

Board Meeting
July 13, 2006

POLICY ON RE-HIRING UNIVERSITY OF ILLINOIS RETIREES

Action: Enact Policy on Re-Hiring University of Illinois Retirees

Funding: No Funding Required

At the July 14, 2005, meeting of the Board of Trustees, the Board rescinded its policy enacted June 11, 1993, titled "Reemployment Agreements," that had delegated to the President authority to enter into agreements for temporary re-employment of University of Illinois retirees. To clarify the University's future approach on re-hiring its retirees, a new policy is proposed as set forth in the attachment. The new policy provides criteria for re-employment of University of Illinois retirees. The policy requires prior Board of Trustees approval in certain circumstances, and for other situations of retiree re-employment, periodic reporting to the Board.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The policy as stated is effective immediately upon approval by the Board. This policy is not intended to contravene obligations in written agreements with employees and retirees executed prior to the effective date of this policy.

The President of the University recommends approval.

Policy on Re-Hiring University of Illinois Retirees

Retirement from the University of Illinois is at the discretion of the employee. When an employee of the University retires, this action will, in most cases, conclude the person's employment with the University.

Nonetheless, occasional re-employment of University retirees is a wise human resource practice for the University. Re-employing such retirees from time to time can help the University achieve quality and value objectives in serving students, conducting research, caring for patients, and managing exceptional circumstances and special needs. For example, a retiree may be specially qualified to do important work or perform a specific job at a time when good alternatives are unavailable or are more costly and of lower quality.

The University expects and requires effective succession planning and does not intend to use University retiree re-employment as a substitute for developing well-qualified faculty and staff. The University will not re-hire its retirees for the sole purpose of cost savings attributable to benefits which a retiree receives from the State Universities Retirement System (SURS). The University will not appoint retired senior administrators to positions from which they have retired or to similar positions without prior Board approval which would be based on exceptional circumstances and a clear and compelling benefit to the University.

University retirees in the following categories may be re-employed for the purposes described without prior Board approval:

- Retired faculty members who teach courses, advise students, and perform related duties on a part-time or occasional basis.
- Retired faculty or staff members who conduct research on appointments funded by grants and contracts.
- Retired clinical faculty members who are employed to provide patient care on a part-time or occasional basis.
- Retirees who are appointed as academic hourly employees on a temporary basis.
- Retirees who are appointed on a temporary basis to perform staff functions when other options are not feasible.

The Board will be notified of these appointments in writing near the time of each regular Board meeting, and such appointments will have specified end dates.

The requirements of this policy do not apply to re-hiring of University retirees pursuant to statutes and rules established for the State Universities Civil Service System, applicable to all Illinois public universities.

Finally, University retirees may be selected for University jobs at competitive salaries through open and competitive search processes. Such appointments, and any other employment of University retirees beyond the circumstances defined in this policy, will require prior approval by the Board of Trustees via an agenda item titled: “Recommendation(s) to Re-Hire University Retiree(s).”