

# Base Retirement Plan for Support and Service Staff

HR



## About This Policy

Effective Date:

07-01-2013

Last Updated:

10-14-2013

Responsible University Office:

University Human Resources

Responsible University Administrator:

Vice President and Chief Financial Officer

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## Related Information

\* [PERF](#)\* [Retirement & Savings Plan](#)

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## Scope

This policy applies to Support and Service Staff at 50 percent or more FTE. Under federal law, there is no mandatory retirement age.

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## Policy Statement

1. Social Security
  - a. All employees are included under FICA (Social Security) and OASI (Old Age and Survivors Insurance).
2. PERF for Support and Service staff appointed before July 1, 2013
  - a. The Public Employees' Retirement Fund (PERF) consists of two distinct components: a pension benefit and an annuity savings account benefit. Indiana legislation controls these provisions. IU pays for the PERF retirement plan pension and annuity savings account benefits.
  - b. Support and Service Staff appointed before July 1, 2013 for at least 50% FTE will be enrolled in PERF at the time of appointment.
3. Retirement & Savings Plan for Support and Service staff appointed on or after July 1, 2013
  - a. The Retirement & Savings Plan consists of two distinct contribution components: an IU defined contribution and an IU plan match contribution.
  - b. Support and Service Staff appointed on or after July 1, 2013, for at least 50% FTE will be enrolled in the Retirement & Savings Plan at the time of appointment.

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## Procedure

1. Participants of PERF can begin their pension retirement income—without reductions for early retirement—at age 55 with 30 years of PERF service (time during which an employee is enrolled in PERF). Reduced PERF income is available as early as age 50 with 15 years of PERF service. The following table lists the age and service required to begin retirement income without reductions.

Age at termination	Years of PERF service	Age at termination	Years of PERF service
55	30	61	15
56	29	62	15
57	28	63	15
58	27	64	15
59	26	65	10
60	15	66 and over	10

2. Participants of the Retirement & Savings Plan may only withdraw vested funds from the plan upon termination of employment with Indiana University.

3. IU Retiree status

- a. A Retiree of Indiana University will be entitled to the following IU benefits, which are separate from retirement income benefits. See the [Retirees Benefits page](#) for more information.
  - i. Life insurance (paid by IU)
  - ii. IU Tuition Benefit
  - iii. Medical and dental coverages
- b. In order to qualify as a Retiree, an IU employee must have Retiree status according to the following age and service requirements. *Years of IU Service* means the years of full-time appointed service at Indiana University.

Age at termination	Years of IU service	Age at termination	Years of IU service
55	30	61	15
56	28	62	15
57	26	63	14
58	24	64	12
59	22	65 or over	10
60	15		

4. Classification changes

- a. If a Support and Service Staff employee changes position through the process of the Filling Positions policy to a position covered under the IU Retirement Plan, the employee will be enrolled in the IU Retirement Plan.
  - i. Participants of the PERF retirement plan retain account balances in the Annuity Savings Account, service credits, and vested pension benefits in the Public Employees’ Retirement Fund (PERF), but will not be eligible for ongoing contributions to PERF during employment in the new position.
  - ii. Participants of the Retirement & Savings Plan retain vested account balances, but will not be eligible for ongoing contributions to the Retirement & Savings Plan during employment in the new position.
- b. If a Support and Service Staff employee’s position is reclassified through the process of the Classification policy—or the employee changes position through the process of the Reduction in Force or Corrective Action policies to a position covered under the IU Retirement Plan—the employee has the choice of participating in the IU Retirement Plan or PERF during his or her employment in the new position.
  - i. If the employee chooses the IU Retirement Plan, he or she will retain his or her account balance in the Annuity Savings Account, service credit, and vested pension benefits in PERF, but will not be eligible for ongoing contributions to PERF during his or her employment in the new position.

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Definitions

*Years of IU Service* means the years of full-time appointed service at Indiana University.

## Sanctions

Managers, supervisors, and employees who violate this policy are subject to disciplinary action, up to and including termination.