

Conversion to a Fixed-term Pre-Retirement Contract - Procedures

1. Purpose of procedures

1.1 These procedures outline the process for an eligible University staff member to apply to convert their ongoing appointment to a fixed-term pre-retirement contract and make clear the requirements of senior officers of the University to ensure administrative responsibilities are fulfilled and policy principles are implemented effectively.

2. Scope and application

2.1 These procedures apply to ongoing full-time and fractional staff members of the University.

3. Definitions

Please refer to the University's Glossary of Terms for policies and procedures. Terms and definitions identified below are specific to this policy and are critical to its effectiveness:

A fixed-term appointment is an appointment which has a specific commencement date and a specific end date.

An ongoing appointment is employment for an indefinite period and is other than a fixed-term or casual appointment.

A pre-retirement contract is a fixed-term contract of employment entered into by the University with a staff member who has indicated a willingness to commit to a retirement date. A pre-retirement contract supersedes any pre-existing contract/s of employment. The term of a pre-retirement contract is normally up to a maximum of one year, except in circumstances where the staff member chooses to take their accrued leave entitlements during the term of the pre-retirement contract. In such circumstances, the pre-retirement contract may be extended for a period no greater than six months.

Preservation age is the age at which a person can access their superannuation upon permanent retirement from the workforce. A person's preservation age is determined by the year the person was born.

A salary loading means an amount paid in addition to base salary. For the purposes of a pre-retirement contract with the University, a salary loading of 10 percent is payable on the staff member's substantive base salary, that is, not the salary that applies to an acting position, secondment or other higher level of payment.

4. Procedures

4.1 While the University generally encourages the use of fixed term pre-retirement contracts, they are not an entitlement, and can only be agreed when the cost of the fixed term pre-retirement contract is offset by a resulting benefit or gain to the University.

4.2 Eligible staff members who are considering applying for conversion to a fixed-term pre-retirement contract should discuss their intention to apply with their supervisor before submitting the Application for a Fixed-Term Pre-Retirement Contract.

2.3 The Application for a Fixed-Term Pre-Retirement Contract specifies:

(a) the position and level of appointment;

(b) the start and end dates of the contract;

(c) the hours of work; for example, the staff member can seek to work full-time, part-time or a combination of both over the term of the contract;

APPROVAL AUTHORITY

Chief Operating Officer

RESPONSIBLE EXECUTIVE MEMBER

Chief Operating Officer

DESIGNATED OFFICER

Director, People and Culture

FIRST APPROVED

19 November 2014

LAST AMENDED

16 February 2022

REVIEW DATE

15 May 2026

STATUS

Active

- (i) if the applicant has a full-time ongoing appointment and seeks to reduce their time fraction for all or part of the term of the fixed term pre-retirement contract, whether or not they choose to contribute to superannuation at the full-time loaded rate (in which case the University will also pay the employer contribution at the full-time loaded rate);
- (ii) if the applicant has a fractional appointment and seeks to further reduce their time fraction for all or part of the term of the fixed term pre-retirement contract, whether or not they choose to contribute to superannuation at the fractional loaded rate that applied immediately prior to the commencement date of the fixed term pre-retirement contract (in which case the University will maintain that rate of employer contributions);
- (d) for recreation leave and long service leave (if applicable), whether or not the applicant seeks to:
- (i) be paid out at the conclusion of the ongoing appointment at the unloaded rate and new accruals commence for the period of the fixed-term pre-retirement contract; or
- (ii) carry over entitlements to the fixed term pre-retirement contract.
- (e) confirmation that the applicant has sought independent financial and superannuation advice.

4.4 The Application for a Fixed-Term Pre-Retirement Contract is submitted to the Cost Centre Manager for a decision.

4.5 If approved the Cost Centre Manager provides the Application for a Fixed-Term Pre-Retirement Contract to People and Culture for processing. The Director, People and Culture will confirm in writing:

- (a) the termination of the applicant's ongoing appointment; and
- (b) the terms and conditions of the fixed-term pre-retirement contract.

4.6 If not approved, the Cost Centre Manager will advise the staff member of the decision.

5. Responsibilities

ACTIVITY	UNIVERSITY OFFICER
Receive and approve or not approve applications for pre-retirement contracts	Cost Centre Manager
Confirm in writing the termination of ongoing appointments in writing and the terms and conditions of the fixed-term pre-retirement contract of employment	Director, People and Culture
Monitor and report on applications for and approvals of pre-retirement contracts annually	Director, People and Culture

END

RELATED DOCUMENTS

- Conversion to a Fixed-term Pre-Retirement Contract - Operational Policy

LINKED DOCUMENTS

- Conversion to a Fixed-term Pre-Retirement Contract - Operational Policy

RELATED LEGISLATION / STANDARDS

- USC Enterprise Agreement