




Advancing *Missouri*

New Retirement Plan

Board of Curators

October 20-21, 2011

New Retirement Plan: Final Recommended Plan Design

Plan Design Elements	New Retirement Plan	Current Retirement Plan
	Defined Benefit Portion	
Multiplier Formula	1.0% of Pay, average of 5 highest consecutive years of salary	2.2% of Pay, average of 5 highest consecutive years of salary
UM Contribution	3.21% of salary	7.25% of salary
Vesting	5 years	5 years
Employee Mandatory DB Contribution	1% up to \$50,000, 2% of amount above \$50,000	1% up to \$50,000, 2% of amount above \$50,000
Minimum Value Accumulation	None	5% of pay per year with 7.5% interest
	Defined Contribution Portion	
UM Automatic Contribution	2% of Pay	
UM Match	100% up to an additional 3% of pay	
Vesting	3 years (need not be consecutive)	
Estimated UM Contribution	7.4 to 7.7% of Pay	7.25%

Next steps – Recommendations to Board

- » Vendor selection – December 8, 2011
- » Retirement Plan document revisions/additions – December 2011; February, April and June 2012
 - › Fiduciary roles and responsibilities – December 2011
 - › Employee communications/education programs – December 2011
- » Plan activation October 1, 2012