

**Rule 5-302A: Scope, Eligibility and Limitations for Retirement Programs – University Employees (Other Than UUHC Staff).**

Revision 0. Effective date: December 6, 2016

- I. Purpose and Scope** ..... 1
- II. Definitions** ..... 2
- III. Rule**..... 3
  - A. General Eligibility for University-funded Retirement Programs..... 3
  - B. Selection of Appropriate Retirement Program..... 5
  - C. Additional Provisions Regarding the URS Programs ..... 6
  - D. Additional Provisions Regarding the 401(a) Program ..... 7
  - E. Supplemental Retirement Plans..... 7
  - F. Information on Retirement Programs and Related Benefits ..... 8
- IV. Policies/ Rules, Procedures, Guidelines, Forms and other Related Resources** ..... 8
- V. References** ..... 9
- VI. Contacts** ..... 9
- VII. History** ..... 9

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**I. Purpose and Scope**

A. Purpose.

To implement University Policy 5-302 and provide the scope, eligibility, and limitations for retirement programs available as a benefit for University Employees.

B. Scope.

This Rule applies to University Employees other than Employees of the University of Utah Hospitals and Clinics (UUHC). Employees of UUHC should refer to Rule 5-302B, Scope, Eligibility and Limitations for Retirement Programs – University of Utah Hospitals and Clinics Employees.

## II. Definitions

The definitions provided in Policy 5-302 apply for this rule. In addition, the terms below apply for the limited purpose of this rule.

- A. "The definitions of Employee-related terms provided in Policy 5-001 apply for purposes of this Rule, including the following: "Employee", "Faculty" or "Faculty Member", "FTE", "Full-time", "Staff", and "Temporary".
- B. "401(a) Program" is defined as the University's 401(a) Defined Contribution Retirement Plan. The 401(a) Program was created by the University of Utah pursuant to Internal Revenue Code rules and regulations. The 401(a) Program is one of the two University-funded retirement programs.
- C. "Phased Retirement Program" means an arrangement for early partial retirement as embodied in a written contract between the University and the Employee.
- D. "Retirement" means the full or partial termination of regular compensated service as an Employee concurrently with eligibility to receive retirement benefit payments or distributions under an applicable University-funded retirement program.
- E. "URS Program" is defined as the plans available through Utah Retirement Systems which are established and administered by the State of Utah and governed by Utah law. The "URS Program" includes the Public Employees Noncontributory Retirement System, Public Employees Contributory Retirement

System, 401(k) Plan, Public Safety Retirement System, Tier 2 Public Employees Noncontributory Retirement System, and Tier 2 Public Safety Retirement System. The URS Program is the other University-funded retirement program.

### III. Rule

#### A. General Eligibility for University-funded Retirement Programs

1. Except as provided in paragraph 2, the following Employees are eligible to participate in a University-funded retirement program for University Employees (either the 401(a) Program or URS Program, as determined in accordance with this Rule):
  - a. Employees, other than Faculty Members, who are assigned to positions which are not Temporary and have an FTE of 50% or greater.
  - b. Faculty Members meeting one of the following criteria as to percentage of full-time equivalent (including any effort for which compensation is paid by external entities):
    - i. Faculty Members employed in a Tenure-line (Tenured or Tenure-track) position(s) at 50% FTE or greater, or at 37.5% or greater pursuant to a nine-month employment contract which is to be paid out over a twelve-month period.
    - ii. Faculty Members employed in a faculty position(s) other than a Tenure-line category (i.e., in a Career-line, Adjunct, or Visiting Faculty category position) at 50% FTE or greater, who have an appointment that is not Temporary
    - iii. When an individual is employed in two or more distinct Faculty positions (e.g., having two joint appointments to tenure-line positions in separate units, or having a career-line appointment and a tenure-line appointment in two separate units) the percentage of FTE for all of that person's Employee positions will be combined to determine the overall

FTE for that Employee, for purposes of applying these eligibility criteria.

- c. Persons on a partial retirement status pursuant to the University's Phased Retirement Program.
2. The following Employees are not eligible to participate in any University-funded retirement program, (but may participate in a Supplemental Retirement Plan on a voluntary basis as described in Part III.E below):
    - a. Employees who are assigned to positions which are Temporary; provided that if the individual is in fact employed in such a position for more than nine months (or as otherwise required by Utah Law), shall be enrolled and begin participation in the appropriate University-funded retirement program within 60 days after the end of such nine-month period of employment.
    - b. Employees whose assigned positions do not meet the minimum percentage of FTE specified in III.A.1.a and III.A.1.b above; provided that if the Employee actually works in such position for 20 or more hours per week each week during a nine-month period, the employee shall be enrolled and begin participation in the appropriate University-funded retirement program within 60 days after the end of such nine-month period of employment.
    - c. Students whose employment status with the University does not satisfy the requirements of paragraph III.A.1.a above.
    - d. Medical interns and residents, postdoctoral fellows, teaching and research assistants, teaching fellows, and other educational trainees.
    - e. Employees serving as exchange Employees from outside the state, including Employees participating in the J1 Visa Exchange Visitor Program or Optional Practical Training through the U.S. Citizenship and Immigration Service.

B. Selection of Appropriate Retirement Program

1. An eligible individual who was in the employment of the University on December 31, 1978 will be enrolled permanently in the Retirement Program elected by the Employee on or before that date.
2. An eligible individual who enters eligible employment with the University on or after January 1, 1979 shall (except as otherwise required or allowed by Utah law) be enrolled in the retirement program applicable to the group to which the eligible individual's position is classified by the University. Effective October 1, 2015, in accordance with the Utah System of Higher Education Guidelines for Retirement Programs, the University classifies the following groups to be eligible for participation in either (a) the appropriate URS Program or (b) the University 401(a) Program:
  - a. Employees who are employed in the University's Department of Public Safety as (i) a law enforcement officer, correctional officer, or special function officer, and in the course of employment, the employee's life or personal safety is at risk, and who have completed a certified training program which is documented with URS, or (ii) a full-time dispatcher expected to work 40 hours per week, whose primary duties are to receive calls for police and other public safety emergencies and dispatch appropriate personnel and equipment and who have completed a certified training program which is documented with URS, shall be enrolled in the appropriate URS Program.
  - b. All employees who make an irrevocable election to participate in a URS Program (pursuant to paragraph 4 7 below) shall be enrolled in the appropriate URS Program.
  - c. All other employees eligible to participate in a University-funded retirement program shall be enrolled in the University 401(a) Program.
3. Notwithstanding the preceding provisions of this Part B, an eligible person who was enrolled in a URS Program on October 1, 2015, shall remain

enrolled in a URS Program as long as the person continues to meet the eligibility criteria for participation in a University-funded retirement program.

4. Notwithstanding the preceding provisions of this Part B, and as required by Utah law, all employees who begin eligible employment with the University who have previously participated in a URS Program and who make a timely, irrevocable election to participate in a URS Program as a University Employee shall be enrolled in a URS Program. However, to satisfy the University's fiduciary obligation to not impose on the University additional compensation expense, Employees who make such a timely election pursuant to this section III.B.4 shall have their compensation adjusted so that the amount of any additional University funding contribution to the URS Program shall be offset by a reduction in wages and related benefits for that employee to the extent necessary to achieve budget neutrality for that position.

#### C. Additional Provisions Regarding the URS Programs

1. The University shall pay contributions for those eligible employees enrolled in a URS Program, (unless otherwise required by URS for Tier 2 participants), in accordance with schedules and subject to limits established by law.
2. Retirement benefits are available under a URS program only to Employees who meet the vesting requirements for members of the specific URS Program in which they participate.
3. For Employees who have completed a sufficient number of years of service in a URS program to be vested, the retirement benefits received upon retirement are governed by statutory provisions which take into account:
  - a. The accumulated contributions credited to the Employee's URS 401(k) account, if any, including earnings thereon in accordance with law.
  - b. The number of years of service while participating in URS (if the Employee participates in one of the defined benefit plans).

- c. The Employee's pre-retirement compensation (if the Employee participates in one of the defined benefit plans).
    - d. The payment plan selected at the time of retirement.
  4. Employees enrolled in a URS Tier 2 Program may elect to also contribute to the URS 401(k) plan, through voluntary payroll deduction. Participation in the URS 401(k) plan is governed by Utah law and applicable plan documents.
- D. Additional Provisions Regarding the 401(a) Program
  1. Contributions to the 401(a) Program are paid directly by the University, in accordance with the applicable plan document and subject to limits established by law.
  2. Employees participating in the 401(a) Program may choose from among the investment providers selected by the University from time to time in accordance with Utah System of Higher Education Guidelines for Retirement Programs and Utah law.
  3. Employees participating in the 401(a) Program may choose from among the various investment options provided by the investment providers, subject to the policies, rules and fees applicable to the investment options.
  4. Withdrawals from the 401(a) Program are governed by the applicable plan documents and law.
  5. Upon retirement, the individual's monthly income derived from the 401(a) Program will be determined by: (1) the total contributions to the account of the Employee, together with earnings thereon, and (2) the payment or distribution options selected by the individual.
- E. Supplemental Retirement Plans
  1. The University may establish Supplemental Retirement Plans available for University Employees as provided by and in accordance with law.

2. All Employees may choose to voluntarily participate in a Supplemental Retirement Plan established by the University, and may choose to contribute funds to the University's Supplemental Retirement Plans through payroll deduction, subject to the plan rules in the applicable plan document and maximum limits established by law.
3. Contributions (including limits on contribution amounts), investment of funds, and withdrawals are governed in accordance with the applicable plan documents and law.

F. Information on Retirement Programs and Related Benefits

1. Additional information on retirement programs and plans may be obtained from Human Resources, including:
  - a. Designation of beneficiaries for retirement accounts and death benefits that may be available.
  - b. Maximum and minimum contribution limits for each retirement plan.
  - c. Withdrawal rules and requirements of each retirement plan.
2. Each investment provider offers University Employees confidential, free guidance on investment options, risk, fees, and contribution amounts, provided by licensed representatives.

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*Sections IV- VII are for user information and are not subject to the approval of the Academic Senate or the Board of Trustees. The Institutional Policy Committee, the Policy Owner, or the Policy Officer may update these sections at any time.*

**IV. Policies/ Rules, Procedures, Guidelines, Forms and other Related Resources**

A. Policies/ Rules.

1. Policy 5-302: Retirement Programs



2. Rule 5-302B: Scope, Eligibility and Limitations for Retirement Programs –  
University of Utah Hospitals and Clinics Employees

B. Procedures, Guidelines, and Forms. [ *reserved* ]

C. Other Related Resources. [ *reserved* ]

**V. References**

A. Policy 5-001, Employee Definitions

B. Policy 5-200, Leaves of Absence (Health-Related)

C. Policy 5-302: Retirement Programs

D. Utah System of Higher Education Rule 851, Guidelines for Retirement Programs

E. Utah Code, Title 49, Utah State Retirement and Insurance Benefit Act

**VI. Contacts**

The designated contact officials for this Regulation are

A. Policy Owner(s) (primary contact person for questions and advice): University's  
Director of Benefits

B. Policy Officer(s): Chief Human Resources Officer

See Rule 1-001 for information about the roles and authority of policy owners and  
policy officers.

**VII. History**

Revision History.

A. Current version. Revision 0.

1. Approved by -- Academic Senate December 6, 2016 with effective date of  
December 6, 2016.

2. Editorial Revisions

a. Editorially revised April 21, 2023 to move to current regulations template

- b. Editorially revised April 7, 2022 to replace gender-specific pronouns
- B. Previous versions.
- C. Renumbering
  - 1. Not applicable