

31.02 Employee Insurance and Retirement Benefits

Revised [May 18, 2023](#) (MO -2023)
Next Scheduled Review: May 18, 2028
Click to view [Revision History](#).



Policy Summary

This policy seeks to provide guidance to all the members of The Texas A&M University System (system) in accordance with applicable law governing the eligibility and promulgation of benefits to the employees and retirees of the system. This policy establishes insurance, retirement and other benefits devised and maintained to attract and retain competent and able employees.

Policy

1. INSURANCE PROGRAMS

1.1 Group Insurance

1.1.1 Group insurance is available as a benefit for system employees. A Basic Group Health and Life Insurance Program is available for all employees who are required to participate in a system retirement program and are listed in the position identification database for fifty percent (50%) or more time for at least four and one-half (4-1/2) months. Graduate students who work at least fifty percent (50%) time for four and one-half (4-1/2) months and whose positions require that they be enrolled in graduate level courses are also eligible.

1.1.2 The chancellor, or designee, is authorized to administer the group insurance programs for system employees, establish necessary rules and procedures in accordance with state law, establish appropriate funding and fiscal management mechanisms including self-insuring for the programs, enter into contracts with providers, and otherwise to accomplish all actions necessary to administer the programs.

1.2 Workers' Compensation Insurance

Texas law contains requirements for workers' compensation insurance for all system employees whose names appear on the system payroll. The chancellor, or designee, is directed to implement and administer the Workers' Compensation Insurance Program on a systemwide basis.

1.3 Unemployment Compensation Insurance

All system employees are covered by unemployment compensation insurance in accordance with applicable law. A system unemployment compensation insurance revolving fund must be maintained to provide reimbursement to the state for benefits paid to former system employees where such reimbursement is required by law. The fund assets must consist of assessments to be paid by each member as specified in operating budget policy guidelines and interest earned on the monies in the fund.

2. RETIREMENT PROGRAMS

2.1 Mandatory Retirement Programs

2.1.1 Each regular system employee who is listed in the position identification database for fifty percent (50%) or more time for an employment period that is expected to be at least four and one-half (4-1/2) months, excluding students holding positions for which student status is a requirement for employment, is required by law to participate in the Teacher Retirement System of Texas (TRS), abide by the rules and regulations thereof and share its privileges and benefits, except as noted in Section 2.1.2.

2.1.2 Any system employee who qualifies for and elects to participate in the Optional Retirement Program (ORP) pursuant to the Texas Government Code may participate in that program in lieu of the TRS. The chancellor, or designee, is authorized to administer the ORP for system employees, establish necessary rules and procedures in accordance with state and federal law, and otherwise to accomplish all actions necessary to administer the program.

2.2 Supplemental Retirement Programs

Each system employee who reports personal income for federal income tax purposes on the cash basis accounting method is eligible to participate in the System Tax-Deferred Account Program and the State Deferred Compensation Program. Enrollment in either program is at the discretion of each employee, and there is no matching contribution by the state under either program.

3. CAFETERIA PLAN

The chancellor, or designee, is authorized to establish and administer Cafeteria Plans authorized by Section 125, Internal Revenue Code, and in accordance with Texas statutory authority.

4. The chancellor, or designee, is authorized to implement additional payroll-deducted benefits as authorized by law.

Related Statutes, Policies, or Requirements

[26 USC § 125 \(Internal Revenue Code\)](#)

[Tex. Gov't Code §§ 821-825, 830, *Teacher Retirement System of Texas*](#)

[19 Tex. Admin. Code Ch. 25, Subch. A, *Optional Retirement Program*](#)

[Tex. Ins. Code Ch. 1601](#)

[Texas Lab. Code Title 4, Subtitle A, *Texas Unemployment Compensation Act*](#)

[TRS Benefits Handbook](#)

[ERS-Sponsored TexaSaver Plan](#)

[System Policy 24.01, *Risk Management*](#)

[System Policy 31.07, *Retirement*](#)

[System Regulation 31.02.07, *Unemployment Compensation Program*](#)

Member Rule Requirements

A rule is not required to supplement this policy.

Contact Office

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