



Voluntary Partial Retirement (VPR) Program – FAQ Sheet

What is VPR?

The Voluntary Partial Retirement (VPR) Program allows eligible faculty and executive/management/professional staff to transition into retirement through a phased reduction in work over a period of up to three years.

What are the benefits of VPR?

- Reduced work hours (typically 50–80%) with proportional pay.
- University continues **retirement contributions based on 100% annual base pay**.
- Full benefits, insurance, and employee privileges.
- Ability to withdraw or annuitize **up to 100%** of retirement accumulations.

Eligibility & Getting Started

Who qualifies?

You must be:

- At least **55 years old**
- Have **10+ years of service**
- Participating in the Purdue Standard Retirement & Savings Plans (PSRS)

VPR must be mutually agreed upon and approved by unit leadership.

How do I begin?

1. Discuss schedule options with your supervisor/department head/dean.
2. Submit the **Voluntary Partial Retirement Request Form** for routing and approval.

Required Approvals

- Department Head
- Dean (faculty only)
- Vice Chancellor
- *HR and Business Office receive a copy of the final approved form.*

Maximum Length

Up to **3 years**.

Can the agreement be extended?

No. Duration cannot be lengthened nor the employment percentage increased. Earlier retirement or further reduction in work schedule may be approved with mutual agreement.

Retirement & Benefit Details

Access to Retirement Funds

You may withdraw or annuitize **up to 100%** of your retirement accumulations during VPR.

Retirement Contribution Calculations

Contribution Type	Based On	Rate
403(b) University Base	Full annual salary	10%
401(a) Mandatory Employee	Reduced salary	4%
403(b) University During Semester Off	Full annual salary	10%

Voluntary Retirement Savings (403b/457b)

Your percentage deferral automatically adjusts to your reduced pay. No contributions occur during unpaid semesters, with no retroactive adjustments.

Common VPR Agreement for Faculty Positions:

Working full-time one semester → Off the next semester

Benefit Premiums During Semester Off:

Premiums are **doubled during the working semester** to cover your non-working semester while maintaining pre-tax status.

HSA Contributions:

- **Employer contributions continue** during time off.
- **Employee contributions resume** when you return to paid status (no full-year adjustment).

Guidance for Department Heads Before Approving

Is approval required if an employee is eligible?

No. The proposed reduced work schedule must align with unit needs. Consider workload, operational continuity, and resource availability before approving.

Questions About Payroll or Benefit Deductions? Please contact:

PNW Human Resources

Email: hr@pnw.edu

Phone: 219-989-2251