Arizona State Retirement Audit
Overview and Update
Overview

Purpose:
- To assess the UA’s compliance with mandatory retirement plan eligibility and participation requirements.
- Period audited fiscal year 2010-2011.

Eligibility:
- Employees who worked 20 or more hours per week for 20 or more weeks in the fiscal year, and
- Student workers enrolled in fewer than 6 credit hours who worked 20 or more hours per week for 20 or more weeks in the fiscal year.

Results:
- The University is required to pay retirement contributions on these individuals’ behalf and notify them that they must make contributions on their own in order to be eligible for service credit.
- 21 Colleges and 92 departments were invoiced
Latest News

- Dissertation Credit Hours
  Graduate student dissertation credit hours were not initially considered. The UA requested an additional review, resulting in removing Grads who had 1 – 3 units/credits “in progress”.
  Those affected Colleges were issued revised invoices.

- Post-Secondary student workers
  Definition by Social Security Administration; Section 218: Students enrolled and regularly attending classes at the school, college or university where they are working.
  This is resulting in an evaluation of what relationship post-secondary students carry with the University.
Looking Ahead

• Additional self audits for FY2012 and FY2013 are currently in process.

• Working on UAccess Analytics dashboards – currently student worker dashboard is being tested.
  Additional dashboards to be developed.

• Student workers policies – under consideration.

• Interaction with the Affordable Care Act (ACA) – The ACA brings additional need of reviewing and assessing all non-benefit eligible hired employees.
Affordable Care Act
Key Concepts

Effective Date: January 1, 2015

“Applicable large employers” must be offer their full-time employees and their children affordable health care

Full-time = 30 hours per week

Affordable = A health insurance premium that is no more than 9.5% of the employee’s household income.

Penalties = $2000 annually per employee (including those offered coverage)
**Current ADOA Eligibility**

20 hours a week for 6 months or more

**Good news:** Most employees working 30 hours per week are already receiving benefits.
Non-Benefits Eligible Employees

Variable hour employees

**Measurement period:** “Look back” 3-12 months to determine if employee is working an average of 30 hours a week

- **UA Measurement period:** October 1 – September 30 each year

**Administrative period:** 3-month period for notification and enrollment

- **UA Administrative period:** October 1 – December 31 each year

**Stability period:** Period of time an employee must receive health insurance if he/she worked an average of 30 hours per week during the measurement period

- **UA Administrative period:** January 1 – December 31 each year
Adjuncts

We must use a “reasonable method” to calculate adjunct hours.

15 credits = 40 hours a week

15 credits X .75 (30 hours) = 11.25 credits
Student workers are exempt from ACA, right?

Actually, NO!
Transitioning to 2015

First Measurement period:
October 1, 2013 – September 30, 2014

First Administrative period:
October 1, 2014 – December 31, 2014

First Stability period:
January 1, 2015 – December 31, 2015

Tracking tools in development
Student employees with 5 or less credits: Limit to 19 hours per week.

Student employees with 6 or more credits: Limit to 27 hours per week.

Stay true to an employee’s FTE.