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6-602 Optional Retirement Program

The optional retirement program shall be offered only to those employees included under their employment categories of Administrative (ABOR Policy 6-101), Faculty (ABOR Policy 6-201), and Professional (ABOR Policy 6-301).

- A. An employee, assuming a position which grants entitlement to membership in an optional retirement program, or upon being made eligible for participation in an optional retirement program as a result of the adoption of this policy, shall be advised in writing of this right and shall have a period of thirty days following notification in which to make an election and complete the necessary enrollment requirements. Enrollment in an optional retirement program is prospective only and shall not affect prior contributions made to any other retirement program.
- B. Optional retirement plan state contributions and interest thereon being held by a university pending an employee's completion of five years of creditable service shall be transferred to the gaining institution if an employee is offered employment by and is transferring to another university within the Arizona Board of Regents System. This transfer of funds is required whether or not the position is eligible for participation in an optional retirement program.
- C. A phased retirement program is available to participants of the Optional Retirement Plan with appropriate university approval.
 1. The phased period will be for no more than three years.
 2. The phased period may be accelerated upon mutual agreement of the university and the participant; however, the period may not be extended.
 3. Employment must be no less than 50% FTE, unless otherwise requested by the participant.
 4. Salary will be reduced according to the participant's FTE rate.
 5. Both participant and employer retirement plan contributions will continue based on the participant's reduced salary.
 6. Tenured faculty must relinquish tenure at the end of the phased period. Individuals with continuing status must relinquish continuing status at the end of the phased period.

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7. The terms and conditions of the phased retirement will be documented in a written agreement between the participant and the employer which will include the participant's eligibility for the phased retirement program and the date of retirement.