BAYLOR RETIREMENT INCOME PLAN

BU-PP 461

POLICY:
Baylor University provides eligible employees a retirement income plan benefit to assist in planning for retirement needs.

TOPICS:
Eligibility
University Contributions
Enrollment Vesting Plan
Vendors
Tax Deferred Annuity Vendors
Roth Elective Deferrals Vendors
Participant
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Availability of Loans
Separation from Service
Disability

RELATED POLICIES:
BU-PP 400 – Benefit Eligibility Categories
BU-PP 600 – Retirement Benefits

CONTACT:
Email askHR@baylor.edu or call 254.710.2000

ELIGIBILITY
A. Each employee, except students, shall become a participant in the Baylor University Retirement Income Plan (BURIP) on the next payday after his/her employment date for purposes of making the following types of contributions:

- Pre-Tax Deferred Contributions
- Tax-Paid (Roth) Contributions
- Rollover Contributions
- Roth Elective Deferrals
- Roth Rollover Contributions
- Roth Transfer Contributions

B. Each employee, other than a member of a class identified below, shall become a participant in the Plan for purposes of being credited with University Contributions on the next payday after satisfying the following eligibility requirements:

- Attainment of 21 years of age, and
- Completion of One Year of Eligibility Service at an accredited college or university, or completion of a 12-month period during which you complete 1,000 hours of service (or the equivalent of 1,000 hours for monthly-paid employees). The first 12-month period is the first year of employment. Subsequent 12-month periods are calendar years beginning with the first full calendar year after the date of hire.

Except as otherwise required by law, the following classes of Employees are not eligible to participate in the Plan for purposes of receiving University Contributions:

- Students (including graduate students)
- Event Workers (camp workers, concession workers, and any other individual classified as an event worker)

- Employees whose employment contract provides the Employee shall not receive contributions
- Employees of Brazos Valley Public Broadcasting Foundation
- Leased Employees

UNIVERSITY CONTRIBUTIONS
University Contributions are made on a per pay period basis during the Benefit Base Year on behalf of each eligible Participant in the Plan. Effective January 1, 2008, the amount of the University Contribution is 10.8% of the eligible Participant's Benefit Base. (Monthly Benefit Base is limited to one twelfth the IRS Annual Compensation Limit.)

ENROLLMENT
Upon attaining the age of 21 and the Eligibility Service requirement, the employee will be enrolled in the Retirement Income Plan by the employee, or, if not by the employee, then by Human Resources. Eligible employees will be notified of their date of eligibility and will be encouraged to participate in their enrollment process. In lieu of receiving an employee-completed enrollment form, the employee will be enrolled in the Plan by Human Resources and will begin to receive University Contributions.

VESTING
A Participant shall at all times be fully vested in each of the Participant's Contributions Accounts.

PLAN VENDORS
University Contributions are designed to be tax-deferred under Section 403(b) of the Internal Revenue Code (IRC).

Approved BURIP Plan vendors are limited to:
- GuideStone Financial Resources of the Southern Baptist Convention
- TIAA
- The Vanguard Group

TAX DEFERRED ANNUITY VENDORS
Employees may voluntarily direct a portion of their annual salaries to individual 403(b) arrangements. Voluntary pre-tax contributions, rollover contributions, and transfer contributions may be directed to any approved Tax Deferred Annuity (TDA) vendor. Voluntary pre-tax contributions will be subject to the maximum allowable limitations of sections 403(b), 415, and 402(g) of the Internal Revenue Code (IRC).

A list of approved TDA vendors can be found at the following link:
http://www.baylor.edu/comp_benefits/index.php?id=2170

ROTH ELECTIVE DEFERRALS VENDORS
Roth elective deferrals, Roth rollover contributions, and Roth transfer contributions may be directed to any vendor that has been approved to receive Roth elective deferrals. Roth elective deferrals will be subject to the maximum allowable limitations of section 403(b), 415, and 402(g) of the Internal Revenue Code (IRC).
Approved Roth Elective Deferrals vendors are limited to:
- GuideStone Financial Resources of the Southern Baptist Convention
- TIAA
- The Vanguard Group

PARTICIPANT INVESTMENT OPTIONS

A. University Contributions:

- Participants can, at any time, designate all or part of new University contributions to one or more BURIP vendors.
- Participants can, at any time, transfer all or part of accumulated University contributions and earnings to one or more plan vendors.

B. Tax Deferred Contributions:

- Participants can, at any time, designate all or part of new voluntary pre-tax contributions to one or more Tax Deferred Annuity Vendors.
- Participants can, at any time, transfer all or part of accumulated voluntary pre-tax contributions to one or more Tax Deferred Annuity Vendors.

C. Roth Elective Deferrals:

- Participants can, at any time, designate all or part of new Roth elective deferrals to one or more of the eligible Roth elective deferral vendors.
- Participants can, at any time, transfer all or part of accumulated Roth elective deferrals to one or more of the eligible Roth elective deferral vendors.

D. In the event a participant does not designate an investment account for University Contributions, the University has established a default account for participant investments until such time that the participant designates specific accounts with one of the BURIP vendors. Based upon the date of birth of the participant, University Contributions will be invested in the appropriate “Date Target” retirement fund with GuideStone Financial Resources of the Southern Baptist Convention.

USE OF FUNDS

A. Generally the funds within the participant’s University Contribution account(s) may not be withdrawn, but must remain within the University Contribution account(s) until termination, disability, retirement, or death of the employee.

B. In-Service Withdrawals from a participant’s voluntary pre-tax contributions, rollover contributions, and transfer contributions accounts, Roth elective deferrals, Roth rollover contributions, and Roth transfer contributions account, or tax-paid contributions account are subject to the terms and conditions permitted by the BURIP.

AVAILABILITY OF LOANS

A loan option may be available for a participant to borrow and repay to the plan a portion of the vested funds depending upon BURIP vendor restrictions.

SEPARATION FROM SERVICE

Upon separation from service, the employee participant may elect to retain his/her funds in the Plan **or** may close the account(s) **or** partially withdraw funds and receive his/her contributions from the Plan and any earnings thereto. The IRS may impose a penalty for withdrawal prior to age 59 ½. Upon withdrawal, taxable funds may be subject to income taxes unless directly exchanged to another qualified tax deferred account.

DISABILITY

In the case of disability, the employee will be eligible for a benefit (based on all participant’s University Contributions and all of the employee contributions plus any earnings) as provided by the agreement with the vendor.