

Faculty Transitional Contracts Program



Overview

Murray State's Faculty Transitional Retirement Program was approved by the Board of Regents on December 4, 2014. This program permits full-time faculty to fully retire from Murray State and then begin part-time employment as a Transitional Faculty member, with either a one- or two-year contract. Transitional Faculty do not retain tenure status, but do retain academic rank.

Selected key features of Faculty Transitional Retirement contracts include:

- One- or two-year non-renewable contracts.
- Based on institutional need, and not automatically awarded.
- Requires minimum of six years of full-time service to be eligible.
- May teach a minimum of six and a maximum of twelve semester hours per year, but must also comply with retirement statutes and policies as applicable. Special service designations (e.g. accreditation) may be included as part of the contract.
- One-year contracts are calculated at 3.75% of the prior year base salary per credit hour, up to a maximum of 45% of base salary. The rate for a two-year contract is 3.5% of the prior year 9-month base salary per credit hour, up to a maximum of 42% of base salary. Participants in the two-year program are eligible for any COLA the University may provide but not merit-based adjustments.
- Faculty Transitional Program participants are not eligible for retirement sick leave credit benefit.

Faculty Transitional Voluntary Retirement Program Enhancements and Considerations:

In order to facilitate budget planning, the Board of Regents approved the following program changes on December 7, 2018 for only for faculty members who notify the University in writing of their intent to retire at the end of either the 2018-19 academic or fiscal year.

- A three-year transitional contract will be added, which will not be available for faculty retiring after June 30, 2019.
- An increase in the compensation to 3.75% per credit hour for two- and three-year options, which will not be available for faculty retiring after June 30, 2019.
- A faculty member who enters into a Transitional Contract will be eligible to receive the sick leave retirement credit up to the maximum allowed by statute. Employees who retire after June 30, 2019, will no longer be eligible to receive this benefit.

Sick Leave credit or payment sunsets June 30, 2019:

The Board of Regents has approved a change to Policy V B, Teachers' Retirement System (TRS)/Optional Retirement Plan (ORP) in the *Personnel Policies and Procedures Manual* that states that the sick leave credit or payment at the point of retirement for faculty and staff on the Teachers' Retirement System (TRS) and the Optional Retirement Plan (ORP) to sunset after June 30, 2019. The policy change will be effective July 1, 2019.

Summary of Key Changes and Impacts

Faculty Transitional Retirement Program	Voluntary Retirement Incentives Program-FY19
One- and two-year contracts	Three-year transitional contract added; will not be available after June 30, 2019.
One-year contracts compensated at 3.75% per credit hour of prior year base salary, up to maximum of 45%. Two-year contracts compensated at 3.5% per credit hour of prior year base salary, up to maximum of 42%.	One-year, two-year, and three-year contracts will all be compensated at 3.75% per credit hour of prior year base salary, up to a maximum of 45%.
Not eligible for both transitional contract and sick leave credit/payout retirement benefit.	Eligible for both transitional contract and retirement sick leave credit/payout benefit for faculty retiring at end of 2018-199 academic/fiscal year. Retirement sick leave benefit will not be available for faculty or staff retiring after June 30, 2019.

Timeframe to Apply for Faculty Transitional Contracts

	Faculty member should discuss options with Chair of department
By January 10	Faculty member should forward their formal and irrevocable request to the Chair
By January 15	Chair shall forward recommendation to the Dean
By February 1	Dean shall forward recommendation to the Provost
By February 15	Provost shall present a listing of recommended applicants to the President
By March 1	President shall inform the Provost of decision
By March 15	Provost shall inform faculty member of the decision of the President and shall work with the Dean and Chair to facilitate the transition
	The Board of Regents must approve two- or three-year contracts.