SUBJECT: EARLY RETIREMENT POLICY

1.0 PURPOSE

1.1. The purpose of this Policy is to set forth the terms and conditions under which the College may seek and employees may apply for Early Retirement from the College.

2.0 DEFINITIONS

2.1. As set forth in Policy 318 unless otherwise defined here.

2.2. Early Retirement: the voluntary separation from employment by Snow College with continued benefits for a set period of time and upon the terms and conditions set forth by this Policy and an Early Retirement Contract.

2.3. Early Retirement Contract: a contract between the Employee and the College setting forth the terms and conditions of the Early Retirement and which includes the terms and conditions set forth in this Policy unless specifically replaced by the Contract.

2.4. Early Retirement Program. The program for Early Retirement created by this Policy.

3.0 POLICY

3.1. Snow College from time to time at its sole discretion offer an opportunity to full-time employees when in the judgment of the College it will help the College to achieve a defined business objective. Business objectives may include:

3.1.1. Reduce wage expenses;

3.1.2. Restructure a job and/or a department;

3.1.3. Avoid layoffs (furloughs);

3.1.4. Reallocate a position to another area of the College.

3.2. The Early Retirement Program is not an entitlement for employees, and Early Retirement may only be approved when it is in the best interests of the College.

3.3. Early retirement is independent from, Utah State Retirement (URS) and TIAA.

3.4. The Early Retirement Program will operate and be reviewed on a year-to-year basis to monitor its effectiveness and its fiscal implications. The College administration shall report annually to the Board of Trustees the status of the Early Retirement Program. The report will include a list of names of those currently participating and the total cost being incurred, and an evaluation of the financial and other administration benefits of the program to the College as well as a comparison of results with the projections made for the program.

4.0 PROCEDURES

4.1. Candidates

4.1.1. Eligible candidates are full-time employees with benefits (Faculty, Staff, and Executives) who at the time of application and approval are employed at least 75% full time.

4.1.2. In general, Early Retirement is not available to at-will employees or those whose positions are funded by outside funds such as grants or development funds.

4.1.3. Early retirement is not available to Faculty and Staff who have not fulfilled their one-year obligation to the College following a sabbatical or professional leave.

4.1.4. Candidates age combined with years of Snow College service must total a minimum of 75 years or more.

4.1.5. In the event of financial exigency and with the approval of the Executive Committee of the Board of Trustees, the College President may adjust these criteria to expand eligibility.

4.2. Consideration

4.2.1. Entrance into the Early Retirement program is not a right and is available to employees who qualify only upon recommendation of the President's Cabinet, President, and with approval of the Board of Trustees.

4.2.2. The College may generally solicit candidates for Early Retirement by announcing a program, listing criteria of who will be considered, and inviting applications. The College may also inquire of specific employees whether they would consider Early Retirement. In rare circumstances, eligible employees desiring to enter the Early Retirement program may indicate a desire by consulting with HR and the applicable Vice President or Provost.

4.2.3. If preliminary approval to proceed is given, the Candidate must apply to the Human Resource Office in writing indicating the date Early Retirement is desired. In general, six months notification is desired prior to the proposed Early Retirement date but the College may agree to an earlier date. HR will provide the application form which must be completely filled out and signed.

4.2.4. HR will consult with the employee's immediate supervisor and other parties to determine if there is a business objective that can be achieved by the proposed Early Retirement.

4.2.4.1. Faculty applications will be reviewed by the applicable dean and Chief Academic Officer before being forwarded to the College President.

4.2.4.2. Staff applications will be reviewed by the executive over the employee's department before being forwarded to the College President.

4.2.5. The applicable parties and HR will then determine if the application will be advanced to the President.

4.2.6. The College President will then decide whether to recommend the Early Retirement to the Board of Trustees.

4.2.7. The Board of Trustees will make a final decision as to whether to approve an Early Retirement.

4.2.8. There is no right to Early Retirement or to have a request considered at any level. Ultimately, an Early Retirement must benefit the College and the College retains the sole discretion to consider and approve a request.

4.3. Implementation

4.3.1. Early Retirements will be memorialized in an Early Retirement Contract between the employee and the College consistent with this Policy. HR will provide a form Early Retirement Contract that includes both mandatory and negotiable provisions.

4.3.1.1. The Early Retirement Contract should include a general release of all claims against the College.

4.3.2. Primary Incentive:

4.3.2.1. The presumptive incentive for early retirement is that the employee will be kept on payroll and benefits after their retirement date for a period equaling one (1) week for each year of service accumulated by the employee, with a minimum incentive of 10 weeks, and a maximum benefit of 30 weeks.

4.3.3. Alternative Incentive

4.3.3.1. College administration may offer one or more of the following alternative incentives to an employee if in the administration's judgment that is necessary to achieve the business objective sought by offering an early retirement.

4.3.3.1.1. A monthly stipend20% of the employee's base pay (excluding overtime, overload, or any other extra pay or stipend).

4.3.3.1.2. Group benefits, which include health care and dental coverage. The Candidate may be required to pay part of the premium. The Early Retirement Contract may provide that health care and dental coverage expires upon the earlier of three years or the employee reaching the age of eligibility for Medicare.

4.3.3.1.3. The Early Retirement Contract may also provide that the employee can purchase up to five years additional health care and/or dental coverage for themselves or an uncovered spouse and/or dependent(s) with the employee being responsible for the full premium cost.

4.3.3.2. Alternative monetary incentives are typically offered instead of the primary incentive.

4.3.3.3. In order to offer an alternative monetary incentive, the administration must determine that the money saved justifies the alternative arrangement.

4.3.4. Employees who elect Early Retirement will not be eligible for disability benefits, or other similar benefit programs.

4.3.5. Regular staff employees may be required to use accrued annual leave prior to the Early Retirement being effective or it may be agreed to pay out that leave as though the employee terminated employment.

4.3.6. Early retirees must agree that they are responsible to determine whether an Early Retirement affects their other retirement options such as URS or TIAA and the early retiree must agree to be solely responsible for any consequences such as an inability to receive a URS pension while in early retiree status.

4.3.7. If the early retiree should die during Early Retirement, all early retirement benefits will terminate at the end of the month in which death occurs. The College will pay the balance of that month's retirement stipend payment, if any, and a $5,000 lump sum death benefit as expeditiously as appropriate to the early retiree's designated beneficiary.