

**Eastern Washington University**  
**Governance System**  
**Human Resources**

**TOPIC: 610 Benefits and Retirement**

*Note: Many changes have been implemented regarding the benefits and retirement plans and more are forthcoming. These changes will be incorporated into the policies and procedures manual at a later date. In the meantime, please contact the benefits office with specific questions.*

**SUBTOPIC: 610-020 BENEFITS**

**SUBTOPIC: 610-040 RETIREMENT**

**610-040-020 Retirement.** Retirement policies are available in the benefits office.  
(Formerly BL 300.70.00; amended 8/96, UGS-96-008)

**610-040-040 Authority for Retirement System.** The Eastern Washington University Retirement System has been established by the board of trustees under authority provided by RCW 28B.10.400 et. seq. for the purpose of providing retirement incomes and related benefits to certain faculty and administrative-exempt staff members.  
(Formerly BL 405.10.00)

**610-040-060 Amendment, Suspension, or Discontinuance of Rules and Regulations.** Eastern Washington University expects to continue this plan indefinitely, but the right is necessarily reserved to change, suspend, or discontinue at any time. No change or suspension will adversely affect the benefits already purchased by the participant and the university's contributions. (Formerly BL 405.11.00)

**610-040-080 Retirement System Goal.** (Subject to the provisions of section 610-040-160). The board of trustees has adopted the goal for the University Retirement System of providing for participants, upon retirement, at age 65 and after 25 years of eligible service, as defined at section 610-040-100(3), a minimum retirement income equivalent to 50 percent of the average salary for the highest two consecutive years of service, exclusive of federal Social Security benefits. (Formerly BL 405.12.00)

**610-040-100 Definitions.**

- (1) **Annuity.** Retirement income purchased from the Teachers Insurance and Annuity Association (TIAA) and its companion organization, the College Retirement Equities Fund (CREF), and Washington State Teachers Retirement System by joint contributions. The amount to be treated as annuity from the latter shall include only that portion earned while a member of a Washington State higher education institution. (Formerly BL 405.13.10)
- (2) **Annuity Retirement Option.** Lifetime income after retirement, selected from several choices to provide maximum income for the retiree only or reduced

income during retirement that includes continuation of a portion of that income to a designated beneficiary subject to the limitations of section 610-040-220(5).  
(Formerly BL 405.13.11)

- (3) **Eligible Full-Time Service.** Employment as a member of the university faculty or administrative-exempt staff in a position normally requiring employment of more than 70 hours per month in at least five months of each year. Eligible full-time service does not include employment incidental to obtaining an education, leaves of absence without pay or employment in non-Washington state institutions of higher education, but shall include leaves of absence for active military service that interrupt university employment, leaves of absence for illness with pay, and professional leave time with compensation. Provided further that for persons employed after June 21, 1979, credit for eligible full-time service for the purpose of computing the retirement goal shall be limited to those years in which contributions are made to the University Retirement System or other Washington state higher education retirement systems. (Formerly BL 405.13.12)
- (4) **Includable Salary.** Income upon which contributions are made by both a participant and a public higher education institution in the state of Washington. (Formerly BL 405.13.13)
- (5) **Highest Two Consecutive Years' Salary.** The highest includable salary received during any 24 consecutive months of full-time service. (Formerly BL 405.13.14)
- (6) **Income Benefits Following Retirement.** The amounts of retirement income calculated on the basis of length of eligible service and average salary for the highest two consecutive years. TIAA/CREF annuities and any pension as a result of participation in the Public Employees Retirement System or the Washington State Teachers Retirement System while employed in a Washington state public higher education institution, and Supplemental Retirement Income Payment shall be included as part of the Retirement Income Benefit. Social security benefits shall not be used to reduce this minimum retirement income nor are they a part of it. (Formerly BL 405.13.15)
- (7) **Supplemental Retirement Income Payment.** Income paid by the university when the calculated Retirement Income Benefit is greater than the retirement annuity as described at section 610-040-220(3). (Formerly BL 405.13.16)
- (8) **Compensation.** The amount paid by the university to a participant that must be reported as wages on the participant's Form W-2, plus compensation that is not currently includable in the participant's gross income because of the application of Code Sections 125 or 403(b) through a salary reduction agreement. Compensation taken into account under the plan will not exceed the annual compensation limit imposed by the Omnibus Budget Reconciliation Act of 1993. Code section 401(a)(17). (New 8/96, UGS-96-008)

## **610-040-120 Eligibility to Participate in the Retirement System.**

- (1) **Faculty Eligibility.** Participation is restricted to and mandatory for employees of the university except:
- (a) Persons eligible to participate in the Public Employees Retirement System.
  - (b) Persons in positions requiring normally less than five months service per year and/or less than half time employment.
  - (c) Persons who would normally be eligible by virtue of job classification and employment date for participation in Public Employees Retirement System Plan II, but are declared ineligible because the position requires less than the minimum number of working hours.
  - (d) Persons employed primarily as incident to and in furtherance of their education or training.
  - (e) Persons employed as incident to the education or training of a spouse except such employees may declare themselves to be career employees and upon request, will be granted participating membership rights.
  - (f) Persons rendering professional services on a fee, retainer, or contract basis or as incident to the private practice of a profession.

(Formerly BL 405.14.10)

- (2) **Participation Required.** As a condition of employment, an eligible member of the faculty or exempt staff shall begin contributory participation in the retirement system immediately upon employment if he/she already owns a TIAA/CREF contract, or at the beginning of the third year of full-time service if he/she does not own a TIAA/CREF contract upon employment; provided, however, that:
- (a) Any member of the faculty or exempt staff may, at his/her option, begin contributory participation prior to the beginning of the third year of full-time service. For persons employed after June 21, 1979, credit for years of service shall be limited to those years in which contributions are made to the University Retirement System or other Washington state higher education retirement systems.
  - (b) Any member of the faculty or exempt staff who, at the time of employment, is a member of the Washington State Teachers Retirement System may at his/her option elect to retain his/her membership in that system either temporarily or permanently, and shall not, while a member of that system, be required to begin contributory participation in TIAA/CREF.
  - (c) Any member of the faculty or exempt staff who, at the time of employment, is a member of the Public Employees Retirement System, may at his/her option, elect to retain his/her membership in that system either temporarily or permanently, and shall not while a member of that system be required to begin contributory participation in TIAA/CREF.

(Formerly BL 405.14.11)

- (3) **Reclassification of Classified Staff to Faculty.** Upon classification by the administration of any university employee from a classified staff category to a faculty category, the faculty member shall thereupon be eligible for participation in the University Retirement System provided such faculty meet all other eligibility criteria for participation and provided that application for participation is made within six months of the date of reclassification. The faculty may continue participation in the Public Employees Retirement System if transfer is not chosen. (Formerly BL 405.14.12)
- (4) **Transfer from Faculty Appointment to Classified or Exempt Staff Position.** Upon transfer from faculty status to a classified or exempt staff position, an employee may continue participation in the University Retirement System or begin participation in the Public Employees Retirement System as a new employee. (Formerly BL 405.14.13)

**610-040-140 Source of Retirement Income Benefit.** (Formerly BL 405.15.00) The Retirement Income Benefit shall consist of:

- (1) **TIAA/CREF Annuities.** The income derived from annuities purchased from TIAA and/or CREF. (Formerly BL 405.15.10)
- (2) **Supplemental Retirement Income Payment.** Supplementary Retirement Income payments to full-time members of the Retirement System after at least 10 years of full-time service according to the provisions prescribed in these rules. (Formerly BL 405.15.11)
- (3) **State of Washington Employees Retirement Benefits.** The retirement income, if any, resulting from participation in the Washington Public Employees Retirement System and the Washington State Teachers Retirement System while employed in a Washington state public higher education institution, provided retirement occurred while the employee was a participant in the University Retirement System. (Formerly BL 405.15.12)
- (4) **Social Security Benefits.** Benefits under social security (Old Age Survivors Insurance) shall be in addition to the retirement income as herein defined. (Formerly BL 405.15.13)

**610-040-160 Contribution Rates, Contribution Distribution and Includable Salary.**

- (1) **Basis for Contribution.** Payments to the University Retirement System are made by each participant in accordance with the rates established in section 405.16.13. (Formerly BL 405.16.10)
- (2) **Summer Salary Participation.** Participants with summer appointments shall contribute to the University Retirement System on salary received during their summer appointments. Such contributions will be at the rates provided in Section 405.16.13. (Formerly BL 405.16.11)

(3) **University Contribution.** University contributions shall be equal to the employee contribution, but in no instance shall exceed 10 percent of salary and shall apply to the purchase of retirement benefits for the participants. (Formerly BL 405.16.12)

(4) **Contribution Rate.**

- (a) Employees less than age 35: Five percent of basic annual salary.
- (b) Employees 35 years of age or older:
  - (i) Minimum Contribution: Beginning the first pay period following the 35th birthday of the participant, 7.5 percent of basic annual salary.
  - (ii) Maximum Contribution: Beginning the first pay period following the attainment of age 50 or later upon application an employee may elect to contribute 10 percent of basic annual salary.

(Formerly BL 405.16.13)

(5) **Distribution of TIAA/CREF Contribution.** Participants may allocate premiums to any TIAA or CREF account. Premium allocations must be expressed in whole percentages and total 100%. (Formerly BL 405.16.14; Amended 8/96, UGS-96-008)

**610-040-180 Income Tax Deferral.** As authorized by the Internal Revenue Code an employee may enter into an agreement with the university to reduce the employee's monthly basic salary by the amount of the University Retirement System contribution and by a supplemental amount as prescribed in the Internal Revenue Code, and the university shall transmit that amount to purchase retirement annuities in the name of the employee and thereby defer the income tax on the amount until received as benefits. At the option of the employee, such retirement annuities may be purchased from TIAA/CREF or such other insurance company as may be approved by the vice president for business and finance provided that at least 25 employees must sign a salary reduction agreement, in a form acceptable to the vice president for business and finance, designating a specific insurance company before such insurance company will be approved by the vice president for business and finance. Any agreement regarding this section shall be legally binding and irrevocable for both parties while employment continues; provided, however, that after one year from the effective date of the agreement, either party may terminate the agreement; and provided, further, that no more than one agreement for such salary reduction may be made within any taxable year of the employee except to the extent otherwise permitted by the regulations of the Internal Revenue Code. (Formerly BL 405.17.00; amended 8/96, UGS-96-008; title correction 11/99)

**610-040-200 Social Security (Old Age Survivor Insurance) Contributions.**

Contributions, as prescribed, shall be in addition to Retirement System contributions. (Formerly BL 405.18.00)

**610-040-220 Retirement Income Benefit.**

(1) **Eligibility.** Participants in the University Retirement System shall, after 10 or more years of eligible full-time service, be eligible for a Retirement Income Benefit as prescribed in the following sections. (Formerly BL 405.19.10)

**(2) Retirement Income Benefit.** The Retirement Income Benefit shall be computed at retirement after 10 or more years of eligible full-time service and be based on a rate of two percent of the average of the highest two consecutive years' annual salary for each year of eligible full-time service to a maximum of 50 percent. Beginning July 1, 1974, if a participant does not elect to contribute 10 percent of salary for the purchase of retirement annuities during periods of service at age 50 or later, the Retirement Income Benefit for those periods, as included in the calculations of the Retirement Income Benefit, shall be based on a rate of 1.5 percent of the average of the highest two consecutive years' annual salary. If the participant works for 20 years prior to age 50 and contributes only 7.5 percent thereafter, the Retirement Income Benefit will be based upon 20 years at two percent and five years at 1.5 percent of the average of the highest two consecutive years' annual salary. If the participant works for 20 years prior to age 50 and contributes only 7.5 percent thereafter, the Retirement Income Benefit will be based upon 20 years at two percent and five years at 1.5 percent. Failure to contribute at the 10 percent rate prior to July 1, 1974, shall not affect the Retirement Income Benefit. (Formerly BL 405.19.11)

**(3) Retirement Option as a Base for the Retirement Income Benefit.**

- (a) Annuity Retirement Option: For the purpose of calculating the Supplemental Retirement Income Benefit it shall be assumed that a married retiree has elected a Joint and Annuity Retirement Option with a 10 year guarantee, including post retirement dividends, using the actual ages of the retiree and spouse, but not exceeding a five-year age difference. It shall further be assumed that a single retiree has elected an Installment Refund Annuity for TIAA and a Life Annuity with a 10 year guaranteed period for CREF.
- (b) The election of an annuity option, other than the Joint and Annuity to Survivor with a 10-year guarantee, including post-retirement dividends, shall not alter the calculation of the Supplemental Retirement Income Payment.
- (c) The annuity accumulation in CREF may be optionally transferred to a TIAA annuity at anytime.
- (d) Transition Benefit: A participant age 55 or older may elect to take, upon retirement, a transition benefit of a lump sum payment of up to 10 percent of the total accumulation in the TIAA and CREF contracts then being converted to an annuity payment thereby reducing the total TIAA/CREF Annuity Benefits by the amount of such payment. Calculations of the Retirement Income Benefit shall be made on the basis of the original annuity accumulation before removing the lump sum payment.
- (e) Annuity Retirement Option for Washington State Teachers Retirement Benefit: A rate of two percent of the average of the highest two consecutive years' annual salary for each year of full-time service while participating in Washington State Teachers Retirement System or, alternatively, \$6.50 per month for each year of service credit in the

Washington State Teachers Retirement System together with a monthly annuity payment produced by the member's contributions whichever is greater.

- (i) The basis for calculating the Supplemental Retirement Income Benefit for a retiree with vested interest and who has maintained participation in the Washington State Teachers Retirement System shall receive an annuity equal to the amount calculated by the method described in 405.19.12(5) from Washington State Teachers Retirement.
- (ii) For a retiree who opted to withdraw from Washington State Teachers Retirement System and received a lump sum refund in 1957, it shall be assumed for supplement calculation that the retiree is credited with a retirement annuity equal to two percent for each year of full-time service while participating in the Washington State Teachers Retirement System computed on the base of the average salary of the highest two consecutive years within the period prior to 1957, or alternatively, \$6.50 per month for each year of service credit in the Washington State Teachers Retirement System together with a monthly annuity payment produced by the member's contributions whichever is greater.

(Formerly BL 405.19.12; amended 8/96, UGS-96-008)

- (4) Supplemental Retirement Income Payment.** For the purpose of the Retirement Income Benefit calculation, if the Retirement Income Benefit is greater than the Annuity Retirement Option, then a Supplemental Retirement Income Payment shall be paid monthly to a retiree.
- (a) Contribution Assumptions: In no case shall annuities purchased entirely by self-paid premiums of the individual be used to reduce the university obligation for Supplemental Retirement Income Payments.
  - (b) Summer Contributions: Retirement annuities developed from employees and university contributions from summer salary shall be included in the calculations of the Retirement Income Benefit. Summer salary shall be included in the average of the highest two consecutive years' salary.
  - (c) Only annuity accumulations resulting from employee and employer contributions while employed at public higher education institutions within the State of Washington shall be included in the Annuity Retirement Option.
  - (d) Any portion of a participant's TIAA and/or CREF annuity accumulation which is awarded by a court to the participant's spouse upon divorce or dissolution of marriage is included in any subsequent calculation of supplemental payments as if that amount had remained in the participant's accumulation until the date of retirement.
  - (e) The value of the annuity retirement option for TIAA/CREF shall be calculated as if after July 1, 1974, 50 percent of the participant's contributions were made to TIAA and 50 percent to CREF during each year of participation until retirement. Benefit calculations related to

contributions made prior to July 1, 1974, are computed on the basis of the actual allocations between TIAA and CREF.

(Formerly BL 405.19.13)

- (5) Supplemental Retirement Income Payment for a Designated Beneficiary.** Prior to retirement, a person or his/her assignee may elect a Supplemental Retirement Income Payment Survivor's option to provide for the continuation of that supplement to a designated beneficiary; provided that, if such option is elected, the Supplemental Retirement Income Payments shall be at actuarially reduced rates. Provided further, that if a University Retirement System participant dies before retirement, but after becoming eligible for retirement on account of age, the designated beneficiary shall be entitled to receive the Supplemental Retirement Income Payment to which such designated beneficiary would have been entitled had said deceased participant retired on the date of death after electing a Joint and Two Thirds Supplemental Payment Survivor's Option: Provided further, that for the purpose of this subsection the designated beneficiary shall be (a) the surviving spouse of the retiree; or, (b) with the written consent of such spouse, if any, such other person or persons as shall have an insurable interest in the retiree's life and shall have been nominated by written designation duly executed and filed with the University Retirement and Insurance Office.

If a supplemental retirement income is payable to a participant, the payment basis chosen for TIAA/CREF and the supplemental payment must be such that their sum in the first month of retirement does not exceed 50 percent of a participant's highest two years' annual salary. (Formerly BL 405.19.14)

- (6) Early Retirement Provisions for Supplemental Retirement Income Payments.** At the time of retirement of a participant who has elected to retire earlier than his/her 65th birthday, the Supplemental Retirement Income Payment shall be calculated in accordance with the provisions of this section; provided, that the amounts so calculated shall be reduced by 5/10 of one percent (.005 percent) for each month by which the retirement age is less than 65. (Formerly BL 405.19.15; Amended 8/96, UGS-96-008)
- (7) Minimum Supplemental Retirement Income Payment.** The Supplemental Retirement Income Payment shall be made in equal monthly installments. If, however, such monthly installments should be less than 10 dollars, the Supplemental Retirement Income Payment may be made at the choice of the president or the president's designee at longer intervals. (Formerly BL 405.19.16)
- (8) Spouse Signature.** The spouse's signature shall be required by the university indicating acknowledgement of the Annuity Retirement Option and the Supplemental Retirement Income Payment option. (Formerly BL 405.19.17)

**610-040-240 Retirement Age.**

- (1) **Normal Retirement.** Consistent with the Age Discrimination in Employment Act, the university does not impose mandatory retirement. However, normal retirement age for the purposes of implementing retirement plans and retirement-related policies, is considered to be 65. (Formerly BL 405.20.10; Amended 1/96, UGS-93-015)
- (2) **Early Retirement.** On the first of any month after attaining age 55, a participant may elect to retire by submitting a written application to the president. A person becomes ineligible for supplemental payments if he or she ceases to be a participant to age 62 for reasons other than disability (see section 610-040-280), unless specifically authorized by statute. (Formerly BL 405.20.11; Amended 9/86)
- (3) **Mandatory Retirement.** (Formerly BL 405.20.12; Repealed 1/96, UGS-93-015)

### **610-040-250 Voluntary Employee Benefit Association (VEBA) Reimbursement Plan.**

Pursuant to HB 2371 and WAC 251-22-127, Medical Expense Plans, Eastern Washington University adopted the VEBA *MEP Plan* (referred to hereafter as VEBA). VEBA is a post-retirement medical reimbursement plan available to administrative exempt and classified employees with compensable sick leave. VEBA enables Eastern Washington University to deposit funds that would otherwise be paid to a retiring employee for unused sick leave into a tax-free VEBA Trust account on the employee's behalf. The Internal Revenue Code permits the tax-free payment to a medical expense plan for payment of subsequent medical insurance premiums and other *qualified* medical, dental and vision care expenses. The VEBA plan is effective January 1, 1999 and is administered by the Benefits Office. (New 12/98, UGS-98-001)

### **610-040-260 Reemployment of Retirees.**

- (1) **Policy.**
  - (a) A retiree reemployed by the university for forty percent or less of full time, 70 hours or less per month, or for less than five consecutive months shall be eligible to receive retirement income under the provisions of the University Retirement System. Retirement contributions will not be made from salary for such employment.

Where employment is for more than forty percent of full time, or more than 70 hours per month, or more than five consecutive months, then Supplemental Retirement Income Payments shall not continue during this period of employment provided that TIAA/CREF annuity benefits shall not be affected.

- (b) Contributions to the University Retirement System shall not be made if employment is not expected to last for more than five consecutive months or employment will be forty percent or less of full-time service.

If employment is expected to last for more than five consecutive months and employment will be more than forty percent of full-time service, the employee may elect to contribute at applicable rates toward the purchase of retirement annuities and such contributions shall be matched by the university. Such annuity benefits shall not be included in the calculation of Retirement Income Payments. (Formerly BL 405.20.13; Amended 6/90)

- (2) **Procedures.** As provided for under section 610-040-260(b) of Eastern Washington University policies and procedures, an eligible faculty member who retires under the TIAA-CREF University Retirement Plan may be reemployed by the university following retirement in an appointment of forty percent or less of full time. The appointment shall be upon the recommendation of the chair representing the employing department, the dean of the college, and the provost, subject to approval of the president and the board of trustees. After the initial term, which may be for a period of one to three years, renewal of appointments may be agreed to on an annual basis.

The academic requirements of the employing department and the current institutional fiscal policy shall be considered by the university in its good faith determination of whether or not to grant the appointment.

- (a) Participants in the Program:
- (i) Shall have attained age 59 1/2 at the time of retirement.
  - (ii) Shall have five years of tenured full-time service as defined at section 610-040-100(3) of the university bylaws.
  - (iii) Shall submit to the department chair, the dean of the college, and the provost 12 months in advance of the anticipated retirement date a written request to be reemployed for a one to three-year period following retirement; the request shall state the percentage of full-time employment desired (maximum of forty percent), the proposed course load, and the quarter(s) sought to be reemployed.
  - (iv) Shall during the reemployment period retain all rights and responsibilities provided under Topic 345 of the university policies and procedures. The participant shall not be excused from any performance standards applied to the regular faculty unless specifically exempted by the chair, the dean, and the provost.
  - (v) Shall be provided with a written description of professional duties as mutually agreed upon by the retiree and the department chair and approved by the dean of the college.
  - (vi) May, during the reemployment period, exercise the option to discontinue further employment by notifying the chair by March 1 for the year preceding the next academic year. Failure to exercise the option by reason of illness shall not prejudice the retiree's option to be reemployed following recovery, providing that the incapacity is verified in writing by a medical doctor of his/her

- choosing. In the case of disagreement, the retiree will abide by the ruling of a medical doctor selected by the university.
- (vii) May, following the initial appointment, continue to be reemployed on an annual basis.
- (b) The following conditions shall apply to initial reemployments and renewals:
- (i) Be subject to the mutual agreement of the participant and the department chair representing the employing department.
  - (ii) Be recommended by the dean of the college and the provost and approved by the president and the board of trustees.
  - (iii) Be paid a salary based upon the percentage of time worked multiplied by the base salary at time of retirement.
  - (iv) Be eligible for prorated salary enhancements as authorized by the legislature and as provided for in the university bylaws consistent with all regular faculty.
  - (v) Be provided with office space, supplies, equipment and clerical support as required to perform professional duties and obligations as mutually agreed upon.
  - (vi) Be ineligible to participate in the TIAA-CREF basic retirement plan or to receive EWU matching contributions to that plan in accordance with section 610-040-260 of the university bylaws.
  - (vii) Be ineligible for Supplemental Retirement Income Payment if retired and reemployed before age sixty-two in accordance with sections 610-040-220(4) and 610-040-240(2) of the university policies and procedures.
  - (viii) Contribute to the federal social security system as required by law.
  - (ix) Be eligible to self pay retiree group medical, dental and life insurance as authorized by the State Employees Benefits Board and chapters 182-08 and 182-12 WAC. (Formerly BL 405.20.13; New 6/90; Amended 8/96, UGS-96-008)

#### **610-040-280 Retirement for Disability.**

- (1) **Disability Provision.** Any eligible employee who is totally and permanently disabled may be retired for condition of health, either at his/her own request or by the request of the president. Final approval rests with the board of trustees.
- (a) All employees who belong to the Eastern Washington University Retirement System shall be designated as eligible employees.
  - (b) Employees over age 65 who are disabled will be eligible under the regular retirement for age provisions of the University Retirement System.
- (2) **Request for Disability Retirement.** Any request for retirement on account of disability must be reviewed by a committee consisting of three physicians, one to be chosen by each of: The university president, the Faculty Planning and Advisory Council and the individual involved or his/her legal representative. After review, this committee will make recommendations to the board of trustees. After retirement for disability, the case may be reviewed by such a committee semi-annually upon request of the president or the individual who is retired.

- (3) **Payment of Supplemental Retirement Income.** Subject to statutory limitation and the general provision of its retirement regulations, Eastern Washington University will make to a person retired for disability monthly Supplemental Retirement Income Payments which, when added to the annuity received by the individual, will equal the Retirement Income Benefit to which the person would have been entitled, based upon his/her actual average of the highest two consecutive years annual salary.

(Formerly BL 405.20.14; amended 8/96, UGS-96-008)

#### **610-040-300 Withdrawal from the Retirement System.**

- (1) **Ownership of Annuity Contracts.** Each TIAA Retirement Annuity Contract and CREF Certificate issued in accordance with the provisions of the University Retirement System is for the purpose of providing a retirement and/or a death benefit and is the property of the individual participant. (Formerly BL 405.21.10)
- (2) **Repurchase of TIAA/CREF Annuities.** (Formerly BL 405.21.11; Repealed 8/96, UGS-96-008)
- (3) **Provision of TIAA/CREF Annuities.** (Formerly BL 405.21.12; Repealed 8/96, UGS-96-008)
- (4) **Resignation of Employment.** Should a participating employee resign before attaining retirement age, the contract remains in force without further premiums in the amount of employee contributions, matching contributions by Eastern Washington University and dividends. The owner will be eligible for payments according to the provision of the contract upon reaching retirement age. However, the employee may continue payments into the contract thereby purchasing a larger annuity, or as a faculty member in another institution that also has a contract with TIAA, may transfer that policy to the other institution. An employee who has resigned from service with the university and is not participating with another TIAA/CREF member institution may commence receiving periodic lifetime payments beginning at any practical age upon agreement with TIAA/CREF. (Formerly BL 405.21.13)
- (5) **Option to Surviving Spouse on the Death of Participant Before Retirement.** The surviving spouse shall be allowed any option available under TIAA/CREF rules including the option of a lump sum settlement of accumulated benefits. (Formerly BL 405.21.14; Amended 8/80)

**610-040-400 Cash Withdrawal Retirement Settlement Option.** Subject to the policies and procedures of the university, and the rules and regulations of the university and TIAA/CREF, participants may elect, at the time of retirement or separation from university service, a lump sum distribution of up to 100 percent of CREF accumulations. University approval of lump-sum distributions shall not be granted unless the participant

and, if applicable, the spouse of the participant, provide the university with such documentation as is required by the Washington State Office of the Attorney General. (New 8/96, UGS-96-008)

**610-040-500 Military Service Credit.** Participants who are absent from employment by reason of service in the uniformed services of the United States are entitled to make up contributions that would have been made had the participant remained in employment during the period of service, and the university shall match any such contributions made to the extent required by the Uniformed Services Employment Rights Act of 1994. (New 8/96, UGS-96-008)

**610-040-600 Participant Plan Contributions.** Base Annual Compensation Limit of \$150,000. In addition to other applicable limitations stated in the plan, and notwithstanding any other provision of the plan to the contrary, for employees who become participants in the plan on or after July 1, 1996, the annual compensation taken into account under the plan may not exceed the annual compensation limit imposed by the Omnibus Budget Reconciliation Act of 1993.

The base annual compensation limit of \$150,000 may be adjusted by the Commissioner of the Internal Revenue Service for increases in the cost of living in accordance with Code Section 401(a)(17)(B). The cost-of-living adjustment in effect for a calendar year applies to any period not exceeding 12 months over which compensation is determined (determination period) beginning in such calendar year.

If compensation for any prior determination period is taken into account in determining an employee's benefits accruing in the current plan year, the compensation for that prior determination is subject to the annual compensation limit in effect for that prior determination period. For this purpose for determination periods beginning before the first day of the first plan year beginning on or after July 1, 1996, the annual compensation limit is \$150,000.

The compensation of any participant who is the spouse, or a lineal descendant who has not reached age 18 by the close of the plan year, of one of the 10 most highly compensated employees during the plan year shall be aggregated with the compensation limit imposed by the Omnibus Budget Reconciliation Act of 1993. (New 8/96, UGS-96-008)

#### **SUBTOPIC: 610-060 EMPLOYEE COURSE ENROLLMENT**

**610-060-020 Interference with Job Responsibilities.** Enrollment in courses shall not interfere with the individual's scheduled work hours or job responsibilities. (Formerly BL 300.51.00; Amended 8/96, UGS-96-008)

**610-060-040 Class Attendance on Own Time.** Except when staff members are directed by the university to take course work as a specific part of their job responsibilities, class attendance must be on their own time. On the basis of academic program requirements only, individuals may request of their supervisors a regular

compensatory time arrangement in their work schedule to take a needed course, provided no overtime or shift differential pay is involved. (Formerly BL 300.51.10)

**610-060-060 Staff Enrollment Restriction.** A full-time, administrative staff member may enroll in no more than one course per quarter; civil service employees may enroll in no more than 6 quarter hours per quarter. (Formerly BL 300.51.20)

**610-060-080 Staff Course Fees.** In accordance with state law, tuition and fees may be waived for full-time university employees. (Formerly BL 300.51.30; Amended 1/80)