

Office of the President
May 6, 2003

Members, Board of Trustees:

REVISION OF ADMINISTRATIVE REGULATION ON RETIREMENT

Recommendation: that the Board of Trustees approve the revision of Administrative Regulation AR II-1.6-1, effective March 1, 2003, to reflect the current executive staff of the University. This revision updates AR II-1.6-1-II-F and permits individuals in the positions included in section II-F of the AR to participate on the effective date of their eligibility for the plan.

Background: Under the provision of AR II-1.6-1-II-F, the University of Kentucky 403(b) retirement plan allows certain executives in the University's retirement plan to receive an additional contribution from the University, thus not requiring a contribution from the employee. The University contributes 15% to the employee's 403(b) retirement plan. Employees who are not under this provision and who are in non-civil service positions contribute 5% of their base salary on a pre-tax basis and the University provides a matching contribution of 10% of the employee's base salary, for a total of 15%, which is directed by the employee into investments provided by one of the University's retirement carriers.

The proposed amendment to the AR eliminates reference to chancellor, a position that does not exist under the Provost model, and adds the Provost, General Counsel and the Chief of Staff to the President, a recently approved executive position.

Note: The locations of proposed changes are indicated by a vertical mark in the margin. Proposed additions are underlined; proposed deletions are indicated by a strike through.

Effective March 1, 2003

II-F. ~~Vice Presidents, and Chancellors~~ President, Provost, Vice Presidents, General Counsel, and Chief of Staff to the President |

Annual contributions to the Retirement Plan shall be made on behalf of the President, ~~Provost~~, each Vice President, ~~the General Counsel~~, and ~~each Chancellor~~ the Chief of Staff to the President | in an amount equal to the aggregate of employee and University contributions otherwise provided herein for Group I employees. Provided, however, that nothing contained herein shall be construed to impair the retirement entitlement of any President or Vice President employed in that capacity as of September 18, 1979. The Chairperson of the Executive Committee of the Board of Trustees, on behalf of the Board, shall execute contracts with the individual officers providing for the age of retirement of the officers and the other details of the arrangement authorized by this Retirement Plan.

Action taken: Approved Disapproved Other _____