Resolution 10: Improving Consistency in Retirement Benefit Accrual Policies

***Abstract:***  This resolution seeks to eliminate the distinction between non-exempt staff and exempt staff under the Cornell University Retirement Program (CURP) in order that all benefits-eligible endowed employees should become eligible to receive University contributions to their retirement plans upon employment, without any waiting period as now required only for non-exempt staff.

***Sponsored by:*** Laura W. Johnson-Kelly, Chair of Employee Welfare Committee and Library/Museum Representative, Bruce A. Roebal, College of Arts and Sciences Representative, and Craig W. Wiggers, Veterans Representative

***Reviewed by:*** EA Personnel Policy Committee, 01/25/2018 and by the EA Welfare Committee, 03/01/2018

**Whereas,** non-exempt Cornell endowed employees currently do not receive retirement contributions under the Cornell University Retirement Program (CURP) until they have worked for the University for two full years; and

**Whereas,** exempt Cornell endowed employees currently receive contributions by the University Cornell University Retirement Program (CURP) immediately upon their employment with the University; and

**Whereas**, Cornell employees eligible for CURP receive contributions of 10% of their base pay (up to $270,000 for 2017; up to $275,000 for 2018) deposited into a 403(b) retirement plan with TIAA and/or Fidelity; and

**Whereas,** non-exempt Cornell employees are in pay bands A, B, C, D, and E, and nearly universally earn less (sometimes far less) than exempt employees, who are in pay bands E, F, G, H, and I,such that the two-year waiting period before the University begins retirement contributions for non-exempt employees disproportionately disadvantages the lowest-earning staff at the University; and

**Whereas**, two Cornell endowed employees doing substantially equivalent work, hired on in band E jobs with the same salary, are treated differently in terms of retirement contributions when one employee is non-exempt and the other is exempt; and

**Whereas,** New York State requires that all regular full-time state employees, and state employees working full-time for at least 12 months, enroll in a New York State retirement plan. This includes Cornell contract college (state) employees but does not include those working in the endowed units, who are covered under CURP; and

**Whereas**, inconsistencies in University policies and their application across campus were an area of notable concern in the October 2016 Employee Survey

**Be it therefore resolved,** that the Cornell University Retirement Program (CURP) eligibility criteria be changed to eliminate the distinction between exempt and non-exempt endowed employees when such employees are employed in benefits-eligible jobs.

**Be it further resolved,** that non-exempt benefits-eligible Cornell endowed employees be enrolled in the Cornell University Retirement Program upon their employment with the University.

**Be it finally resolved,** that every effort be made to educate all new and continuing staff about the importance of making contributions to their retirement accounts.

Respectfully Submitted,

Laura W. Johnson-Kelly, Chair of Employee Welfare Committee, EA representative to the Retirement Plan Oversight Committee, and Library/Museum Representative

Bruce A. Roebal, College of Arts and Sciences Representative

Craig W. Wiggers, Veterans Representative

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