

Contact: Kristin Bauer Davis

UNIVERSITY OF IOWA PILOT PHASED RETIREMENT PROGRAM EXTENSION

Action Requested: Approve a three-year extension of the three-year pilot phased retirement program utilized by the University of Iowa as detailed in this memorandum.

Executive Summary: At its June 2022 meeting, the Board approved the University of Iowa's request for a three-year pilot phased retirement program for eligible faculty and staff.

Due to labor market challenges that continue, the University is actively involved in workforce planning to meet those challenges; an extension of the three-year pilot phased retirement would continue to support workforce planning including:

- Allowing extended time for institutional knowledge transfer in complex administrative areas
- Allowing extended time for planning for and realigning academic teaching needs
- Appealing to a broader population of faculty and staff
- Providing for additional flexibility to meet identified institutional needs

The pilot program would continue under the current design with length to a maximum of a three-year phased period for eligible faculty and staff at the University of Iowa. Full retirement would be required at the end of the specified phasing period. If a three-year phasing period is agreed upon and approved, the employee's year one and year two appointment must be between 50% and 65% and only 50% the third year. For phasing periods of one year or less, the appointment cannot exceed 50%.

The pilot will expand the current Phased Retirement Program optional up to 10% budgeted salary incentive to apply to both year one and year two of a phased retirement. The salary incentive would be unavailable if the phased period is one year or less, would not be available for the second year of a two-year agreement and would not be available the third year of a three-year agreement.

All other aspects of the program would remain the same, including eligibility being regular faculty and staff in a 50% or greater regular appointment for 15 years or greater and age 57.

The current pilot phased retirement program has been successful. From July 1, 2022 – June 30, 2023, there were 50 employees in a 2-year phased retirement (71.4%) and 20 employees in the 3-year phased (28.6%). For the period of July 1, 2023 – June 30, 2024, there were 31 employees in a 2-year phased retirement (48.4%) and 33 employees in a 3-year phased (51.6%).

The current pilot program runs June 3, 2022, through June 30, 2025, with applications being accepted through June 30, 2025. An extension, if approved, would run July 1, 2025 through June 30, 2028.