

Resolution from the UTK Faculty Senate Benefits and Professional Development Committee for the November 20 Faculty Senate Meeting (approved at the November 6 Faculty Senate Executive Council Meeting)

WHEREAS, UTK Faculty members should have the ability to control their ORP retirement funds if they wish upon leaving the university, and

WHEREAS, the University of Memphis (UM) Faculty Senate approved a resolution (below) to achieve this goal on September 5, 2017,

THEREFORE BE IT RESOLVED THAT the UTK Faculty Senate endorse the resolution from the University of Memphis Faculty Senate, and request that the UTK campus and UT system administrations work with the State of Tennessee General Assembly to exempt higher education faculty from TCA Section 8-25-211 or repeal this section of Tennessee Code.

UM Approved Motion on Ability to Withdraw Retirement Plan Funds

WHEREAS, Tennessee law restricts state retirees from full access to their ORP funds in retirement:

TCA Section 8-25-211. Upon retiring or otherwise terminating employment, an employee participating in an optional retirement program may elect to receive a cash withdrawal of up to fifty percent (50%) of such employee's accumulated account or accounts if permitted by the relevant optional retirement company, and if the employee applies for and begins receiving a lifetime distribution of the remaining portion of such employee's accumulated account or accounts. Any employee who receives a cash withdrawal pursuant to this section shall not be entitled to reestablish the withdrawn amount or any period of service represented by that amount in either the optional retirement program, the retirement system, or any other Tennessee state retirement program; and

WHEREAS, this restriction is highly unusual and is in direct conflict with the spirit of the optional retirement program that allows employees greater control over their retirement funding: Now, therefore,

BE IT RESOLVED, The University of Memphis Faculty Senate this fifth day of September, 2017, in the City of Memphis, Tennessee, respectfully requests that University President M. David Rudd and the University of Memphis Board of Trustees engage with the State of Tennessee General Assembly to exempt higher education faculty from TCA Section 8-25-211 or repeal this section of Tennessee Code.

Details with Withdrawal Restrictions on ORP Accounts:

<http://fs.memphis.edu/orp/ORP-Info.pdf>