

November 4, 2011

Dear Faculty Member:

I am writing to notify you of changes regarding the Howard University Faculty Phased Retirement Program (PRP).

### **NOTICE REGARDING CHANGES TO FACULTY PHASED RETIREMENT PROGRAM**

The University is amending the Phased Retirement Program (PRP) to provide more flexibility in the payment options for the Retirement Incentive Payment that participating faculty members will receive as part of the program. In addition, in order to provide faculty members sufficient time to consider this change and to determine whether they are interested in participating in the PRP, we have extended the deadline for submitting PRP applications, as well as the deadline for completing negotiations for reaching a mutual understanding regarding the terms of the faculty member's participation (i.e., termination date, any phase-out period, and workload). Details regarding these two changes are provided below.

#### New Deadlines

The deadline for submitting an *Application to Participate in the Phased Retirement Program* is now **Wednesday, November 30, 2011**.

The date by which the participating faculty member and his/her Dean must reach a mutual understanding regarding the terms of the faculty member's participation is now **Wednesday, February 29, 2012**.

The above deadlines apply to both clinical and non-clinical faculty members.

#### New Payment Options for Retirement Incentive Payment

Faculty members fully retiring under the PRP on June 30, 2012 will continue to receive 100% of their Retirement Incentive Payment within 60 days of that date. However, faculty members who will have a phase-out period may now elect to have the Retirement Incentive Payment distributed in installments on one of the following schedules:

- For non-clinical faculty, 50% within 60 days of June 30, 2012 and the remainder in equal installments over the phase-out period, commencing at the end of the first year of the phase-out period; and for clinical faculty, 50% of the Academic Portion of the Incentive Payment within 60 days of June 30, 2012 and the remainder of the Retirement Incentive Payment (the other 50% of the Academic Portion and the full amount of the Clinical Portion of the Incentive Payment) in equal installments over the phase-out period, commencing at the end of the first year of the phase-out period;
- 100% of the Retirement Incentive Payment at the end of the phase-out period;
- Equal installments of the Retirement Incentive Payment at the end of each year during the phase-out period;
- 50% of the Retirement Incentive Payment at the end of each of the two final years in the phase-out period; or

- In such annual installments as are mutually agreed to by the faculty member and the University and documented in the Faculty Phased Retirement Agreement, provided that the latest any payment can be made is the end of the phase-out period, and the greatest payment that can be made prior to the end of the first year of the phase-out period is 50% of the Retirement Incentive Payment for non-clinical faculty, and 50% of the Academic Portion of the Retirement Incentive Payment for clinical faculty.

The installment schedule selected will be documented in the formal *Faculty Phased Retirement Agreement* executed by the faculty member and the University.

#### Issuance of PRP Booklets

A complete PRP Booklet for clinical faculty and an amended PRP Booklet for non-clinical faculty that incorporates these changes and contains the details of installment options and provisions and other terms of the PRP will be issued shortly.

Reference materials such as the *Program Booklet* for Eligible Faculty (non-clinical) and those provided on the PRP website at [www.hr.howard.edu/prp/info.html](http://www.hr.howard.edu/prp/info.html), will be updated to reflect these modifications. The Program Booklet for Eligible Faculty (clinical) will also be available in the near future. The Program Booklets will contain details concerning the payment options and other terms of the Program. If you need immediate assistance, please call (202)806-1259, or send an e-mail to [prp@howard.edu](mailto:prp@howard.edu)

Sincerely,

Jimmy Jones  
Chief Human Resources Officer