

Early Retirement Policy

To implement the early retirement policy of the State Board of Higher Education, Mayville State University has adopted the following policies and procedures:

1. Whether or when an individual will take early retirement is always a matter of mutual agreement between the individual and the university. In the absence of mutual agreement, employment is unchanged.
2. These policies and procedures are intended to provide maximum equity and fairness in the treatment of early retirement candidates. The university does not budget for early retirement. Any funds that may be available for early retirement buy-outs are limited to potential savings from replacement hiring or from reallocation. Tight budgets and legislative uncertainties make it inevitable that the response of the administration will vary over time.
3. Individuals who are considering early retirement should carefully read the State Board Policy 703.1 to verify their eligibility and identify the early retirement options. For a confidential discussion or questions, the individual may wish to consult the university's human resources specialist. Retirement planning assistance is available from TIAA-CREF.
4. To aid in planning, individuals who are seriously considering early retirement are encouraged to notify the Vice President in their area as soon as they are comfortable doing so. At that time, they indicate whether they are seeking an early retirement buy-out and, if so, in what amount.
5. The administration will review all requests for buy-out and assess any strategic considerations that may affect the welfare of the university. Such considerations could include, for example, the student-faculty ratio in the department, potential for hiring an adequate replacement, or the need to change program direction with new expertise. Strategic considerations will affect the priority order for addressing the requests. In the absence of strategic considerations, requests will be addressed in the order in which they were received.
6. The administration will notify the individual as soon as possible whether it appears that funding may be available for an early retirement buy-out. With respect to retirements planned to start in odd-numbered years when the legislature establishes the university's biennial budget, it may be difficult to identify funding options until late spring of that year.

The only buyout option is a payment equal to the family medical insurance cost for the buyout period. The university will calculate the buyout amount based on current premium rates. Individuals can take the buyout amount in a lump sum cash payment, or have the university pay their medical premiums in which case the university will cover any increase in premiums during the buyout period.

All faculty requests for early retirement must be submitted to the VPAA's office. Other eligible individuals must submit their requests to the President's office.

The only exception to this policy is if conditions require the University to make major organizational or program related changes.

Reviewed: Fall, 2008

Sponsor: President