



EAST TENNESSEE STATE
UNIVERSITY

Retirement Policy

Policy Name: Retirement Policy

Policy Purpose

This policy specifies retirement election and limitations for Regular Employees.

Applicability

This policy is applicable to ETSU Regular Employees.

Responsible Official, Office, and Interpretation

The Assistant Vice President for Human Resources is responsible for the review and revision of this policy. For questions about this policy, please contact Human Resources. The Chief Operating Officer, in consultation with the Office of University Counsel, has the final authority to interpret this policy.

Defined Terms

A defined term has a specific meaning within the context of this policy.

Exempt Employees

Exempt employees are ineligible for overtime pay and compensatory time according to the Fair Labor Standards Act. ETSU permits exempt employees compensatory time for holiday hours if they are required to work.

Non-Exempt Employees

Non-exempt employees are eligible for overtime pay or compensatory time according to the Fair Labor Standards Act.

Regular Employee

Regular employees are personnel whose salary and benefits are budgeted on a recurring basis whether through grant or state funds, who are employed on a continuing basis, and who are eligible for full benefits (pro-rated based on percentage of effort).

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Temporary Employee

Temporary employees are personnel whose initial period of appointment or expected service is less than one year. Some temporary employees are eligible for benefits according to the Affordable Care Act.

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Policy

Except as otherwise provided under state law and this policy, that state permits ETSU Regular Employees to participate in a retirement system. Eligibility, retirement age, contribution limitations, and options are subject to state and federal law requirements. Employee annual aggregate contributions to each type of retirement account are defined annually by the State.

1. Exempt Employees.

Exempt Employees may elect membership in either the Tennessee Consolidated Retirement System (TCRS) or the Optional Retirement Program (ORP). Upon hire, Regular Employees will receive information about retirement plans during new employee orientation and will elect their retirement plans to become effective on the first day of eligibility. If an Exempt Employee fails to return the election form within the required timeline, the employee is automatically enrolled in the TCRS system.

2. Non-Exempt Employees.

Non-Exempt Employees are eligible for the TCRS, but are not eligible to participate in ORP pursuant to state law.

3. Eligibility to Retire.

Retiring employees must follow the procedures included in the Voluntary Separation from Employment Policy. Retiring employees are responsible for contacting the Office of Human Resources to receive information, forms, resources, and questions about retirement.

The procedures for payment of sick and annual leave upon retirement are governed by the Sick Leave and Annual Leave policies, respectively.

3.1. ORP.

Employees who elected ORP may retire at any time after separation of service, subject to State of Tennessee eligibility guidelines and IRS regulations.

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Vesting of retirement benefits is determined by the State. The employee is responsible for inquiring with ORP administration before separation to determine the impact on their separation on their retirement.

3.2. TCRS.

TCRS members are eligible to retire upon attainment of appropriate age and years of creditable service according to TCRS policies. Vesting of retirement benefits is determined by the State of Tennessee. The employee is responsible for inquiring with TCRA administration before separation to determine the impact on their separation on their retirement and the implications on retirement of any future employment with the State of Tennessee.

4. Temporary Employment after Retirement.

Retirees may return to work at ETSU subject to the requirements established by the State of Tennessee. The employee is responsible for notifying ETSU of their retirement status before employment begins. If the employee retired with TCRS, the employee is responsible for researching and ensuring that they are following all TCRS guidelines on employment after retirement. Failure to do so may negatively impact the employee's retirement benefits.

A TCRS or ORP retiree who begins temporary employment must be hired as a Temporary Employee. The supervisor and employee must complete the appropriate paperwork and follow the employee temporary hiring process before employment may commence. A new form for TCRS or ORP retirees must be completed for each 12-month period. [Temporary Employment Form.](#)

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Procedures

N/A

Applicable Forms and Websites

[Temporary Employment Form](#), [Retire Ready TN - Retirement](#)

Authority and Revisions

Authority: TCA § 49-8-203, et seq.; T.C.A. § 8-35-101 et seq.

Previous Policy: PPP-09 Retirement

The ETSU Board of Trustees is charged with policy making pursuant to TCA § 49-8-203, et seq. On March 24, 2017, the Board delegated its authority to ETSU's President to establish certain policies and procedures for educational program and other operations of the University, including this policy. The delegation of authority and required process for revision to this policy can be found on the [Policy Development and Rule Making Policy webpage](#).

To suggest a revision to this policy, please contact the responsible official indicated in this policy. Before a substantive change to the policy section may take effect, the requested changes must be: (1) approved by the responsible office; (2) reviewed by the Office of University Counsel for legal sufficiency; (3) posted for public comment; (4) approved by either Academic Council or University Council; and (5) approved by ETSU's President.

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