

Phased Retirement for Faculty

Summary Plan Description

A. Introduction

The following description is of a phased retirement plan for regular faculty of Clark University. The faculty member will enter into an agreement with the University to retire at a specified date in the future, and to reduce overall workload during the phased period of one semester to three years. The specific terms of an agreement will be arranged between the individual faculty member and the Provost, to the mutual agreement of both parties. It is anticipated that specific agreements for individuals will differ.

B. Establishment of the Plan

This Summary Plan Description sets forth the provisions of the University's Phased Retirement Plan for faculty, established by Clark University as of September 1991. Funding for this plan is provided from the University's general operating funds.

C. Eligibility

Participants must be tenured faculty with ten years of service at Clark University who have attained age 59. A year of service is defined as two semesters of full-time employment, including semesters of sabbatical leave and leave for pregnancy, but excluding other leaves of absence.

D. Salary

Salary in the first year will be 50-70% of full-time salary. Annual increases for phased retirees will be equal to the average increase for full-time faculty in their rank.

E. Work Responsibilities

In no case is it expected that the overall workload will be less than half that of a full-time faculty member. The teaching load shall be 40-60% during the period for phased retirement. Non-teaching responsibilities will be determined by mutual agreement of the faculty member and the Provost prior to the commencement of the individual phased retirement agreement.

F. Benefits

Faculty will be eligible for full benefits except sabbatical leave, life, and long-term disability insurance. The University's contribution to TIAA/CREF and Social Security shall be based on actual salary paid.

The University's contribution to the faculty member's health insurance plan will be equal to that for full-time faculty. If an individual is restricted by the health insurance carrier from continuing enrollment in their current health insurance plan, the University will allow its regular contribution toward another plan. If the faculty member is no longer eligible for one of the University's health plans and not eligible for Medicare, then he/she may:

1. Convert to the non-group, direct pay, bill-at-home plan (if provided by the carrier), with the University contributing its regular contribution to the plan, or
2. Take advantage of the Consolidated Omnibus Reconciliation Act (COBRA) option and remain in one of Clark's regular health insurance plans for up to 18 months, after which time convert

to the non-group, direct-pay, bill-at-home plan (if provided by the carrier), with the University contributing its regular contribution to the plan.

Continued eligibility for any health insurance plan is subject to the policies and practices of the carrier.

G. Application for Participation

An eligible faculty member must apply to the Provost for participation in the phased retirement plan. The terms of each phased retirement agreement are subject to the approval of the Board of Trustees of Clark University.

H. Plan Administration

The Director of Human Resources at Clark University, located at 20 Downing Street, Worcester MA 01610, (508) 793-7294, is the Administrator of this plan and is responsible for performing duties required for the operation of the plan. The Administrator may designate in writing other persons to carry out duties under the plan.

I. Plan Year

The plan year is September 1 through August 31 of each year. Records for each participant are maintained on a calendar year basis.

J. Requests for Information

Requests for information and questions concerning eligibility, participation, or other aspects of the operation of the plan should be in writing and directed to the Administrator of this plan.

K. Amendment and Termination

While it is expected that this plan will continue, the University reserves the right to modify or discontinue the plan at any time. The University may also delegate any of its powers and duties with respect to the plan, or amendments, to one or more officers or other employees of the University. Any such delegation shall be set forth in writing.

Any discontinuance or modification of the plan cannot adversely affect the benefits accrued by the participants prior to the date of discontinuance or modification.

L. Statements of ERISA Rights

Participants in the Phased Retirement Plan are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

1. Examine, without charge, at the Administrator's office, all plan documents, including all plan documents filed with the U.S. Department of Labor such as annual reports and plan descriptions.
2. Obtain copies of all plan documents upon written request to the Plan Administrator. The Administrator may make a reasonable charge for the copies.
3. Receive a summary of the plan's annual ERISA report to the Internal Revenue Service. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

ERISA sets forth the duties of the people who are responsible for the operation of the Phased Retirement Plan. The people who operate this plan have a duty to do so prudently and in the interest of the plan participants. No one, including the University, may discharge or otherwise discriminate

against participants in any way to prevent them from obtaining benefits to which they are entitled under the plan or exercising their rights under ERISA.

If an application for benefits under the plan is denied in whole or in part, the participant must receive a written explanation of the reasons for the denial. Participants have the right to have the Administrator review and reconsider denied claims on eligibility, participation, or other aspects of the operation of the plan. Under ERISA, participants may take steps to enforce these rights. If the Plan Administrator's responsibility is not discharged according to the terms of this plan or if a participant is discriminated against for asserting ERISA rights, he or she may seek assistance from the University States Department of Labor, or may file a suit in federal court.

Contact the Plan Administrator if you have any questions about this plan. If a participant has any questions about this statement or about rights under ERISA, he or she should contact the nearest area office of the United State Labor-Management Services Administration, Department of Labor.