Kirkwood
COMMUNITY COLLEGE

College Procedure: 402.18 – Retirement Plans

Policy Reference:	402 – Employee Benefits and Compensation
Responsible Department:	Human Resources
Approval Authority:	Cabinet
Procedure Owner:	Vice President, Human Resources and Institutional Effectiveness
Effective Date:	09/26/2012
Version Number:	2
Legal Counsel Reviewed (yes/no):	No
Scope:	College-wide

Reason for Procedure

Describe the enrollment guidelines, plan designs and contribution levels of the retirement plans offered to eligible Kirkwood employees.

The Procedure

Eligible employee is defined in Iowa Code Section 97B.1A. The definition includes individuals hired on a regular, continuous basis. Iowa Code Section 97B.1A also specifies that eligible employee does not include:

- Part-time continuing education instructors
- Employees enrolled as students and whose primary occupation is that of a student
- Temporary employees hired to work less than six consecutive months or 1,040 hours in a calendar year

Newly eligible employees may elect to participate in either the Iowa Public Employees' Retirement System (IPERS) or Teachers Insurance Annuity Association/College Retirement Equity Fund (TIAA-CREF).

Eligible employees have 60 days from their date of eligibility to make a retirement plan selection. The retirement plan selection is a one-time election and employees cannot later select the other plan. If an employee does not make a plan selection within the 60-day enrollment period, Kirkwood is required by law to default the employee to IPERS. A default to IPERS will be considered the employee's one-time plan selection.

IPERS is a defined benefit plan that provides a pre-set amount of retirement income that is guaranteed and predictable. The retirement benefit is determined using a formula, which takes into account the employee's highest five years of IPERS taxable wages, their age and their years of participation.

TIAA-CREF is a defined contribution plan. The employee and the College contribute a certain percentage of the employee's salary each month into an individually owned retirement annuity account. The employee decides how to allocate these combined contributions among TIAA's fixed (guaranteed) annuity and CREF's investment accounts. The results of the employee's participation in these options will determine the size of their overall accumulation and the amount of retirement income they will receive.

The employee and employer contributions are maintained at the same level of benefits for both programs.

The employee contribution is state-mandated. Employees cannot contribute more or less than the state-mandated contribution level. Employees who wish to contribute additional pre-tax money toward retirement can participate in a voluntary tax-sheltered annuity.

Revision Log

Table 1 Revision Log

Version Number	Date Approved	Approved by	Description of Change
1	09/26/2012	Mick Starcevich, President	New procedure
2	06/12/2019	Cabinet	Procedure template
3	10/30/2026	HR Department	Reviewed, no edits