

**ARIZONA BOARD OF REGENTS
POLICY MANUAL**

6-602 Optional Retirement Program

Revision Dates

11/16/2023, 1/25/2008, 12/4/1987, 6/2/1984, 3/12/1983 (adopted; effective 5/1/1983)

An optional retirement program shall be offered only to those employees included under the employment categories of Administrative (ABOR Policy 6-101), Faculty (ABOR Policy 6-201), and Professional (ABOR Policy 6-301). The Board has established the "Optional Retirement Plan" as an optional retirement program.

- A. An employee, assuming a position which grants entitlement to membership in an optional retirement program, 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 program employer 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 at the gaining institution 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.
 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.
-

Policy History

- 3/12/1983 The Policy Manual was adopted by the Board to be effective 5/1/1983.
- 6/2/1984 Policy revision approved by the Board on second reading.
- 12/4/1987 Policy revision approved by the Board on second reading.
- 1/25/2008 Policy revision approved by the Board on second reading.
- 11/16/2023 Policy revision approved by the Board on second reading.

Related Information

See 3/12/1983 meeting minutes.

This policy was originally numbered as 6-604 from its adoption in 1983 until 12/4/1987.