



R851, Guidelines for Retirement Programs¹

R851-1 Purpose: To define the retirement plans available in the System and to provide guidelines for enrollment in the plans.²

R851-2 References

- 2.1** Utah Code § 53B-2-106, Duties and Responsibilities of the President
- 2.2** Utah Code Title 49, Utah State Retirement and Insurance Benefit Act
- 2.3** Utah Code § 49-12-204, Higher Education Employees' Eligibility Requirements
- 2.4** Utah Code § 49-13-204, Higher Education Employees' Eligibility Requirements

R851-3 Policy

3.1 Available Retirement Programs: The Utah Retirement System Program and a defined contribution retirement plan administered through Teachers Insurance and Annuity Association/College Retirement Equities Fund, Fidelity Investments, and the Vanguard Group, Inc. are the only authorized retirement plans to which the institution contributes on behalf of the employees of the Utah System of Higher Education.

3.1.1 As authorized by federal law for institutions with a land grant mission, certain employees in the Extension programs at Utah State University have the option to enroll in federal retirement programs.

3.2 Utah Retirement System: The Utah Retirement System (URS) Program is a defined benefit plan. The URS is governed by the Utah State Retirement Board as established by Utah Code Title 49. The contribution rate and options available in the system are controlled by the State Retirement Board and by State law.

3.3 Authorized Defined Contribution Plans: The Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA-CREF), Fidelity Investments, and the Vanguard Group, Inc. are authorized as investment providers for defined contribution plans. The institutions are authorized to offer any or all of the investment options available from these authorized defined contribution plans.

¹ Approved June 27, 1978; amended May 25, 1990, May 24, 1991, June 15, 1994, May 29, 1998, July 12, 2002, June 9, 2006, and April 20, 2007.

² Technical edits November 1, 2024.

3.3.1 Institutions are authorized to offer withdrawal of funds in compliance with authorized defined contribution plan regulations within the following guidelines:

3.3.1.1 Within each institution, all employees and former employees shall have equal access to the withdrawal option.

3.3.1.2 Individuals terminating their employment with the sponsoring institution may opt for withdrawal, regardless of their age.

3.3.1.3 Individuals opting for withdrawal who have not terminated their employment with the sponsoring institution must be at least 59 1/2 years of age.

3.4 No Board or Institutional Endorsement: Authorization by the Board or the institution for eligible employees to direct some or all of their retirement contributions to one or more of these authorized investment providers and/or defined contribution plan funds does not imply endorsement by the Board or the institution.

3.5 Information and Advice to Employees: Institutions shall provide information to employees on retirement options available. However, institutional officials shall avoid giving individualized advice to retiring employees and shall advise employees that they should consult with qualified attorneys, accountants, or financial advisors of their own choosing before making retirement decisions.

3.6 Individual Responsibility: Participation in these funds or any other authorized retirement fund is the responsibility of each individual participant. Each fund or option carries a different degree of financial risk. Employees should read and understand the materials available from the authorized investment provider, defined contribution plan or from the State Retirement Board before selecting any of the investment options. Consultation with the employee's attorney, accountant and/or financial advisor is advisable.

R851-4 Guidelines for enrollment of employees

4.1 Classification of Employees: Each institution, with the approval of its institutional Board of Trustees, must classify its eligible employees into not more than three retirement groups. Each employee newly employed by the institution shall be enrolled in the retirement program declared applicable to the group to which his or her position is classified under the approved classification system.

4.2 Classification Criteria: The approved classification system for each institution shall be consistent with the following guidelines:

4.2.1 The criteria used to classify personnel shall, so far as practicable, place all positions of equivalent rank and responsibility in the same retirement group. Example: All instructional

personnel of the same rank shall be in the same retirement group, regardless of college, department, discipline, or salary level.

4.2.2 The approved retirement classification may not be based upon salary level, seniority, longevity of employment, employee preference, or tenure status.

4.2.3 The criteria of classification shall relate to the relative general characteristics of various levels of positions, such as the distinctions between academic or nonacademic, exempt or nonexempt, administrative or non-administrative, etc., and shall take into account the degree to which out-of-state portability (a feature of authorized defined contribution plans but not of URS) is a factor in the recruitment and retention of certain classes of institutional personnel. The institution's classification plan may provide that temporary changes in work assignments not to exceed five years in duration will not require a change in classification.

4.2.4 Notwithstanding the guidelines set out above, an institution may provide that a person already enrolled in the Utah Retirement System on the date of employment or reemployment may elect to maintain URS enrollment regardless of the fact that he or she has been employed in a position requiring enrollment in an authorized defined contribution plan program.

4.2.5 An employee who holds concurrent appointments in two or more positions, at least one of which is so classified as to require enrollment in a different retirement program from that required by the other position(s), shall be enrolled in the retirement program required by the classification of the position determined by the institution to be the primary appointment for the employee.

4.3 Healthcare Provider Units: Notwithstanding the provisions of 4.2, employees of healthcare provider units operated by an institution may be classified as a distinct group and participate in separate retirement programs maintained by the institution.