

Standard Practice Guide Policies

Retirement Savings Plan

203.05

Applies to: Regular and Supplemental Staff

I. POLICY

The University of Michigan offers a combined 403(b) and 401(a) defined contribution retirement plan for regular and supplemental faculty and staff.

II. REGULATIONS

A. ELIGIBILITY, ENROLLMENT, AND PLAN BENEFITS

Information on eligibility, enrollment, and plan benefits is available by contacting the Benefits Office and by visiting the Benefits Office website at: <https://hr.umich.edu/retirement-savings-plans> (<https://hr.umich.edu/retirement-savings-plans>).

B. COMPULSORY PARTICIPATION

Regular employees age 35 or older with two or more years of service and currently at a 100% appointment effort, must participate in the plan and continue participating until termination, retirement or an ineligible appointment. A reduced benefit option is available to select which does not require employee contributions on earnings below the Social Security wage base and provides a lower University contribution.

C. LUMP SUM DISTRIBUTION

Lump sum distributions of employee contributions and earnings are available at any age after termination of employment. Lump sum distributions of University contributions and earnings are available at age 55 or older after termination of employment. Official University retirees (see SPG 201.83 (/policy/201.83)) may elect a withdrawal of all contributions and earnings regardless of age.

D. RETIREMENT PLANS FOR BARGAINED-FOR STAFF MEMBERS

Staff members subject to terms and conditions of collective bargaining agreements should consult the specific provisions in their current agreements dealing with the Retirement Plan.

E. LIMITATIONS

The University in its sole discretion may modify, amend, or terminate the plan. Nothing in these materials gives any individuals the right to continued plan benefits beyond those accrued at the time the University modifies, amends, or terminates the plan. Anyone seeking or accepting any of

the benefits provided will be deemed to have accepted the terms of the plan and the University's right to modify, amend, or terminate the plan.

Notes

April 2019: reviewed with no changes

October 2023: reviewed with no changes

File Attachments

Printable PDF of SPG Section 203.05, Retirement Savings Plan (/sites/default/files/policies/Retirement%20Savings%20Plan%20_%20Standard%20Practice%20Guides%20-%20University%20of%20Michi

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Related Policies:

Retirement (/policy/201.83)

Related Links:

Benefits Plans - Retirement Savings Plans (<https://hr.umich.edu/retirement-savings-plans>)

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