



UNIVERSITY OF GUAM
UNIBETSEDAT GUAHAN
BOARD OF REGENTS

RESOLUTION NO. 15-03

RELATIVE TO REVISING THE VOLUNTARY FACULTY PHASED RETIREMENT PROGRAM AND AUTHORIZING A ONE-YEAR FACULTY RETIREMENT OPPORTUNITY

WHEREAS, the University of Guam (UOG) is the primary U.S. Land Grant institution accredited by the Western Association of Schools and Colleges (WASC) serving the post-secondary needs of the people of Guam and the region; and

WHEREAS, the governance and well-being of UOG is vested in the Board of Regents(BOR); and

WHEREAS, the BOR has the authority to make policy for academic personnel, including faculty and administrators; and

WHEREAS, following a review of best practices at over 100 other institutions and consultation with senior faculty and administrators, Faculty Union and Administrative Council, the administration has developed and wishes to revise the Voluntary Faculty Phased Retirement Program (“VFPRP”), which was originally approved by BOR Resolution 13-14, and to propose a second, voluntary faculty retirement program known as the One-Year Faculty Retirement Opportunity (1FRO); and

WHEREAS, through these voluntary programs for retirement-eligible, tenured faculty that offer incentives for retirement, UOG seeks to achieve the following broadly based goals; i) Support institutional vitality, change and renewal; ii) Generate financial savings that can be reinvested in the next generation of faculty; and iii) Facilitate faculty staffing flexibility, consistent with overall University and individual department needs; and

WHEREAS, the President, the Academic, Personnel and Tenure Committee and the Budget, Finance, Investment and Audit Committee have reviewed the administration’s revised VFPRP and the 1FRO proposal and recommend it to the BOR.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents hereby approves the revised *University of Guam Voluntary Faculty Phased Retirement Program (VFPRP) Rules and Procedures*, attached hereto.


BE IT FURTHER RESOLVED, that the Board of Regents hereby authorizes the administration to also offer a One-Year Faculty Retirement Opportunity in accordance with the *University of Guam One-Year Faculty Retirement Opportunity (1FRO) Agreement*, attached hereto.

Adopted this 19th day of February, 2015.



William D. Leon Guerrero, Chairperson

ATTESTED:



Dr. Robert A. Underwood, Executive Secretary

University of Guam
Voluntary Faculty Phased Retirement Program (VFPRP)
Rules and Procedures, As Revised February 2015

PURPOSE

The Voluntary Faculty Phased Retirement Program (VFPRP) is intended for the mutual benefit of the University and the Faculty Member granted participation. Generally, the recognized purposes of phased retirement are to:

- Create a retirement transition pathway from full-time University involvement to a more measured activity and a new relationship with the University.
- Offer faculty a fiscally realistic opportunity and orderly process for transitioning to retirement.
- Offer an opportunity for faculty to devote increased time to personal interests by retiring in planned stages, while continuing to earn money and stay involved with the University through their teaching.
- Support institutional vitality, change and renewal, while sustaining the institutional knowledge and contributions that senior faculty can make to students, faculty colleagues and the institution.
- Generate financial savings that can be reinvested in the next generation of faculty.
- Facilitate faculty staffing flexibility, consistent with overall University and individual department needs.

ELIGIBILITY & PARTICIPATION

Before requesting to participate, faculty should consider their plans for the remaining stages of their University career and their transition to retirement as well as their ability to afford retirement.

Faculty who meet all criteria below are eligible to participate:

- Faculty Member must be tenured
- Faculty Member must be eligible to retire under the Government of Guam Defined Benefits Plan or Government of Guam Defined Contributions Plan within five (5) years or less of his/her VFPRP start date. Eligibility is recommended to be confirmed with the Government of Guam Retirement Fund (GGRF).

Participation is a privilege, not an entitlement. Participation is voluntary. Participation is not granted automatically, but must be requested and approved.

Participation may be approved for up to a period of five (5) years, with two (2) optional one-year extensions, not to exceed a total of seven (7) years. Any extension must be mutually acceptable and agreed to in writing by both parties.

Participation does not begin until the VFPRP Agreement is signed by the Faculty Member ("Faculty Member" defined for VFPRP purposes as those approved for participation in VFPRP) and approved by the University President. The contractual terms of participation are defined in the Agreement.

The Faculty Member may opt out of the program/ contract early, terminating the VFPRP Agreement at the end of any VFPRP academic semester with one (1) month's prior, written notice to the dean/director and Senior Vice President for Academic and Student Affairs (SVP).

At his/her VFPRP conclusion or termination, Faculty Member shall resign his/her tenured position with the University and apply for retirement.

APPLICATION STEPS

A Faculty Member will submit a VFPRP Application Form to his/her dean/director at least two (2) months before the proposed VFPRP start date. The application will include: i) a proposed Comprehensive Faculty Evaluation System

University of Guam Voluntary Faculty Phased Retirement Program (VFPRP)

(CFES) for the term of the VFPRP Agreement, approved by the appropriate dean/director (see below); ii) a statement indicating retirement eligibility; and iii) a letter from the Faculty Member, indicating the desire to participate.

The dean/director will consider the application, may consult with the department chair and college AAC as needed and appropriate, and forward a letter of recommendation to the SVP for action. If the SVP accepts the recommendation, the SVP forwards the documents to HRO for preparation of a VFPRP Agreement for approval by the President.

COMPREHENSIVE FACULTY EVALUATION SYSTEM (CFES) & VFPRP WORKLOAD

Faculty Member will have an approved CFES plan for the VFPRP period. The CFES plan may be changed at the beginning of each VFPRP academic year by the dean/director by mutual agreement with the Faculty Member and department chair, as applicable. The CFES plan will be approved by the dean/director based on academic needs. Decisions on any conflict with CFES plans will be mediated and settled following the procedures in the CFES document.

The VFPRP workload will be as follows:

For Teaching Faculty:

- Full-time workload for a VFPRP academic year is teaching and/ or research and/or assigned project, office hours, student advisement.
- Faculty Member will be required to teach 12 credit hours during each VFPRP academic year, which will be considered the normal VFPRP teaching load. Classes will be taught during at least one regular semester. Faculty Member will submit classes for his/ her proposed teaching load and the teaching semester(s) to the department chair by the dates set by the college. Some or all of the classes may be hybrid or fully online. In addition, Faculty Member will prepare an office hour schedule showing six (6) office hours per week spread over three business days. The six office hours may be prorated, if teaching occurs over more than one semester. Office hours may be held on-line.
- Faculty Member may request that the classes assigned be taught over one or two semesters, or one semester and the summer session(s). If the courses are taught over one semester, Faculty Member may request a specific semester. Credit hours, classes taught, and semester(s)/summer session(s) taught will be documented in the Faculty Member's CFES plan. This is agreed upon at the time of the contract. Adjustments may be considered.
- For the remainder of Faculty Member's CFES load a project, which does not require Faculty Member to be in residence at the University, will be agreed with the dean/ director. The project will be addressed either during the non-teaching semester, over the academic year, or longer if mutually agreed.
- Faculty Member will not be required to have research or service responsibilities as part of the VFPRP workload, but may request a 0.25 workload reduction to participate in grant-supported research, or a mutually agreed project/ service assignment.
- Changes to the CFES workload agreement, as agreed by the Dean and Faculty Member, will be considered and noted in the annual CFES review.

For Research Faculty:

- Full-time workload for a VFPRP academic year is a 0.50 FTE research load commensurate with responsibilities at the PI or Co-PI level on a funded grant or research project.
- Faculty Member will not be required to have teaching or service responsibilities as part of the VFPRP workload but may request a 0.25 workload reduction to participate in teaching, or a mutually agreed project/ service assignment.

TENURE STATUS, RANK, COMPENSATION & BENEFITS

- Faculty Member's status as a tenured full-time faculty member shall continue during the period of the VFPRP contract. Faculty Member's relationship with the University will remain as a full-time, tenured faculty and will be further defined by the *Board of Regents – Faculty Union Agreement* in effect at the time. If accepted into the VFPRP, Faculty Member agrees to resign his/her tenured faculty position and retire from the University of Guam effective on the last day of the semester five years after signing the Agreement. This resignation is irrevocable and

University of Guam Voluntary Faculty Phased Retirement Program (VFPRP)

Faculty Member may resign sooner at his/her sole option, but shall not delay the resignation. If the University and Faculty Member mutually agree to extend the VFPRP for a sixth and/or seventh year, then the University would also agree to extend the tenure rights and retirement for this additional period. This Agreement supersedes any other agreement or understanding between Faculty Member and the University regarding the date and terms of resignation from his/ her faculty position.

- Faculty Member shall retain his/her academic rank for the term of the Agreement.
- If Faculty Member is approved to participate in the VFPRP, the Faculty Member will be compensated the higher of 67% of his/her 9-month salary or \$45,000, which will be paid over 26 pay periods by electronic deposit into a U.S. bank account designated by the Faculty Member.
- Faculty Member's salary may be increased by 2% per annum, upon approval of the dean/director, if the terms of the CFES plan are met and if funds for such increase are available in the Board-approved budget for that year.
- Faculty Member's salary will commensurately be adjusted for changes in the BOR-approved Faculty Salary Schedule.
- Overloads are not permitted under the VFPRP.
- In addition to the VFPRP salary, Faculty Member may be contracted as an independent contractor by the University, as mutually agreed.
- As a regular full-time University employee, Faculty Member earns retirement service credit for each VFPRP academic year, and contributes into the appropriate GovGuam Retirement Fund, subject to public laws and relevant rules. Retirement contributions will be at the VFPRP salary.
- Faculty Member is also entitled to medical, dental and life insurance benefits. VFPRP participants will be covered under the same insurance benefits as regular full-time employees and subject to the same premium cost-share arrangement and plan terms. Premiums will be deducted from participants' pay checks on a bi-weekly basis. Participants should carefully review the health care plan documents and be aware of the Guam residency requirements and other terms and conditions for the GovGuam health and dental benefits.
- As eligible, Faculty Member may participate in the cafeteria plan; flexible spending plan; 401a, 403b and 457 plans.
- Faculty Member is eligible for tuition benefits for dependents.
- Faculty Member will only be eligible for Leave Without Pay, Sick Leave, Emergency Leave, Jury Duty Leave, Parental Leave, Administrative Leave, Leave Under the Family and Medical Leave Act as per the RRPM, but no other leave benefits. Faculty Member is not eligible for a sabbatical.
- Faculty Member may participate as a voting member on division, school/college and University matters in accordance with the *Board of Regents – Faculty Union Agreement* in effect at the time.

University of Guam
Voluntary Faculty Phased Retirement Program Agreement

The University of Guam ("University") and _____ ("Faculty Member") voluntarily enter into this Agreement pursuant to the University's Voluntary Faculty Phased Retirement Program (VFPRP) Rules and Procedures attached hereto, which incorporate the terms and conditions of the VFPRP that exist as of the execution of this Agreement.

1. Faculty Member has applied and been recommended for participation in the VFPRP. Faculty Member's participation in the VFPRP will begin _____ and end _____. The term is up to five (5) years with two (2) optional one-year extensions, not to exceed a total of seven (7) years. Any extension must be mutually accepted and agreed to in writing by both parties to the Agreement. If the Faculty Member is interested in such an extension, this must be documented in a written memo to the SVP and President at least six (6) months prior to the start of the sixth VFPRP year. The SVP will recommend and the President will have sole approval to extend, or not, the VFPRP for both the sixth year and seventh years or only for the sixth year.
2. Faculty Member may terminate the Agreement at the end of any VFPRP academic semester with one (1) month's prior, written notice to the dean/director and the Senior Vice President for Academic and Student Affairs (SVP). Faculty Member's retirement will then take effect at the end of that semester.
3. This Agreement constitutes an irrevocable agreement wherein Faculty Member voluntarily agrees that his/her resignation from employment with the University will become effective at the conclusion of his/her VFPRP, or earlier if Faculty Member is unable to complete the Agreement.
4. If accepted into the VFPRP, Faculty Member hereby agrees to resign his/her tenured faculty position and retire from the University of Guam effective on the last day of the ____ Semester 20__ (i.e., five years after signing the Agreement). This resignation is irrevocable and Faculty Member may resign sooner at his/her sole option, but shall not delay the resignation. If the University President agrees to extend the VFPRP for both the sixth and seventh year or for the sixth year only, then the University would also agree to extend the tenure rights and retirement and all benefits as specified by the VFPRP Agreement for this additional period. This Agreement supersedes any other agreement or understanding between Faculty Member and the University regarding the date and terms of resignation from his/ her faculty position.
5. Faculty Member's academic rank will be unchanged and status will be as a regular, full-time, tenured faculty with rights as per the VFPRP Agreement.
6. Faculty Member will work in accordance with his/her Comprehensive Faculty Evaluation System (CFES) plan, as approved by the dean/director.
7. If Faculty Member is approved to participate in the VFPRP, Faculty Member will be compensated the higher of 67% of his/her 9-month salary or \$45,000, paid over 26 pay periods by electronic deposit into a U.S. bank account designated by the Faculty Member. Faculty Member's compensation may be increased by 2% per annum, upon approval of the dean/director if the terms of the CFES plan are successfully met and if funds for such increase are available in the Board-approved budget for that year. Faculty Member's compensation will commensurately be adjusted for changes in the BOR-approved Faculty Salary Schedule.
8. Overloads are not permitted under the VFPRP.
9. In addition to the VFPRP salary, Faculty Member may be contracted as an independent contractor by the University, as mutually agreed.
10. Employment benefits will be provided as per the VFPRP Rules and Procedures attached hereto.
11. Faculty Member will be subject to all applicable University policies and procedures, except as otherwise provided for in this Agreement.
12. Faculty Member will be governed by the *Board of Regents – Faculty Union Agreement* in effect at the time.
13. During the term of the Agreement, Faculty Member agrees to hold harmless the University against all claims, demands, causes of action, suits, or judgments, including expenses incurred in connection therewith, for death

or injuries to persons or to loss or damage to property arising out of or in connection to Faculty Member's participation in the VFPRP.

14. Faculty Member agrees to waive all claims for damage or loss to his/her person and property which may be caused by any act, or failure to act, of the University, its officers, agents, or employees.
15. Should the Faculty Member fail to fulfill or satisfactorily perform the responsibilities of the Agreement or his/ her CFES, or be unable or unwilling to complete the term of the Agreement for any reason, Faculty Member will waive any right to additional compensation beyond that for work, specific to the Agreement, already performed.
16. Faculty Member and the University President must approve the Agreement and any amendment to the Agreement, which must be in writing, before the amendments are effective.
17. The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, shall be governed by the laws of Guam.
18. If any provision of this Agreement shall be deemed by a court of competent jurisdiction to be invalid, then such provision shall be deemed stricken from the Agreement and the Agreement shall be enforced according to its valid and subsisting terms and provisions.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates indicated by their names.

FACULTY MEMBER:

FOR THE UNIVERSITY OF GUAM:

Faculty Member Date

President Date

Senior Vice President Date

Dean/ Director Date

Legal Counsel Date

CERTIFIED FUNDS AVAILABLE:

Certifying Officer Date

GL Account Number:

For Contracts Over \$200,000

Board of Regents Chairman Date

For Contracts Over \$500,000

Board of Regents Treasurer Date

University of Guam
One-Year Faculty Retirement Opportunity Agreement

The University of Guam ("University") and _____ ("Faculty Member") voluntarily enter into this Agreement pursuant to the University's One-Year Retirement Opportunity Program as follows:

1. Faculty member understands that this is a One-Year Faculty Retirement Opportunity (1FRO) that is available on a one-time only basis for retirement-eligible, tenured faculty at the University of Guam. 1FRO is limited to a budgeted number of retirement-eligible, tenured faculty on a first-come, first-served basis. The President sets the limit on the number of faculty participants to be authorized for 1FRO.
2. Faculty Member has applied for retirement with the Government of Guam Retirement Fund and been approved for participation in the 1FRO. Faculty Member's participation in the 1FRO shall begin January 1, 2016 and ends either May 31 or December 31, 2016, at the Faculty Member's option.
3. 1FRO will add ten percent (10%) to the approved Faculty Member's annual salary in effect at January 1, 2016, which 10% will be calculated based on the Faculty Member's 12-month equivalent salary, although participating faculty will remain at their current 9-month or 12-month employment status. (Note: For a May 31, 2016, retirement, the 10% is still fully paid). All other terms and conditions of employment will remain the same. The 10% is prorated among the number of pay periods between January 1 and either May 31 or December 31, 2016, and added to the salary for each pay period of the Agreement, and will be treated as part of the Faculty Member's regular salary for purposes of taxes and benefits. The Faculty Member's new salary will be reported to the Government of Guam Retirement Fund as the 2016 Board of Regents-approved salary for retirement annuity calculation.
4. This Agreement constitutes an irrevocable agreement wherein Faculty Member voluntarily agrees to resign his/her tenured faculty position either on May 31 or December 31, 2016.
5. Faculty Member agrees to hold harmless the University, its officers, agents, or employees against any and all claims, demands, causes of action, suits, or judgments, including expenses incurred in connection therewith, for death or injuries to persons or to loss or damage to property arising out of or in connection to Faculty Member's participation in the 1FRO.
6. The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, shall be governed by the laws of Guam.
7. If any provision of this Agreement shall be deemed by a court of competent jurisdiction to be invalid, then such provision shall be deemed stricken from the Agreement and the Agreement shall be enforced according to its valid and subsisting terms and provisions.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates indicated by their names.

FACULTY MEMBER:

FOR THE UNIVERSITY OF GUAM:

Faculty Member

Date

President

Date

One-Year Faculty Retirement Opportunity Agreement

Senior Vice President Date

Dean/ Director Date

Legal Counsel Date

CERTIFIED FUNDS AVAILABLE:

Certifying Officer Date

GL Account Number:

ONE-YEAR FACULTY RETIREMENT OPPORTUNITY (1FRO) AND VOLUNTARY PHASED FACULTY RETIREMENT PROGRAM (VPFRP)

The following sections summarize recommended changes to the existing University of Guam policy, which governs the University's Voluntary Phased Faculty Retirement Program. The review team recommends two approaches to faculty retirement: 1) an one-year retirement opportunity and 2) a revised voluntary faculty phased retirement program spanning 1-5 years. Pending Board approval of the programs, the team recommends the administration communicate the programs to the faculty and seek applications during March-May 2015.

1) An One-Year Faculty Retirement Opportunity (1FRO) will be available on an one-time only basis for retirement-eligible faculty at the University of Guam. Participating faculty will work from January 1 through May 31 or December 31, 2016, at a 10% higher salary with all other terms and conditions of their employment remaining the same. Participating faculty must irrevocably agree to retire effective either May 31 or December 31, 2016.

1. Faculty who apply and are approved for 1FRO shall apply for retirement and retire from the University of Guam effective either May 31 or December 31, 2016, thereby terminating his/her tenured faculty position upon completion of the contract period.
2. 1FRO adds 10 percent to the approved faculty's annual salary above their current Rank/Step. The 10% shall be calculated based on each faculty's 12-month equivalent salary, although participating faculty remain at their current 9-month or 12-month employment status. (Note: For a May 31, 2016, retirement, the full 10% will still be paid). The 10% is prorated among the number of pay periods between January 1 and either May 31 or December 31, 2016, and added to the salary for each pay period of the Agreement. This new salary, which includes the current salary plus the 10%, is paid out and reported to the GovGuam Retirement Fund as the 2016 BOR-approved salary for retirement annuity calculation. The 10% is treated as the faculty's regular salary for purposes of taxes and benefits.
3. 1FRO is limited to a budgeted number of retirement-eligible faculty, first-come, first served. The President sets the limit on the number of faculty to be authorized for 1FRO, which is recommended to be 10 participants in 2016 for financial and institutional stability reasons.
4. Administrators with faculty retreat rights may also participate in this program, upon returning to faculty status by December 31, 2015. Salary and incentive are calculated at his/her appropriate faculty rank and scale

2) Voluntary Faculty Phased Retirement Program (Revised) A phased approach to retirement in which retirement-eligible faculty continue service to the University of Guam on a reduced schedule of research and/or teaching. The phased retirement program is envisioned as a 1-5 year program, with the possibility for extension at the University's sole option for a period of no more than 2 years beyond the 5-year agreement. Participating faculty and the UOG President sign a VFPRP contract.

1. An annual announcement of a pre-determined and budgeted number of positions within the VFPRP is made prior to each academic year with a call for applications from retirement-eligible faculty, first-come, first served. No current participation limits are recommended.
2. At the faculty's sole option, participating faculty can terminate the VFPRP contract and retire at the close of any semester. At the conclusion or termination of the VFPRP contract, the Faculty Member shall apply for retirement and resign his/her tenured position with the University.
3. The University of Guam BOR/Faculty Union Agreement remains in force for faculty participating in the VFPRP, with noted exceptions as outlined in Table 1.
4. Proposed revisions to the policy are provided in the attached mark-up copy of the University of Guam Voluntary Faculty Phased Retirement Program Rules and Procedures documents.

Table 1: SALARY, BENEFITS, AND WORKING CONDITIONS UNDER VFPRP AGREEMENT (REVISED)

SALARY	BENEFITS	WORKING CONDITIONS
67% of Current Rank/Step at time of VFPRP contract approval	Eligible for Annual Increments of 2% p.a. as well as any awarded Faculty Salary Scale Adjustments	Annual CFES Review
	<p style="text-align: center;">Full Benefits*</p> <p>*Note: Contract agreement with Health Insurers limit off-island to 180 days p.a., which is aligned with maintaining Guam residency.</p>	<p><u>Teaching Faculty</u>: 4 courses during academic year. OLL courses are permitted, if agreed by the Dean. Up to two courses may be substituted for approved and funded research projects or administrative service as part of VFPRP approved plan.</p> <p><u>Research Faculty</u>: 0.50 FTE on funded research grant as PI or Co-PI.</p>
		Instruction and Research may be conducted from off-island/off-campus, as approved by Dean and federal program manager.
		Tenure; Rank; and faculty privileges (voting rights); office space and staff support remain throughout the VFPRP agreement.
		Office hour availability: 6 hours per week during instruction/research activity. For OLL courses 6 hours per week in on-line setting. If the 4 courses are prorated over several semesters, then office hours will be prorated.
		No required service/committee assignments.