

Policy 3115: Phased Retirement Program

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USU Policy: 3115: Phased Retirement Program

Category: Human Resources

Subcategory: Benefits

Covered Individuals: Benefit-Eligible Employees

Responsible Executive: Vice President and Chief of Staff

Policy Custodian: Office of Human Resources, Sr. Associate Vice President for Human Resources

BACKGROUND:

Why is this change necessary?

This policy was revised in March 2025. During that revision, a key sentence was inadvertently deleted. This sentence supports a core principle of this policy and ensures no phased retirement exceeds 3 years. This information existed in the previous version prior to March 2025.

KEY PROVISIONS OF THE NEW/REVISED POLICY:

What has changed?

In Section 2.1, a sentence was added to the end of the first paragraph:

"The term of the phased retirement period will be clearly defined in the Phased Retirement Agreement but will in no case extend beyond three (3) years."

IMPLEMENTATION PLAN:

How will you implement the new policy?

The Office of Human Resources will continue to educate employees through the retirement process and utilize current channels of communication (e.g. the Memo, training, website, etc).

Upon final approval, Policy 3115 will be published in the USU Policy Library to ensure accessibility to all University stakeholders. The Policy Office will disseminate announcements through official University channels, including an email list serv. Publication of this revised policy will adhere to the structured policy lifecycle defined in USU Policy 1001 and its associated procedures to promote consistency, transparency, and principles of shared governance. This policy will be reviewed on a 3-year cycle. Feedback on Policy 3115 may be submitted on the Policy Office website, regardless of the review cycle.

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Last Revised: 2026/MM/DD

Previous USU Policy Number: 368

3115.1 PURPOSE AND SCOPE

Utah State University's (USU's) Phased Retirement Program supports staffing flexibility consistent with overall University and individual department needs, provides benefit-eligible employees with an opportunity to partially retire or retire in planned stages while continuing to provide service to the University in their area of expertise.

3115.2 POLICY

2.1 Eligibility

The Phased Retirement Program is available to USU benefit-eligible employees who are at least 55 years of age and have completed at least five (5) years of continuous service for USU immediately before participation in the Phased Retirement Program. The term of the phased retirement period will be clearly defined in the Phased Retirement Agreement but will in no case extend beyond three (3) years.

Employees who enter the Phased Retirement Program agree to a reduced full-time equivalent (FTE) of at least one-fifth but not lower than 0.5 FTE. The employee's FTE cannot be increased during the Phased Retirement Program, although it may be decreased.

2.2 Initiation of the Phased Retirement Agreement

Participation in the Phased Retirement Program is not an entitlement, or a right, but is subject to administrative approval of the terms and conditions within the written Phased Retirement Agreement that is placed in the employee's personnel file. Eligible employees desiring to participate in this program must advise their immediate supervisor and appropriate department head or director as soon as possible before the proposed date of phased retirement. Academic-year appointments may only begin Phased Retirement on January 1 or July 1 of any year unless a different date is mutually agreed upon in writing by the department head, dean, and provost in consultation with the Office of Human Resources.

While University administrators consider all requests to participate in the Phased Retirement Program, the nature of the employee's working assignment may not lend itself to a reduced schedule or a reduction in responsibilities. In addition, other practical considerations (e.g., the impact of existing phased retirement participants on the unit or department, lack of office space or laboratory facilities, funding considerations, etc.) may preclude approval of Phased Retirement requests.

When a Phased Retirement request is approved, the department sends a request to the Office of Human Resources to prepare the Phased Retirement Agreement ("Agreement"). The request should include the reduced schedule and any adjustments to the employee's responsibilities.

2.3 Phased Retirement Incentives

2.3.1 Salary Payments

Salary payments during the phased retirement period will be the salary base just before phased retirement multiplied by the FTE percentage defined in the Phased Retirement Agreement. This portion of the salary may be increased during the phased retirement period based on University guidelines for annual salary increases.

2.3.2 Benefits

While participating in the Phased Retirement Program, participants are entitled to the same status and employment-related benefits at the same level attained before the effective date of the Agreement. However, any applicable vacation and sick leave will be earned on a pro-rata basis according to FTE.

2.3.3. Restrictions

Pay for summer months for academic-year appointments is calculated at the same reduced FTE. Employees on phased retirement are not eligible for Extra Service Compensation (ESC). Phased retirement cannot be used in conjunction with the Early Retirement Incentive Program. Employees cannot transition from Phased Retirement to the Early Retirement Incentive Program (see [USU Policy 3113: Early Retirement Incentive Program](#)).

3115.3 RESPONSIBILITIES

3.1 Immediate Supervisors, Department Heads and Directors

Notify and coordinate with the Office of Human Resources on approved requests for phased retirement to facilitate the necessary documentation to complete the process.

3.2 Employees

Request participation in the Phased Retirement Program by notifying their immediate supervisor and appropriate department head or director. Coordinate with the Office of Human Resources to complete the Phased Retirement Agreement.

3.3 Office of Human Resources

Advise, draft, and implement the Phased Retirement Agreement to support the department and employee.

3115.4 REFERENCES

- [Utah Code Ann. § 49-11-1201](#), *et seq.*, Post Retirement Employment Restrictions Act
- [Utah Code Ann. § 49-11-1301](#), *et seq.*, Phased Retirement

3115.5 RELATED USU POLICIES

- [Policy 3113: Early Retirement Incentive Program](#)

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RESOURCES

Contacts

- [Senior Associate Vice President of Human Resources, Doug Bullock](#)

POLICY HISTORY

Original issue date: 2002/09/01

Last review date: 2026/MM/DD

Next scheduled review date: 2028/03/01

Previous revision dates: 2018/01/12, 2002/09/01, 2025/03/17

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