

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Principles for Early Retirement Programs
Date: November 5, 2001

Recommended Action:

Approve the principles for the development of early retirement programs

Executive Summary:

Strategic Plan The Board strategic plan, Key Result Area 1.0.0.0, states the Board of Regents, State of Iowa, will become the best public education enterprise in the United States. Inherent in this goal is having benefit programs that assist in attracting and retaining highly qualified staff.

Key Result Area 4.0.0.0 requires the Board to exercise effective stewardship of institutional resources to maintain the confidence and support of the public in the utilization of existing financial resources. Reviewing annually the retirement options of the institutions demonstrates the Board's stewardship.

Background In July 2001, the Board approved the following actions relative to the existing Early Retirement Incentive Program (ERIP) and Phased Retirement Program:

- Continue the Phased Retirement Program through June 30, 2007.
 - Discontinue the ERIP effective June 30, 2002.
 - Develop a set of principles for future early retirement programs for action by the Board in November 2002.
 - Propose no later than the Regent meeting in February 2002 an early retirement program for any institution wishing to implement one effective July 1, 2002.
 - Authorize the institutional heads to exercise discretion as to whether faculty and staff who are qualified for participation in the current ERIP on June 30, 2002, may have two years after expiration of the program in which to request to participate.
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**Early
Retirement
Program
Principles**

Through the consultation between the Board Office and the five institutions, the following principles were developed which will guide the institutions in designing early retirement programs. An early retirement program will:

- Comply with governing law;
- Be designed as a voluntary window incentive program requiring administrative approval and be distinguished from other retirement programs;
- Be independently designed to allow each institution flexibility to meet its strategic goals and human resource needs;
- Be advantageous to each institution's programmatic, economic, and human resource perspective;
- Offer economic benefits to employee participants;
- Be evaluated periodically to assure that the program accomplishes its intended objective.

With approval of these principles, the institutions will analyze their needs relative to early retirement programs and report back to the Board in February.

**Approval
Requested**

Approval of the Early Retirement Program Principles is requested.

Marcia Brunson

Marcia R. Brunson

Approved: _____

Robert J. Barak

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