

CHANGES TO THE OU RETIREMENT PLAN

For Benefits-Eligible Employees Hired On or After 1/1/2023

Effective 1/1/2023

The university changed the **“Option 1”** retirement plan for employees hired on or after January 1, 2023; this includes the **removal of the 401(a) defined contribution of 8% over \$9,000 for all new benefits-eligible employees who elect the Option 1 retirement plan.** Benefits-eligible employees hired prior to January 1, 2023, will not be affected by the retirement plan change.

For employees hired prior to January 1, 2023, the university offered two retirement plan options to its benefits-eligible employee population:

OPTION 1 Oklahoma Teachers' Retirement System (OTRS) with a 401(a) Defined Contribution Plan (DCP)

- Employee contributes to OTRS: 7% of the employee's total compensation (earnings, plus employer paid insurance premiums and DCP contributions), effective the first day of employment.
- OU contributes to OTRS: 8.55% of the of the employee's total compensation (earnings, plus employer paid insurance premiums and DCP contributions), effective the first day of employment.
- OU contributes to a 401(a) DCP: 8% of the employee's base salary, less the first \$9,000, effective after a one-year waiting period.
- Vesting Period: OTRS portion is seven (7) years and DCP portion is three (3) years. The one-year waiting period is included as one year of participation.

OPTION 2 401(a) Defined Contribution Plan

- OU contributes to 401(a) DCP: 9% of employee's base salary, effective after a one-year waiting period.
 - Vesting Period: DCP is three (3) years from first day of employment. The one-year waiting period is included as one year of participation.
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