

Faculty Voluntary Retirement Incentive Program

October 22, 2021



THE UNIVERSITY OF
TENNESSEE
KNOXVILLE

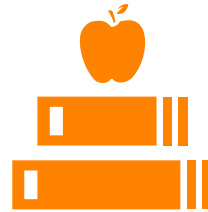


Voluntary Retirement Incentive Program (VRIP)



University

Creates flexibility for the university to align resources with new strategic vision goals related to teaching, research, and engagement



Faculty

Benefits faculty eligible for retirement



Participation

Based on participation from previous UT programs, we estimate a 30% participation rate

Faculty Eligible for Retirement (w/o VRIP)

Retirement Eligibility Set by State of Tennessee

- 55 years of age + 10 years of service (262 faculty)
- 60 years of age + 5 years of service (29 faculty)
- Any age + 25 years of service (202 faculty)
- Total faculty eligible for retirement: 493 (26% of faculty)

Faculty Eligible for VRIP

- Employees who hold a regular faculty appointment (including faculty serving in administrative roles)
- Faculty who meet the following eligibility criteria as of June 30, 2022:
 - Eligible for either Service Retirement or Early Retirement under the Tennessee Consolidated Retirement System (TCRS) or the Joint Contributory Retirement System (JCRS-A) or other federal retirement program (FERS/CSRS) with at least 20 years of service; or
 - A participant in the Optional Retirement Program (ORP) with at least 20 years of service

VRIP Graduated Incentive Payments

- 20-25 years of service: 6 months of base salary
- 26-29 years of service: 9 months of base salary
- 30+ years of service: 12 months of base salary

VRIP Participation

- Total number of faculty eligible for VRIP: 386 (20% of faculty)
- Total potential salary dollars impacted: \$49,930,635
- FY22 maximum estimated cost: \$12 million (30% participation)

Potential Faculty VRIP Participants by College

UT Knoxville - College/Division	Retirement Eligible Faculty	Potential Salary Dollars Impacted
College of Communication & Information	16	\$ 2,037,633
College of Education, Health, and Human Sciences	20	\$ 2,107,605
College of Architecture & Design	9	\$ 1,103,091
College of Arts and Sciences	157	\$ 16,630,599
College of Law	15	\$ 2,506,761
College of Nursing	4	\$ 491,063
College of Social Work	4	\$ 564,242
General Administration	4	\$ 1,069,818
Haslam College of Business	25	\$ 4,128,392
Herbert College of Agriculture	5	\$ 681,950
Libraries	10	\$ 1,021,927
Research Centers	1	\$ 101,565
Tickle College of Engineering	36	\$ 5,997,822
Ag Research	35	\$ 4,820,548
Extension	18	\$ 2,473,562
Vet Med	27	\$ 4,194,057
Totals:	386	\$ 49,930,635

Teaching Assignments

- Non-tenure track faculty will temporarily be hired to cover teaching assignments
- Reserves will be used, if needed, to cash flow the buyouts.

Timeline Following Board Approval

- Communication to eligible faculty about program details and application process: October and November 2021
- Management of VRIP Participation (October 2021 – June 2022)
 - Minimum confidential application and consideration period of 60 days
 - Participant commitment deadline: February 15, 2022
 - Participant retirement date: June 30, 2022

Questions?



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