

Contact: Tom Evans

REVISION TO POLICY MANUAL--TIAA-CREF CONVERTIBILITY

Action Requested: Consider recommending, as first reading, to the Board the proposed change to Chapter 4 of the Board of Regents Policy Manual as outlined below; and eliminate the waiver of liability requirement.

Executive Summary: Distributions by former employees from Teacher Insurance and Annuity Association – College Retirement Equity Fund (TIAA-CREF) retirement accounts are governed by Board of Regents policy.

Section 4.17(B)(2) of the Board's Policy Manual permits former employees who terminated employment with a Regent institution **and are less than 55 years of age** to convert up to one-third (1/3) of their TIAA-CREF account. This allows convertibility of all the employee's contributions and accumulations made by the employee from the employee's own funds. At or after age 55, the remaining portion of the TIAA-CREF account is available for the convertibility distribution.

Correspondingly, section 4.17(B)(1) permits former employees who terminated employment with a Regent institution and are **at least age 55** to convert the full value of their TIAA-CREF accounts, including the employee's and employer's contribution and accumulation made from both.

The change in the Policy Manual will allow former employees who terminated employment with a Regent institution to convert the full value of their TIAA-CREF accounts to any financial instrument they deem appropriate, without regard to their age; and end the requirement that individuals considering convertibility sign a waiver releasing the institution and Board of Regents of liability for their decisions.

TIAA-CREF Retirement Program - 4.17B (Board of Regents Policy Manual)

Existing Policy

B. Options for Former Employees

1. A former employee or retiree who is at least 55 years of age may convert his or her TIAA-CREF account to any financial instrument he or she deems appropriate.

2. A former employee who is less than 55 years of age may convert TIAA-CREF employee contributions to any financial instrument he or she deems appropriate, to the extent permitted by TIAA-CREF.

Proposed Policy

B. Options for Former Employees

1. A former employee or retiree may convert his or her TIAA-CREF account to any financial instrument he or she deems appropriate.