

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

University of Washington 403(b) Retirement Program – Approve Changes to EligibilityRECOMMENDED ACTION

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents approve changes in section 2.9 of the UW Retirement Plan to reflect recent changes to eligibility passed by the Washington State legislature, which are effective July 1, 2011.

EXPLANATION OF PROPOSED CHANGESSection 2.9 – Eligibility

During the 2011 legislative session Engrossed Substitute House Bill 1989 was passed, modifying RCW 28B.10.400 et seq, and limiting the authority of the state's public college and university Boards of Regents and Trustees to establish eligibility for participation in the higher education retirement plans. The bill specifically prohibits retirees of the state of Washington Department of Retirement Systems retirement plans from participating in any of the higher education retirement plans. The change takes effect July 1, 2011. Accordingly, Section 2.9 of the UW Retirement Plan Document is modified to reflect these changes.

Section 2.9 currently reads as follows:

2.9. **Eligible Employee** means any employee of UW who is employed in an Eligible Position other than an employee who has retired from a position which is covered by RCW 28B.10.400 et seq. and who is not yet contributing to the Plan during the Optional Period.

Accordingly Section 2.9 would be amended to read as follows:

2.9 **Eligible Employee** means any employee of the UW who is employed in an Eligible Position and who is not yet contributing to the Plan during the Optional Period, other than (a) an employee who has retired from a position which is covered by RCW 28B.10.400 et seq., or (b) who has retired from a position which is covered under a Washington State Retirement System and who is receiving benefits as a participant in that system.