

TO: Fort Wayne Senate

FROM: Purdue University Committee on Institutional Affairs

DATE: 28 March 1983

SUBJECT: PURDUE UNIVERSITY CONTRIBUTIONS TO TIAA-CREF

DISPOSITION: To the President and Board of Trustees of Purdue University

WHEREAS, the termination of contributions by Purdue University to TIAA-CREF for employees reaching age 65 is discriminatory and creates an inequity between the faculties of Purdue University and Indiana University at Fort Wayne,

BE IT RESOLVED, that the Fort Wayne Senate recommends and requests the President and the Board of Trustees of Purdue University to adopt a policy of continuing university contributions to TIAA-CREF for employees up to the Mandatory Retirement Age of 70.

Approving

D. Burrows
L. Beineke
A. Friedel
S. Rickert
A. Finco (Chair)

Opposed

Absent

Background Summary.

In 1978, amendments to the Age Discrimination in Employment Act were passed by Congress raising the Mandatory Retirement Age of most employees to 70, but for tenured employees of colleges and universities this was not effective until 1 July 1982. Moreover, a Department of Labor interpretation provides that an employer may adopt a Normal Retirement Age lower than the mandatory one and may elect not to contribute to a retirement fund for employees over the Normal Retirement Age.

Although the Mandatory Retirement Age of tenured Purdue employees is 70, Purdue University (Executive Memorandum No. B-58, 19 December 1978) has set 65 as the Normal Retirement Age, and hence the University's contributions to TIAA-CREF cease when an employee reaches that age. The Normal and Mandatory Retirement Ages at IU are age 70.