

UNIVERSITY OF ARKANSAS RETIREMENT PROGRAM

Effective July 1, 2016, the University of Arkansas Retirement Program is revised according to the attached resolution.

RESOLUTION

1. Establishment of Plan. This Retirement Resolution sets forth the provisions of the retirement plans for the University of Arkansas campuses established by the Board of Trustees of the University of Arkansas (the “University”), as of April 21, 1923, as amended and restated in its entirety effective July 1, 2016. There shall be one plan—the University of Arkansas Retirement Plan as described in section 2. The University of Arkansas Community Colleges Retirement Plan and the University of Arkansas at Fort Smith Retirement Plan are being combined into the University of Arkansas Retirement Plan, effective July 1, 2016. Contributions under the Plan shall be made pursuant to a 403(b) plan and 457(b) plan to investments selected by participants pursuant to Section 5. References to the “Retirement Plan” in these resolutions shall refer to the 403(b) Plan and 457(b) Plan. The President shall adopt Retirement Plan documents which are consistent with this Board Policy.
2. Available Retirement Plans—University of Arkansas Retirement Plan.
 - A. All of the campuses, divisions, units and entities of the University of Arkansas (collectively, “UAS”) shall be included in the University of Arkansas Retirement Plan (“RP”).

Effective July 1, 2016, new eligible employees of the UAS shall participate in the RP. The University shall also contribute to Social Security unless the employee is exempt.
 - B. Notwithstanding paragraph A. above, for those employees of the UAS as of July 1, 2011 enrolled in the Arkansas Teachers Retirement System (ATRS) before July 1, 2011, participation shall continue. No new employees shall be enrolled in ATRS on or after July 1, 2011. Also notwithstanding paragraph A. above, for those employees of the UAS as of July 1, 2016 and enrolled in the Arkansas Public Employee Retirement System (APERS) before July 1, 2016, participation shall continue. No new employees shall be enrolled in APERS on or after July 1, 2016. The President may provide for exceptions permitting new employees to enroll in APERS for negotiations pending for faculty or administration employees as of July 1, 2016 and who are hired by September 1, 2016. If an employee was previously employed prior to one of the effective dates above and was participating in ATRS or APERS, as applicable, and is reemployed by one of the above campuses on or after July 1, 2016, such employee shall participate in the RP.

- C. Employees of University of Arkansas at Monticello who were employees of Great Rivers Vocational and Technical Institute and Forest Echoes Technical Institute as of June 30, 2003, were given the option within 31 days of becoming employees of UAM of continuing participation in the State Board of Workforce Education and Career Opportunities (formerly State Board of Vocational Education) Alternate Retirement Plan pursuant to ACA section 24-7-901 et.seq., based on the contribution percentages in effect at such time, or participating in the University of Arkansas Optional Retirement Plan. Employees who pursuant to such election continued to participate in State Board of Workforce Education and Career Opportunities Alternate Retirement Plan may continue to participate in such plan.
 - D. Certain employees of University of Arkansas-Cooperative Extension participate in the Federal Civil Service Retirement Plan, and may participate in RP at a reduced employer contribution. Further certain other employees of University of Arkansas-Cooperative Extension participate in the Federal Employees Retirement System and may participate in the Federal Thrift Savings Plan, but do not participate in employer contributions under RP. New Cooperative Extension employees are not eligible for the federal plans, and have the same retirement options as employees of other campuses.
3. Eligibility for Employer Contributions. Full-time employees are eligible to participate in Employer contributions under the Retirement Plan, ATRS (if grandfathered as provided above) or APERS (if grandfathered as provided above). However, employees who are seasonal, extra help, temporary and employees whose employment is incidental to their educational program (including, but not limited to student workers, graduate assistants, and residents) at the University are not eligible for employer contributions. For purposes of the plans, “full-time employee” shall mean an employee who is on one-half time or greater appointment.
4. Required Employee Contributions and Employer Contributions.
- A. Effective July 1, 2016 and later, eligible Employees shall be required to make employee contributions to the RP, as a condition of employment, the employee contributions as a percentage of Plan Compensation shown on Exhibits A and A-1 attached. Required employee contributions will begin as of date of employment.

In addition to the mandatory required employee contributions provided above, eligible employees may make voluntary Plan Contributions in any amount, subject to the contribution limitations of the Internal Revenue Code.
 - B. Employer contributions to RP for eligible employees will begin to accrue as of date of employment. The University employer contribution will be as shown on Exhibits A and A-1 attached.
- Plan Compensation shall be defined as provided in the 403(b) Plan documents.

C. Employee required contributions shall be made to the 403(b) Plan. Employee elective contributions by a participant will be made first to a 403(b) program and then may be made to a 457(b) program, if elected by the participant. University contributions will be made to the 403(b) contract or account.

5. Funding Sponsors/Investments. The President shall appoint a Retirement Committee with input from the Chancellors. The Retirement Committee, with advice from the investment consultant retained by the University, shall be responsible for selection of the investment alternatives and retirement recordkeepers for the RP. The investment alternatives and recordkeepers for various campuses may be different, considering the historical funding sponsors for each campus. A participant may select from among the investment alternatives available for Participants at such campus. The Retirement Committee shall establish procedures for selection of investment alternatives in the event a participant fails to select investment alternatives. No investment alternatives other than those selected by the Retirement Committee are authorized.

6. Vesting.

A. Employees hired after June 30, 2016 or who first become eligible for employer contributions after June 30, 2016 shall be fully vested upon completion of two (2) years of service. If such an employee terminates before completion of two years of service, the accumulations attributable to Employer contributions in the Plans shall be forfeited. Employees shall be 100% vested upon attainment of age 65, death or disability while employed.

B. Employees hired prior to July 1, 2016, shall be vested in accordance with the vesting schedule in effect for such employees under the Board policies in effect prior to July 1, 2016.

C. Participants terminating prior to July 1, 2016 shall be vested in accordance with the Board policies in effect prior to July 1, 2016.

D. The President shall provide in the plan documents rules concerning breaks in service for vesting purposes. Further, the President may provide for exceptions to the vesting rules in this paragraph for negotiations pending for faculty or administration employees as of July 1, 2016.

E. All employee contributions to either the 403(b) plan or 457(b) plan are 100% vested.

7. Distributions. Plan provisions concerning distributions shall be as outlined in the separate 403(b) Plan documents and 457(b) Plan documents.

8. Spendthrift Clause. No participant in any of the Retirement Plans shall have any right to assign, pledge, encumber, or commute his/her interest in any benefits under the Retirement Plan, either voluntarily or involuntarily (except for a participant loan as permitted under the plans), and such benefits shall not in any way be subject to any legal

process or levy of execution upon, or attachment or garnishment proceedings against, the same for the payment of any claim against any such person.

9. Amendment. The Board may amend these policies at any time. The President of the University or his delegate may amend any provision of either 403(b) Plan or 457(b) Plan not in conflict with these Board policies.
10. Termination. While it is expected that the retirement plans will continue indefinitely, the Board of Trustees reserves the right to discontinue the Retirement Plans at any time. Any termination cannot adversely affect the benefits accrued by participants prior to the date of discontinuance or modification.
11. Administration. The President of the University or the Retirement Committee named pursuant to section 5 may adopt rules and regulations for interpreting the Retirement Plans and for administering its provisions (including rules and regulations concerning funding sponsors) in a manner consistent with this Board Policy.

May 26, 2016 (Revised)
November 20, 2015 (Revised)
January 24, 2014 (Revised)
September 13, 2013 (Revised)
May 20, 2011 (Revised)
November 21, 2008 (Revised)
November 14, 2003 (Revised)
June 6, 2003 (Revised)
April 5, 2002 (Revised)
(For Revisions Prior to 2002 Refer
to Previous Board Policies File)

EXHIBIT A
REQUIRED CONTRIBUTIONS AND EMPLOYER CONTRIBUTIONS

Campus	Required Employee Contribution	Employer Contribution
University of Arkansas-Fayetteville (including System Administration, Division of Agriculture, Criminal Justice Institute, Arkansas Archeological Survey and Clinton School of Public Service) University of Arkansas at Pine Bluff University of Arkansas for Medical Sciences University of Arkansas at Little Rock University of Arkansas at Monticello Arkansas School for Mathematics, Sciences and the Arts Phillips Community College of the University of Arkansas	Effective July 1, 2016 through June 30, 2017—1% Effective July 1, 2017 through June 30, 2018—2% Effective July 1, 2018 through June 30, 2019—3% Effective July 1, 2019 through June 30, 2020—4% Effective July 1, 2020 and ongoing—5%	For those employees who pursuant to Board policy have elected for Employer contributions to be made to this Plan, the Employer will make a basic Plan Contribution of five percent of Plan Compensation for all such eligible Employees. Employees who make Employee contributions in excess of five percent of Plan Compensation will be eligible for a matching Employer contribution equal to the amount of Employee contributions in excess of five percent up to a total Employer contribution, both basic and matching, of ten percent of Plan Compensation
University of Arkansas at Fort Smith	Effective July 1, 2016 through June 30, 2017—1% Effective July 1, 2017 through June 30, 2018—2% Effective July 1, 2018 through June 30, 2019—3% Effective July 1, 2019 through June 30, 2020—4% Effective July 1, 2020 and ongoing—5%	See Exhibit A-1 below
University of Arkansas Community College at Batesville	6%	11%
University of Arkansas Community College at Morrilton	6%	14%
University of Arkansas Community College at Hope	6%	Employees hired before 7-1-92=12% Employees hired after 6-30-92=10%
Cossatot Community College of the University of Arkansas	6%	13%

EXHIBIT A-1
UAFS EMPLOYER CONTRIBUTION

July 2016		July 2017		July 2018		July 2019		July 2020	
Total Employee	UAFS	Total Employee	UAFS						
1	5								
2	6	2	5						
3	7	3	6	3	5				
4	8	4	7	4	6	4	5		
5	9	5	8	5	7	5	6	5	5
6 or more	10	6	9	6	8	6	7	6	6
	7 or more	10		7	9	7	8	7	7
			8 or more	10		8	9	8	8
					9 or more	10		9	9
							10 or more		10