%
18	33.2%
17	32.8%

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Years of Full-time Service	Stipend as percent of average salary for five years preceding participation
16	32.4%
15	32.0%
14	31.6%
13	31.2%
12	30.8%
11	30.4%
10	30.0%

b. *A participant whose early full retirement begins immediately following full-time service but on or after age 65 will receive an annual stipend 10 percentage points greater than the participant would have received under the above schedule if the participant's early full retirement had begun prior to age 65.*

Example: Early full retirement begins at age 65 immediately following 35 years of full-time service. The stipend would be 50 percent (40 percent + 10 percent) of the average annual salary during the preceding five years.

c. *A participant whose early full retirement begins following a period of partial early retirement will receive an annual stipend equal to the stipend the participant would have received if early full retirement had begun when early partial retirement began.*

Example: Early full retirement begins at age 65 following early partial retirement at age 62 at half-time following 30 years of service. The early full retirement stipend would be 38 percent of the average annual salary during the five years preceding early partial retirement.

2.2 Early full retirement benefits

A faculty member who fully retires on or after age 59 with at least ten years of full-time service is eligible to participate in medical, dental, and life insurance plans until the normal retirement date (even if no longer receiving an early retirement stipend) on the same terms and conditions as actively employed faculty members, except that available life insurance is based on his or her salary during the last year of full-time service.

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3. Early partial retirement

3.1 Early partial retirement salary and stipend

Until the normal retirement date or early full retirement, whichever occurs first, an early partial retiree will receive:

- a. Pro-rated salary based on the part-time service as a percent of full-time, and salary increases determined on the same basis as salary increases for full-time tenured faculty members but pro-rated.
- b. A supplemental stipend equal to the stipend the early partial retiree would have received had he or she elected early full retirement multiplied by the difference between the part-time percent and 100%. The stipend is fixed at the time early partial retirement begins and does not increase as salary increases.

Examples:

- If a faculty member has 30 years of service, had an average salary of \$80,000 for the preceding five years, is between the ages of 60 and 65, and elects to work half time, the stipend would be \$15,200. ($1.00\text{FTE} - .5\text{FTE} = .5\text{FTE}$ $\times 38\% = 19\%$ $\times \$80,000 = \$15,200$.)
- If this faculty member elects to work half time on or after age 65, the stipend would be \$19,200. ($1.00\text{FTE} - .5\text{FTE} = .5\text{FTE}$ $\times 48\% = 24\%$ $\times \$80,000 = \$19,200$.)

If an early partial retiree fully retires by filing an election to do so as provided above, the participant's stipend will increase as provided in 2.1 c above.

3.2 Early partial retirement benefits

Until the normal retirement date or early full retirement, whichever occurs first, an early partial retiree will:

- a. Receive basic retirement plan contributions and flex credits based on pro-rated salary.
- b. Be eligible to participate in medical, dental, life and disability insurance plans until the normal retirement date on the same terms and conditions as full-

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time faculty members, except that life and disability insurance coverages will be based on the early partial retiree's full-time salary equivalent.

If an early partial retiree fully retires by filing an election to do so as provided above, the participant's benefits will be as provided in 2.2 above.

3.3 Additional early partial retirement provisions and conditions

Until the normal retirement date or early full retirement, whichever occurs first, an early partial retiree:

- a. May reduce the part-time percent by filing a new election as provided above. If the part-time percent is reduced, the amount of the supplemental stipend will equal the stipend the early partial retiree would have received if he or she had elected the reduced part-time percent when early partial retirement began.
- b. May not increase the part-time percent or return to full-time service.
- c. May earn outside income subject to the approval of the Early Retirement Committee. This approval will not be unreasonably withheld. The early partial retiree may not, however, have full-time employment elsewhere.
- d. Continues to accrue pro-rated sabbatical credit based upon the part-time percent until one semester's credit has been earned, at which time the sabbatical may be taken at full salary. After taking the sabbatical, the early partial retiree will receive no further sabbatical credit. With the approval of the Early Retirement Committee, an early partial retiree who has earned one semester's sabbatical credit may elect to take the salary equivalent in equal payments over the remaining period of his or her early retirement as a salary supplement beginning in the semester immediately following the semester in which the credit is earned.
- e. Must fully retire on or before the normal retirement date.
- f. Must continue to fulfill on a pro-rated basis the academic and collegial responsibilities of a tenured faculty member.

4. Early Retirement Committee

The Early Retirement Committee consists of three persons appointed by the president of Wesleyan and is responsible for the administration of the plan.

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The Committee determines the compensation and benefits payable to plan participants and the answers to questions concerning the interpretation, application, or administration of the plan; including any question of fact relating to age, service, compensation, or eligibility of participants. The decisions of the Committee are conclusive and binding upon all parties. Two members of the Committee constitute a quorum for the transaction of business. Decisions of the committee require the affirmative vote of not less than two members.