

TO: Eligible UNC Chapel Hill Faculty

FROM: J. Christopher Clemens
Executive Vice Chancellor and Provost

SUBJECT: UNC Chapel Hill's Phased Retirement Program (PRP) 2024-2027

DATE: November 20, 2023

You may be eligible or will become eligible for the Phased Retirement Program (PRP) period beginning 2024-2027 according to institutional data. (Participation is contingent upon verification of eligibility).

ELIGIBILITY

Full-time tenured faculty members with at least five (5) years of UNC Chapel Hill service who participate in:

1. Teachers' and State Employees' Retirement System (TSERS); or
2. Optional Retirement Program (ORP)

are eligible to apply for the PRP participation if they:

1. are at least age 62 [for TSERS participants] or at least age 59 ½ [for ORP participants] upon entering the Phased Retirement Program by July 1, 2024; and
2. are eligible to receive a benefit under the TSERS or ORP plans.

Note: EHRA administrators or professionals who hold a secondary faculty rank are eligible to participate in the PRP after both:

1. vacating the administrative or EHRA professional position; and
2. returning full-time to their tenured faculty position.

APPLICATION PERIOD

Applications for the 2023-2026 PRP will be accepted no sooner than **November 15, 2023** and no later than **February 16, 2024**. Participation may be accepted on a first-come, first-served basis.

GUIDELINES & PROCEDURES

PRP information and other related documents as follows, can be found at: [Phased Retirement Information](#)

- UNC Phased Retirement Program for Tenured Faculty, Section 300.7.2
- UNC Phased Retirement Application & Re-employment Agreement Form
- UNC Phased Retirement Program General Release Form
- Frequently Asked Questions about the PRP

Read all PRP materials closely to ensure full understanding of the following principles and procedural aspects of the application process.

1. You do not have an absolute right to participate in the PRP. UNC academic departments may limit participation in the PRP in response to bona fide financial exigencies, or if an individual's participation would substantially weaken academic quality or disrupt program sequence. Limited participation due to financial exigencies will be consistently applied to all eligible faculty seeking to commence enrollment in the PRP the same fall semester.
2. The three-year PRP contracts begin on July 1 each year.
3. If you are accepted into the PRP and decide to participate, you relinquish permanent tenure, terminate your current full-time position, and formally retire. In return, UNC contracts with you for half-time (.5 FTE) re-employment for up to three (3) years at an amount equal to fifty percent (50%) of the full-time base annual faculty salary you received immediately prior to phased retirement (based on your prior nine- or twelve-month contractual term, as applicable). This is 50% of your base 'annual base faculty salary' and is paid over the 12-month fiscal period beginning July 1, 2024. **Please note PRP participants may earn summer salary (9- month faculty) and additional compensation (9- and 12-month faculty) with one exception: PRP participants in TSERS may not earn summer salary in the second summer school session during the summer they enter the PRP.**
4. You negotiate individually with your academic department head to determine your specific PRP work plan duties [summer school duties for 9-month faculty are not included]. Feel free to utilize the optional work plan template.
5. Upon entering the PRP, you continue to be subject to performance reviews. You are eligible for salary increases in the 2nd & 3rd years of the PRP, based on merit. PRP participants who retire in TSERS are subject to the TSERS yearly earnings limit. You are responsible for obtaining your annual earnings limit and informing your department head if a salary increase will jeopardize receipt of your monthly retirement benefits from TSERS. You may log on to TSERS' online system, ORBIT, to access your earnable allowance limit.
6. As a PRP participant you may participate in all employee benefit programs for which you are eligible as a half-time employee. Mandatory retirement plan contributions will cease.
7. If you are accepted into the PRP and decide to participate, you will sign a "Release" form as a condition of PRP participation. As required by the Age Discrimination in Employment Act (ADEA), you are allowed at least forty-five (45) calendar days to execute and return the "Agreement" and the "Release". The forty-five day (45) period begins on the date of delivery to the faculty member, as evidenced by the return receipt signed upon delivery. You are encouraged to consult with your legal counsel and/or financial advisors before making a decision to enter the PRP. Once the Agreement and Release are signed by all parties, PRP does not become final until after a 7-day revocation period. A decision to enter the PRP is binding once made; however, phased retirement may be terminated if mutually agreed upon by both you and UNC Chapel Hill administration.
8. A faculty member who enters the PRP retains his or her professorial rank and the full range of responsibilities and rights associated with it except for the status of permanent tenure. A faculty member on phased retirement relinquishes tenure. A PRP participant is subject to annual performance reviews and is eligible for salary increases and merit pay based on annual evaluations

after the first year of PRP participation (any salary increase for a PRP participant would be subject to any limitations imposed under TSERS). A PRP participant will continue to be subject to policies, regulations and The Code of The University of North Carolina and UNC Chapel Hill.

9. Eligible faculty members enrolling in PRP may elect to begin receiving the benefits they have accrued under either TSERS or ORP, but they are not required to do so. However, so long as an eligible faculty member does not receive a monthly retirement benefit, he or she will not receive the retiree health benefits provided by the State (if eligible).

For TSERS participants, a special provision for phased retirees waives the normal six month break in service rule.

INFORMATION SESSIONS

Decisions regarding retirement can be complex. The PRP is designed to facilitate a transition to retirement by allowing you to continue to participate in academic life, mentor students, and prepare for the future.

There will be two phased retirement information sessions via Zoom:

Friday, December 8, 2023 from 3:30PM-4:15PM
Join Zoom Meeting
<https://unc.zoom.us/j/93784971222>

OR

Wednesday, January 10, 2024 from 3:30PM-4:15PM
Join Zoom Meeting
<https://unc.zoom.us/j/97181610876>

For more information, please contact Joe Williams, Senior Director of Benefits, Leave Administration & Total Well Being with UNC Office of Human Resources: joe_williams@unc.edu, (919) 843-7874

cc: Deans
Academic Department Heads