

## **Faculty Senate Report on Retirement**

### **Retirement Comparison from the top 10 USNews and world report and all AAU universities.**

**Compiled from HR web pages from October to December 2017.**

Many Universities have Defined Benefit Plans. These are pension type plans, have variable employer and employee contributions. The benefit at retirement is calculated using a variety of formulas that include age, years of service, salaries at retirement and more. Many of these plans are state teacher's plans. Comparing one Defined Benefit Plan to another was impossible.

All universities had Defined Contribution Plans. There were general 3 types.

1. Employer contributed 403b or 401k
2. Employee mandated 403b or 401k
3. Employee voluntary "Optional Retirement Plan"
  - a. Federal limit of around \$18000 a year (current limit), plus \$6000 more for over age 50.

There were a number of variables between plans. Most were fixed salary percentages. A few used the social security wage base or some proportion to tier employer contributions. Other plans varied contributions by age (U of Washington) and some varied by a variety of matching programs. Where possible, the database uses numbers that maximize the employer contribution. So if the employer contributed a fixed 5% and the 1% for each 1% the employee contributed up to 5%, the data base would have 10% from the employer and 5% from the employee.

### **Top 10 Public Schools US News and World Report, rank order**

#1 UC Berkeley <https://hr.berkeley.edu/compensation-benefits/benefits/retirement-savings>

1. Defined Benefit Plan/Pension
  - a. 8% with, 7% employee required
  - b. Straight formulaic plan, better for predictable retirement income
2. Defined Contribution Plan
  - a. Basic ORP type 403b or 401k plan
  - b. 8% with, 7% employee required

#2 UCLA

All UC schools have the same plans

#3 UVA <http://www.hr.virginia.edu/hr-for-you/faculty/fac-benefits/>

1. Virginia Retirement System – Defined Benefit Plan
  - a. Pension is based upon age, years of service and average final compensation
2. Defined Contribution Plan
  - a. ORP 1 Hired before 2010
    - i. 10.4% no employee match required
  - b. ORP 2 Hired after 2010
    - i. 8.9%, 5% employee match required
3. Additional matched savings
  - a. 4% employee contribution to receive an employer 2.5% match in a 457 plan
4. Employer 8.9% used in database
5. Employee 5.0% used in database

#4 University of Michigan <https://hr.umich.edu/benefits-wellness/financial/retirement-savings-plans>

1. Defined Contribution Plan
2. 10% employer contribution after 12 month waiting period
  - a. 9% employer contribution for all Michigan Medicine
  - b. Medical school faculty and staff in the 10% group
  - c. Employees must contribute 5% or 4.5% (Michigan medicine)

#5 UNC-CH <https://hr.unc.edu/benefits/plans/retirement/>

1. Teachers and state employees retirement program

- a. Defined benefit plan
- b. 6% required contribution by employee
- c. Employer 6.84%
- 2. Defined Contribution Plan/ORP
  - a. Employee 6.00%
  - b. Employer 6.86%

#6 College of William and Mary

- 1. Same as UVA's

#7 GA Tech <https://ohr.gatech.edu/retirement-benefits>

- 1. Teacher's retirement system TRS (Defined Benefit Plan)
  - a. Employer contribution is 16.81%
    - i. 10 year vesting and a bunch of rules
      - 1. 6% employee required
  - b. Defined Contribution Plan
    - i. 9.24% employer contribution
      - 1. 6% employee required

#8 UC Santa Barbara

All UC schools have the same plans

#9 UC Irvine

All UC schools have the same plans

#9 UC San Diego

All UC schools have the same plans

#9 UF <http://hr.ufl.edu/benefits-rewards/retirement/>

- 1. Defined Benefit Plan/State Pension Plan
  - a. State pension plan 7.26% (All eligible except Health Science Faculty)
  - b. Employee required 3% contribution
- 2. Defined Contribution Plan
  - a. Employer contribution 5.14% into a 403b with few almost no restrictions
  - b. Employee required 3% contribution

**Public AAU Universities (no particular order)**

- 1. University of Wisconsin <https://www.ohr.wisc.edu/benefits/new-emp/wrs.aspx>
  - a. Defined Benefit Plan
    - i. 6.8% employer contribution
    - ii. 6.8% mandated employee contribution
    - iii. Retirement income is based on years of service, age at retirement, and the average of individuals highest three years of earnings or based on the total cash value of the account, whichever is greater (pension type guarantee?)
- 2. University of Washington <http://hr.uw.edu/benefits/retirement-plans/uw-retirement-plan/>
  - a. Defined Contribution Plan
    - i. Under 35      5% employee and 5% employer
    - ii. 35+          7.5% employee and 7.5% employer
    - iii. 50+ option    10% employee and 10% employer
  - b. There is also a complex blended pension plan with about the same parameters
  - c. Employer 7.5% used in database
  - d. Employee 7.5% used in database
- 3. University of Texas, Austin <https://hr.utexas.edu/current/retirement>
  - a. Defined Contribution Plan
    - i. 6.65% employee contribution required
    - ii. 6.5% employer contribution (down from 8.5%)
  - b. Teachers retirement system of Texas, pension style
    - i. 7.7% employee required
    - ii. 6.8% employer match

4. University of Colorado <https://www.cu.edu/employee-services/retirement-plans>
  - a. Defined Contribution Plan/401(a) program
    - i. 5% employee required
    - ii. 10% employer match
5. University of Arizona <https://hr.arizona.edu/employees-affiliates/benefits/retirement-plans>
  - a. Pension plan
    - i. 11.34% from employer and 11.34% from employee
    - ii. Complex set of rules
  - b. Defined Contribution Plan
    - i. 7% from employer and 7% from employee
6. The Ohio State University <https://hr.osu.edu/benefits/retirement/>
  - a. 4 separate styles of plans
  - b. All have 14% employer contributions and no employee required
7. Indiana University <http://hr.iu.edu/benefits/iuret.html>
  - a. Defined Contribution style plans
  - b. 10%, 12% or 15% employer contribution depending upon hire.
    - i. All new employees at 10%
    - ii. No employer mandatory contribution
  - c. Employer 10% used in database
  - d. Employee 0% used in database
8. Iowa State University <http://www.hrs.iastate.edu/hrs/node/659/attachment>
  - a. IPERS defined benefit plan (pension type)
    - i. Employee 5.95%
    - ii. Employer 8.93% (+/- 1% potential variation)
  - b. Defined Contribution Plan through TIAA-CREF
    - i. Employee 5% required
    - ii. Employer 10%
9. Michigan State University <https://www.hr.msu.edu/benefits/retirement/plans.html>
  - a. Defined Contribution Plan through TIAA-CREF or Fidelity
    - i. Employee 5% required
    - ii. Employer 10% required
10. Penn State <https://ohr.psu.edu/benefits/retirement>
  - a. SERS defined benefit plan (pension type)
    - i. Employee 6.25%
    - ii. Employer variable and not defined
  - b. Penn State Alternate Retirement Plan (Defined Contribution) through TIAA-CREF
    - i. Employee 5%
    - ii. Employer 9.29%
11. Purdue University [https://www.purdue.edu/hr/Benefits/currentEmployees/retirement/retirement\\_plans/PMRS.html](https://www.purdue.edu/hr/Benefits/currentEmployees/retirement/retirement_plans/PMRS.html)
  - a. 403(b) Defined Contribution plan
    - i. Employee none required, 4% match
    - ii. Employer 4% automatic, 4%, match
  - b. Employer 8% used in database
  - c. Employee 4% used in database
12. Rutgers <http://uhr.rutgers.edu/full-time-employees#Retirement-Plans>
  - a. ABP (ORP plan) there is also a defined benefit plan)
    - i. Employee 5%
    - ii. Employer 8%
13. Texas A&M <https://employees.tamu.edu/benefits/retirement/>
  - a. Defined Contribution Plan
    - i. 6.65% employee contribution required

- ii. 6.6% employer contribution (down from 8.5%)
  - b. Teachers retirement system of Texas, pension style
    - i. 7.7% employee required
    - ii. 6.8% employer match
- 14. University of Illinois [https://nessie.uihr.uillinois.edu/cf/benefits/index.cfm?Item\\_ID=127&rlink=126](https://nessie.uihr.uillinois.edu/cf/benefits/index.cfm?Item_ID=127&rlink=126)
  - a. SURS SMP (Defined Contribution Plan, ORP type)
    - i. Employee 8% required
    - ii. Employer 7.6% required
  - b. SURS, two types of defined benefit or pension type plans
- 15. Stoney Brook University <http://www.stonybrook.edu/hr/data/supp-2012-retirement-plans.pdf>
  - a. TRS (teachers retirement system, defined benefit plan)
  - b. Defined Contribution Plan
    - i. Employee required 3-6% depending upon salary
    - ii. Employer 8% for the first 7 years, then 10%
  - c. Employer 10% used in database
  - d. Employee 6% used in database
- 16. University of Buffalo (same as Stoney Brook University)
  - a. TRS (teachers retirement system, defined benefit plan)
  - b. Defined Contribution Plan
    - i. Employee required 3-6% depending upon salary
    - ii. Employer 8% for the first 7 years, then 10%
  - c. Employer 10% used in database
  - d. Employee 6% used in database
- 17. University of Iowa <https://hr.uiowa.edu/retirement/plans-comparison>
  - a. IPERS defined benefit plan (pension type)
    - i. Employee 5.95%
    - ii. Employer 8.93% (+/- 1% potential variation)
  - b. Defined Contribution Plan through TIAA-CREF
    - i. Employee 5% required
    - ii. Employer 10%
- 18. University of Kansas <https://humanresources.ku.edu/kansas-board-regents-plan-kbor>
  - a. Defined Contribution Plan
    - i. Employee required 5.5%
    - ii. Employer 8.5%
- 19. University of Maryland <https://uhr.umd.edu/benefits/retirement-benefits/retirement-plans-at-a-glance/>
  - a. State retirement and pension plan 7% employee contribution required
  - b. Defined Contribution Plan
    - i. Employee required 0%
    - ii. Employer 7.5%
- 20. University of Minnesota <https://humanresources.umn.edu/retirement-savings/faculty-pa-retirement-plan>
  - a. Employee 5.5%
  - b. Employer 10%
- 21. University of Missouri <http://extension.missouri.edu/hr/retirementplans.aspx#gsc.tab=0>  
Unusual as faculty get BOTH plans
  - a. Defined benefit plan
    - i. Employee 1-2% (over \$100,000 2%)
    - ii. Pension formula
  - b. Defined contribution plan
    - i. Employee 2% required
    - ii. Employer 2% automatic, with 3% elective match

- c. Employer 5% used in database
  - d. Employee 7% used in database
22. University of Oregon <https://hr.uoregon.edu/benefits/retirement/pension-plans-%E2%80%93-your-retirement-foundation>
- a. Defined pension plan
  - b. Defined Contribution Plan: There are 4 tiers depending upon hire. The rates listed below are for employees hired after June 30, 2014. All plans before were more generous.
    - i. Employee 0%
    - ii. Employer 8%

### **Private AAU Universities**

1. Boston University <https://hr.uoregon.edu/benefits/retirement/pension-plans-%E2%80%93-your-retirement-foundation>
  - a. Defined Contribution Plan
    - i. Employee 3%
    - ii. Employer changes with age 5, 7, and 9%
  - b. Employer 7% used in database
  - c. Employee 3% used in database
2. Brandeis University [https://www.brandeis.edu/humanresources/benefits/pdfs/2018/Brandeis\\_EXEMPT\\_BASIC\\_RETIREMENT\\_PLAN\\_SPD\\_2017\\_PBMS\\_FINAL\\_11-13-2017.pdf](https://www.brandeis.edu/humanresources/benefits/pdfs/2018/Brandeis_EXEMPT_BASIC_RETIREMENT_PLAN_SPD_2017_PBMS_FINAL_11-13-2017.pdf)
  - a. Defined Contribution Plan
    - i. Employee 5%
    - ii. Employer 8% under 50, 10% over, (9% averaged)
  - b. Employer 9% used in database
  - c. Employee 5% used in database
3. Brown University <https://www.brown.edu/about/administration/human-resources/benefits/retirement-plans-faculty-and-non-union-staff>
  - a. Defined Contribution Plan, 6% base and 2 percent match
    - i. Employee 0+2%
    - ii. Employer 6+2%, 8+2 at 55
  - b. Employer 8% used in database
  - c. Employee 2% used in database
4. Cal Tech [https://benefits.caltech.edu/documents/86-caltech\\_retirement\\_plans.pdf](https://benefits.caltech.edu/documents/86-caltech_retirement_plans.pdf)
  - a. Defined Contribution Plan
    - i. Under Age 55
      1. 8.3% of salary up to the SSWB (Social Security Wage base)
      2. 14% of salary over the SSWB of \$127,200
    - ii. Over Age 55
      1. 12.3% of salary up to the SSWB
      2. 18% of salary over the SSWB of \$127,200
    - iii. 5.7% required match for salary over SSWB
  - b. Employer 8.3% used in database
  - c. Employee 5.7% used in database
5. Carnegie Mellon University <https://www.cmu.edu/hr/benefits/retirement-savings/>
  - a. Defined Contribution Plan
    - i. Employee 0%
    - ii. Employer 8%
6. Case Western University <https://case.edu/finadmin/humres/benefits/retirementA.html>
  - a. Defined Contribution Plan

- i. Employer contribution is equal to 8 percent of salary up to one half of the Social Security taxable wage base (SSTWB) and 12 percent of salary above one half of the SSTWB, up to the IRS maximum annual salary
  - b. Employer 8% used in database
- 7. Cornell University <https://hr.cornell.edu/benefits-pay/retirement-finances/retirement-and-savings>
  - a. CURP is a Defined Contribution Plan
    - i. Employee 0%
    - ii. Employer 10%
- 8. Duke University <https://hr.duke.edu/benefits/retirement/about-dukes-plans/faculty-staff-exempt/dukes-contribution>
  - a. Defined Contribution Plan
    - i. Employee 0%
    - ii. Employer 8.9% up to \$64,000, then 13.2%
  - b. Employer 8.9% used in database
- 9. Emory University <http://www.hr.emory.edu/eu/benefits/403b/contributions.html>
  - a. Defined Contribution plan
    - i. Employer 6% base
    - ii. With 2% from employee, %3 match (9% total employer)
  - b. Employer 9% used in data base
- 10. Harvard University <https://hr.harvard.edu/retirement-programs>
  - a. For those under age 40, the University contributes an amount equal to 5% of salary up to the Social Security wage base, and 10% of salary above the Social Security wage base (\$127,200 in 2017).
  - b. For those age 40 and over, the University contributes an amount equal to 10% of salary up to the Social Security wage base, and 15% of salary above the Social Security wage base.
  - c. Employer 10% used in data base
- 11. Johns Hopkins University <https://benefits.jhu.edu/retirement/faculty.cfm>
  - a. Complicated Defined Contribution Plan. Different categories for executives, different types of faculty, before 2011 or after, staff and those in a bargaining unit.
  - b. For most faculty hired after 2011
    - i. Employer 8% or 12%
    - ii. Employee 4% or 6%
  - c. Employer 8% used in data base
  - d. Employee 4% used in data base
- 12. MIT <http://hrweb.mit.edu/benefits/retirement>
  - a. Defined Benefit Plan MIT pension plan (everyone gets this)
    - i. Cost paid by MIT difficulty to calculate
  - b. MIT 401k plan
    - i. 5% employer match
  - c. Employer and employee 5% used in database
- 13. NYU <https://www.nyu.edu/faculty/benefits/full-time/benefits-guide/retirement-plans.html>
  - a. Defined Contribution Plan (403b)
    - i. Employer 5% with up to 5% match
    - ii. Employee up to 5% for match
  - b. Employer 10% for database
  - c. Employee 5% for database
- 14. Northwestern University <http://www.northwestern.edu/hr/benefits/retirement-plans/index.html>
  - a. Defined Contribution Plan (403b)
    - i. Employer 5% with up to 5% match
    - ii. Employee up to 5% for match

- b. Employer 10% for database
  - c. Employee 5% for database
- 15. Princeton University <https://www.princeton.edu/hr/benefits/retire/>
  - a. Princeton University Retirement Plan
    - i. Employer 9.3% and 15% over SSWB
  - b. Retirement Savings Plan
    - i. All employees enrolled at 5%
  - c. Employer 9.3% for database
  - d. Employee 5% for database
- 16. Rice University <http://people.rice.edu/benefits-rewards/retirement/rice-retirement-plan/>
  - a. Defined Contribution Plan
    - i. Under 50, 7% employer, 12% over SSWB
    - ii. Over 50, 10% employer, 15% over SSWB
  - b. Employer 10% for database
- 17. Stanford University <https://cardinalatwork.stanford.edu/benefits-rewards/retirement/stanford-contributory-retirement-plan/basic-and-matching-contributions>
  - a. Defined Contribution Plan
    - i. Basic plan 1% per employed up to 5%
    - ii. Matching plan 4% contributed by employee, match with 5%
  - b. Employer 10% for database
  - c. Employee 4% for database
- 18. Tulane University <https://www2.tulane.edu/wfmo/benefits/retirement/eligibility-and-overview.cfm>
  - a. Defined contribution plan
    - i. Staff – 8% base salary
    - ii. Faculty/Admin 8% with a 2% additional voluntary match
    - iii. Faculty/Admin 10% with a 2% required match for those
  - b. Employer 10% for database
  - c. Employee 2% for database
- 19. University of Chicago <http://humanresources.uchicago.edu/benefits/retirefinancial/retireplans/index.shtml>
  - a. Defined Contribution Plan (Faculty and Administrators)
    - i. 8% employer
    - ii. 5% employee required
- 20. University of Pennsylvania <https://www.hr.upenn.edu/PennHR/benefits-pay/saving-for-retirement/contributions>
  - a. Defined Contribution Plan
    - i. Basic plan (no match) 1.5-4% depending upon age (40 is the top)
    - ii. 1 to 1 match up to 5%
  - b. Employer 9% for database
  - c. Employee 5% for database
- 21. University of Pittsburgh <http://www.hr.pitt.edu/current-employees/benefits/retirement-savings-plan/defined-contribution>
  - a. Defined Contribution Plan
    - i. 3 year vesting period
      - 1. 1 to 1 match 3% to 8%
    - ii. After 3 year
      - 1. 1 to 1.5 match 4.5% to 12%
    - iii. Accelerated option for those over 52
      - 1. 8% match with 14.5%
  - b. Employer 12% for database
  - c. Employee 8% for database
- 22. University of Rochester [http://rochester.edu/working/hr/benefits/library/Plan\\_403b.pdf](http://rochester.edu/working/hr/benefits/library/Plan_403b.pdf)

- a. Defined Contribution Plan
    - i. Employer 6.2% up to salary of 55,623 (1/2 SSWB?), then 10.5%
      - 1. 2 year of service required
    - ii. Employee automatically enrolled with 3%, but can change, not a match
  - b. Employer 10.5% for database
  - c. Employee 3% for database
23. University of Southern California <https://benefits.usc.edu/retirement/retirement-plan/>
- a. Defined Contribution Plan
    - i. Employer 5% with additional 5% match
    - ii. Employee 5% match
  - b. Employer 10% for database
  - c. Employee 5% for database
24. Vanderbilt University <https://hr.vanderbilt.edu/benefits/retirement/>
- a. Defined Contribution Plan
    - i. Very confusing web page
  - b. Salary supplement of 5% for most faculty and administrative staff
    - i. <https://www.vanderbilt.edu/faculty-manual/part-vi-faculty-benefits/ch2-retirement-programs/>
  - c. Employer 5% for database
  - d. Employee 5% for database
25. Washington University, St. Louis <https://hr.wustl.edu/benefits/retirement-saving/>
- a. Defined Contribution Plan
    - i. Current plan (older exists)
    - ii. 7% employer contribution from year 2-10
    - iii. 10% contribution from year 10 on
    - iv. Employee 5% required to get the employer.
  - b. Employer 5% for database
  - c. Employee 10% for database
26. Yale University <https://your.yale.edu/work-yale/benefits/financial-wellness/yale-retirement-programs/retirement-plans-faculty>
- a. Defined Contribution Plan
    - i. Employer 5% automatic, 5% additional Match
      - 1. Employer automatic increases to 7.5% for salary over the SSWB
    - ii. Employee 5% to get maximum match
  - b. Employer 5% for database
  - c. Employee 10% for database