§ 391. Optional retirement program established. 1. There is hereby established an optional retirement program which shall provide for the purchase of contracts providing retirement and death benefits for or on behalf of electing employees. Under such program the state or an electing employer and such employees shall contribute, to the extent authorized or required, towards the purchase of such contracts, which shall be issued to, and become the property of, such employees. The board of trustees of a community college may elect to offer the optional retirement program to eligible employees of such college by resolution, which shall become effective upon approval of the local sponsor acting through its local legislative body or board or other appropriate governing agency.

2. The board shall designate the insurer or insurers to which payment of such contributions may be made and shall approve the form and content of such contracts. In making such designation and giving such approval the board shall give due consideration to (i) the nature and extent of the rights and benefits to be provided by such contracts for electing employees and their beneficiaries, (ii) the relation of such rights and benefits to the amount of contributions to be made under this article, (iii) the suitability of such rights and benefits to the needs and interests of electing employees and to the interests of state university and of electing employers in the employment and retention of eligible employees, and (iv) the authority and ability of the designated insurer or insurers to provide rights and benefits under such contracts.

3. The board is hereby authorized to provide for the administration of such optional retirement program and to perform or authorize the performance of such functions as may be necessary for such purposes in accordance with this article.