Benefits Design and Management

Finalizing your retirement
Introductions
Agenda

- Emeritus College
- ASU Retiree Association
- ASU retirement process
- Retirement plans
- Retiree benefits
- Important deadlines
Retirement terminology and acronyms

ADOA: Arizona Department of Administration
ASRS: Arizona State Retirement System
COBRA: Consolidated Omnibus Budget Reconciliation Act
FSA: Flexible Spending Account
HSA: Health Savings Account
GAO: General Accounting Office
ORP: Optional Retirement Plan
RASL: Retiree Accumulated Sick Leave
The Emeritus College

- Membership is not automatic.
- One-time small fee for membership.
- Open to all Emeritus status Faculty.
- Presently have over 525 faculty members.

Sponsored programs include
- Colloquia.
- Funded grant opportunities such as Barrett Emeritus Fellowship, Emeritus Faculty Fellowship, Research and Creativity Grants and Undergraduate Research Internship.
- Lectures and courses.
- The Emeritus Press—Emeritus College Newsletter and Emeritus Voices journal.

Learn more: emerituscollege.asu.edu
ASU Retirees Association

• Advocates for retirees, lobbying for their best interests at the State Legislature, with State agencies and with ASU departments and leaders for access to university services.

• Offers a range of activities including
  • Fall, Holiday and Spring luncheons.
  • Local, state, national and international trips.
  • Seminars with topics of interest to retirees.

• Sponsors programs that contribute to the community, including an annual student scholarship, book drive and an Adopt-a-Family project.

• Upon retirement, ASU employees are afforded membership for the first year with modest annual membership dues each subsequent year.

Learn more: asura.asu.edu
Retirement Plans
Retirement eligibility: ASU

To retire from ASU, you must:

- Be at least age 50, or age 41 if a PSPRS member.
- Be receiving a retirement annuity under an Arizona university-sponsored retirement program.
- Complete at least five years of continuous, full-time employment in the Arizona University System immediately preceding retirement.
- Not have been involuntarily terminated from employment by the university for cause.

Learn more: cfo.asu.edu/retiring-asu
Retirement eligibility: ASRS

Normal retirement is the earliest you may retire with a full benefit as calculated by the ASRS benefit formula. A normal retirement date occurs under the earliest of the following situations:

**ASRS membership prior to July 1, 2011**
- Age 65 with any years of ASRS credited service.
- Age 62 with 10 or more years of ASRS credited service.
- 80 points: Combination of age and years of ASRS credited service.

**ASRS membership on or after July 1, 2011**
- Age 65.
- Age 62 with 10 or more years of ASRS credited service.
- Age 60 with 25 or more years of ASRS credited service.
- Age 55 with 30 or more years of ASRS credited service.
Retirement eligibility: ORP

Optional Retirement Plan (ORP)

- Early retirement occurs at any age prior to age 65.
- Normal retirement occurs at age 65.
- TIAA or Fidelity
Voluntary retirement plans

Arizona University System Voluntary 403(b) Plan
State of Arizona Deferred Compensation 457(b) Plan

Learn more
cfo.asu.edu/voluntary-retirement-program
Starting the process
Begin your retirement process

Step one

- Decide the date when you want to retire from ASU
- **Recommendation:** Begin the process at least two to three months before you retire.

**Important**

- Your retirement effective date will be the first day you are no longer an ASU employee.
- If you have accrued vacation hours, you are eligible for a payout of up to one year’s accrual (176 hours).
- *Vacation use in the final pay period of employment will affect your final vacation payout hours.*
- Your final paycheck should be enough to cover all your benefits.
Begin your retirement process

Step two

Notify important parties

Send written notification to:

- Your department
- ASU HR Benefits: HR_Retirement@asu.edu
- Your retirement plan
- Social Security Administration
Begin your retirement process

Step three

- Your department must take action to process your retirement and vacation payout

- Submit retirement Personnel Transaction Request (PTR).
- Submit vacation payout request.

- Recommendation
- Before you retire, remind your department HR representative or your supervisor to complete these tasks.
Transitioning benefits
When will employee benefits end?

ASU benefits

• ASU benefits end at midnight on the last day of the pay period in which you last worked, if applicable, or when your accrued vacation time is used.
• Payroll calendar: https://cfo.asu.edu/payroll-calendars.
• Note: Vacation payouts do not extend the benefits coverage.

Farmers Group Insurance (formerly MetLife)

• Call Farmers to request home billing.

Unum Long-Term Care Insurance

• Call Unum to request home billing.

Learn more: cfo.asu.edu/voluntary-benefit-plans
Retiree health care overview

- State-sponsored retiree health care benefits through ASRS and/or ADOA.
- Health benefits through your spouse’s employer.
- Health benefits offered by other organizations or companies.
- Benefits coordination with Medicare.
ADOA retiree health insurance

- Eligibility criteria
- Enrollment deadline
- Effective date of coverage
- New ID cards
- ASRS Premium Benefits Subsidy program
- Open Enrollment

Learn more: 602-542-5008
benefitoptions.az.gov

ADOA Retired State Employees Benefits Guide
# ADOA plan options

<table>
<thead>
<tr>
<th>Medical</th>
<th>Dental</th>
<th>Vision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Triple Choice Plan</td>
<td>Prepaid</td>
<td>(medical and/or dental coverage must also be elected)</td>
</tr>
<tr>
<td>BlueCross BlueShield of Arizona</td>
<td>2023-UHC Solstice</td>
<td>Avesis</td>
</tr>
<tr>
<td>United Healthcare</td>
<td>Delta Dental</td>
<td></td>
</tr>
</tbody>
</table>
ASRS retiree health insurance

- Eligibility criteria (ASRS and ORP)
- Enrollment deadline
- Effective date of coverage
- New ID cards
- Open Enrollment
- Premium Benefits Subsidy program (ASRS only)

Learn more: 602-240-2000
www.azasrs.gov

ASRS Retiree Group Insurance Enrollment Guide
## ASRS plan options

<table>
<thead>
<tr>
<th>Medical from United Healthcare</th>
<th>Dental from Sun Life Financial</th>
<th>Vision Service Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Medicare</strong></td>
<td><strong>Nationwide</strong></td>
<td><strong>Non-Medicare</strong></td>
</tr>
<tr>
<td>Choice Premier (Nationwide in-network coverage)</td>
<td>Choice Value (Nationwide in-network coverage)</td>
<td>Included with all four Choice plans</td>
</tr>
<tr>
<td>Group Medicare Advantage HMO (AZ in-network only)</td>
<td>Group Medicare Advantage PPO (Nationwide in and out-of-network)</td>
<td>Discount plan included with Delta Dental coverage</td>
</tr>
<tr>
<td><strong>Medicare</strong></td>
<td><strong>Select states</strong></td>
<td><strong>Medicare</strong></td>
</tr>
<tr>
<td>Delta Dental (high option)</td>
<td>Delta Dental (low option)</td>
<td>Included with Group Medicare Advantage plan</td>
</tr>
<tr>
<td><strong>Non-Medicare</strong></td>
<td><strong>Medicare</strong></td>
<td><strong>Vision Service Plan</strong></td>
</tr>
<tr>
<td><strong>Dental</strong></td>
<td></td>
<td><strong>Non-Medicare</strong></td>
</tr>
<tr>
<td>Delta Dental (high option)</td>
<td>Delta Dental (low option)</td>
<td><strong>Medicare</strong></td>
</tr>
<tr>
<td><strong>Vision Service Plan</strong></td>
<td></td>
<td>Included with all four Choice plans</td>
</tr>
<tr>
<td><strong>Non-Medicare</strong></td>
<td><strong>Medicare</strong></td>
<td>Discount plan included with Delta Dental coverage</td>
</tr>
<tr>
<td><strong>Dental</strong></td>
<td></td>
<td>Discount plan included with Delta Dental coverage</td>
</tr>
</tbody>
</table>

ASRS retiree premium payments and premium benefit subsidy program

- Eligibility criteria
  - Must have been an ASRS participant.
  - Must enroll in insurance through either the ASRS or ADOA.
  - Must have five or more years of credited service in ASRS.

- Benefit up to $260 per month.

- ASRS pension recipients.

Learn more: 602-240-2000
www.azasrs.gov

ASRS Retiree Group Insurance Enrollment Guide
ADOA Retired State Employees Benefits Guide
## Basic premium benefit subsidy amounts

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Without Medicare</th>
<th>With Medicare A &amp; B</th>
<th>Combinations</th>
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<tbody>
<tr>
<td></td>
<td>Retiree Only</td>
<td>Retiree and Dependents</td>
<td>Retiree Only</td>
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<tr>
<td>5.0-5.9</td>
<td>$75.00</td>
<td>$130.00</td>
<td>$50.00</td>
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<tr>
<td>6.0-6.9</td>
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<td>7.0-7.9</td>
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<td>$80.00</td>
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<td>9.0-9.9</td>
<td>$135.00</td>
<td>$234.00</td>
<td>$90.00</td>
</tr>
<tr>
<td>10.0 +</td>
<td>$150.00</td>
<td>$260.00</td>
<td>$100.00</td>
</tr>
</tbody>
</table>

### Arizona State Retirement System (ASRS) Members
Life insurance options

Conversion privileges

• ADOA Life: Basic Life, Supplemental Life and/or Dependent Life.
• ASU Life: Basic Life, Supplemental Life and/or Dependent Life.

Securian Retiree Life Insurance

• Available only if already are enrolled in ASU Supplemental Life.
• Subject to meeting eligibility criteria.
• Retiree $5,000
• Spouse $2,000
• Children $1,000
Flexible spending accounts

- FSAs end on the last day of the pay period in which you retire.
- Dependent care FSAs cannot be continued under COBRA.
- Contact ASI Flex for information on continuing Healthcare FSAs under COBRA.

Learn more: 800-659-3035
asi@asiflex.com
Final check and vacation payout

- You are eligible for a payout of accrued vacation hours upon retirement, up to 176 hours.

- Maximum paid vacation leave on your final pay date cannot exceed one year’s accrual. This includes vacation time used to extend your employment.

- Vacation payouts are issued on a separate check and are taxed at 25%.

SPP 702-01 Vacation Leave Benefits
ACD 704-01 Vacation Leave
Retiree accumulated sick leave program
Retiree accumulated sick leave program (RASL)

- Purpose
- Eligibility
- Benefit
- Deadline
- Payout Schedule

Learn more:
RASL online www.gao.az.gov/payroll/rasl
RASL Program Coordinator
602-542-6222
RASL Checklist

RASL Form

State of Arizona
Arizona Department of Administration
General Accounting Office

RETIREE ACCUMULATED SICK LEAVE (RASL) PROGRAM
To be emailed to RASL@ezdoe.gov

CHECKLIST WITH INSTRUCTIONS
For RASL Application (GOA-SL-50)
For University Retirees

Retiree Section of GOA-SL-50

- Provided required personal information. Missing or illegible information may delay processing.
- Retirement System selected from one of the five choices, and Retirement Date provided (not last day of work).
- If applicable, enlisted with the state-sponsored deferred compensation program prior to separation date.
- If applicable, emailed RASL, Deferral Notification Form directly to the state-sponsored deferred compensation provider at Phfarsli@sienna.com or email to provider to give it to your university deferred compensation rep.
- Selected preferred payment method: direct deposit or paper check (address). These provide a VOID check with printed name or a letter from your financial institution before checks and deposit are not accepted. Handwritten account information is not acceptable.
- Federal Tax Withholdings (IRS Form W-4)
- Arizona Tax Withholdings (AZDOR Forms A-4) and attached Forms (W-4 and AZDOR A-4).
- Current withholdings forms can be obtained on the RASL website or at www.irs.gov and www.azdor.gov. Claiming "EXEMPT" from tax withholdings requires that you submit a new IRS Form W-4 and AZDOR Form A-4 each calendar year to continue to claim "EXEMPT" status.
- Completed beneficiary information or write "NONE." Initials at right (5) certification statements.
- Form must be signed and dated by retiree or beneficiary.
- Submit your RASL Application Form (GOA-SL-50) to the University RASL, Liaison in Human Resources or Human Resources.
- Remember to communicate with the GoRASL Program at RASL@azdarks.com if you change your address or bank account. RASL does not share the information with the Retirement System or with the Universities.
- After your first RASL payment, you will be provided access to your (GOA-RASL) payroll account at you.ace.gov.

Retiree or Legal Representative Signature and Date

University Section of GOA-SL-50

- Verify retiree is accurate and complete.
- Retiree must submit signed Form GOA-SL-50.
- University RASL, Liaison name and contact information. Person to be contacted for RASL application issues.
- For DBP or FED Retirees: Attach letter confirming DBP or FED retirement data.
- SEPARATION DATE: Attach documentation to verify separation date.
- DATE OF FINAL PAYCHECK: Complete after final payment for all wages and accrued leave (if any) has been made.
- SICK LEAVE BALANCE: Attach documentation to verify sick leave balance.
- MONTHLY RATE ON SEPARATION DATE: Attach documentation to verify hourly rate of pay in four digits (e.g., 00125).
- Show your calculation of hourly rate of pay. Show annual salary divided by the appropriate number of hours worked (such as 2000, 1000 or 1250).
- UNIVERSITY CERTIFICATION AND SIGNATURE: Form GOA-SL-50 is invalid if not signed by University RASL Liaison. Please check whether you believe this is or is not a valid claim against the State.

University RASL, Liaison Signature and Date
Application and Certification Form Retiree Accumulated Sick Leave (RASL) Program
W-4 Employee’s Withholding Certificate

Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. This Form W-4 is for your employer. Your withholding is subject to review by the IRS.

Step 1: Enter Personal Information
- Full name and Social Security number
- Address
- Telephone number
- Days and months
- City, state, and Zip code

Step 2: Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, and when to use the estimator at www.irs.gov/W4-PP.

Step 2a: Multiple Jobs or Spouse Works
- Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.
  - Do only one of the following:
    - Use the estimator at www.irs.gov/W4-PP for most accurate withholding for the step (and Steps 3-4). If you or your spouse have self-employment income, use this option.
    - Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4b below or
    - If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is generally more accurate than (b) if pay at the lower paying job is more than half of the pay at the higher paying job. Otherwise, (b) is more accurate.

Step 3: Complete Steps 3-4b on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4b on the Form W-4 for the highest paying job."

Step 3: Claim Dependent and Other Credits
- If your total income will be $100,000 or less ($50,000 or less if married filing jointly):
  - Multiply the number of qualifying children under age 17 by $2,000. 
  - Add the amounts above for qualifying children and other dependents. You may add to this the amount of any other credits. Enter the total here.

Step 4: Other Adjustments
- Other income (not from jobs), if you want tax withheld on income you expect to receive this year that won’t have withholding, enter the amount of that other income here. This may include interest, dividends, and retirement income.
- Deductions, if you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deduction Worksheet on page 3 and enter the result here.
- Extra withholding, enter any additional tax you want withheld each pay period.

Step 5: Sign Here
- Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.
- Employer’s signature: ____________________________ Date: ____________

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A-4 Employee’s Arizona Withholding Election

Employee’s Arizona Withholding Election

Type or print your Full Name: 

Your Social Security Number: 

Home Address: number and street or area route: 

City or Town: State: Zip Code: 

Choose either box 1 or box 2:

☐ 1. Withhold from gross taxable wages at the percentage checked (check only one percentage):

☐ 2.5% ☐ 1.5% ☐ 1.0% ☐ 2.0% ☐ 2.5% ☐ 3.0% ☐ 3.5%

☐ 2. I select an Arizona withholding percentage of zero, and I certify that I expect to have no Arizona tax liability for the current taxable year.

I certify that I have made the election marked above.

Employee’s Instructions

Arizona law requires your employer to withhold Arizona income tax from your wages for work done in Arizona. The amount withheld is applied to your Arizona income tax due when you file your tax return. The amount withheld is a percentage of your gross wages from every paycheck. You may also have your employer withhold an extra amount from each paycheck. Complete this form to select a percentage and any extra amount to be withheld from each paycheck.

What are “Gross Taxable Wages”? For withholding purposes, your “gross taxable wages” are the wages that will generally be in box 1 of your federal Form W-2. It is your gross wages less any payroll deductions, such as your share of health insurance premiums.

New Employees: Complete this form within the first five days of your employment to select an Arizona withholding percentage. You may also have your employer withhold an extra amount from each paycheck. If you do not give this form to your employer the department requires your employer to withhold 2.0% of your gross taxable wages.

Current Employees: If you want to change your current amount withheld, you must file this form to change the Arizona withholding percentage or to change the extra amount withheld.

What Should I do With Form A-4?

Give your completed Form A-4 to your employer.

Election: A Withholding Percentage of Zero

You may elect an Arizona withholding percentage of zero if you expect to have no Arizona income tax liability for the current year. Arizona tax liability is gross tax liability less any tax credits, such as the family tax credit, school tax credits, or credits for taxes paid to other states. If you make this election, your employer will not withhold Arizona income tax from your wages for payroll periods beginning after the date you file the form. To keep this election in effect for the next calendar year, you must give your employer an updated Form A-4. If you do not, your employer may withhold Arizona income tax from your wages and salary until you submit an updated Form A-4.

Zero withholding does not relieve you from paying Arizona income taxes that might be due at the time you file your Arizona income tax return. If you have an Arizona tax liability when you file your return or at any time during the current year, your conditions change so that you expect to have a tax liability, you should promptly file a new Form A-4 and choose a withholding percentage that applies to you.

Voluntary Withholding Election by Certain Nonresident Employees

Compensation earned by nonresidents while physically working in Arizona for temporary periods is subject to Arizona income tax. However, under Arizona law, compensation paid to certain nonresident employees is not subject to Arizona income tax withholding. These nonresident employees need to revise their situations and determine if they should elect to have Arizona income taxes withheld from their Arizona source compensation. Nonresident employees may request that their employer withhold Arizona income taxes by completing this form to excise Arizona income tax withholding.
Retirement perks from Arizona State University
ASU retiree benefits

- Athletic event tickets
- ASU Sun Card* (retiree status)
- Bookstore discount
- Email account*
- Employee Assistance Office
- Equipment purchase
- Gammage event tickets
  www.asugammage.com/etickets

- Library privileges
- Parking permits*
- Qualified Tuition Reduction Program
- Sun Devil Fitness Complex membership*
- University Club membership*
- Verizon Wireless**

*Contact the applicable department directly to continue or initiate these benefits.

**No retiree benefit, but 15% discount continues until account is audited.
Returning to work after retirement
Under IRS regulations and state-authorized retirement systems, no oral, written or expressed agreement to return to work can be made before you retire.

<table>
<thead>
<tr>
<th>Retirement plan</th>
<th>Arizona State Retirement System (ASRS)</th>
<th>Optional Retirement Plan (ORP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Period between retirement and rehire</td>
<td>1 full pay period and compliance with ASRS rules</td>
<td>Faculty and Academic Professionals: 1 full semester Staff: 90 calendar days</td>
</tr>
<tr>
<td>Plan rules</td>
<td>ASRS Working After Retirement Guidelines</td>
<td>ORP Return to Work Guidelines</td>
</tr>
</tbody>
</table>
Working after retirement

Learn more

All retirees

• cfo.asu.edu/working-after-retirement
• SPP 206: Post-retirement Employment

ASRS retirees

• cfo.asu.edu/asrs-plan
• www.azasrs.gov

ORP retirees

• www.asu.edu/hr/benefits/documents/orpguide.pdf
• www.asu.edu/hr/documents/ORPreturntowork.pdf
Actions and deadlines
# Deadlines

<table>
<thead>
<tr>
<th>Submission deadline</th>
<th>Document</th>
<th>Submit to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 31 calendar days following date of retirement</td>
<td>ADOA Retiree Health Insurance Enrollment Form</td>
<td>ADOA</td>
</tr>
<tr>
<td></td>
<td>ASRS Retiree Health Insurance Enrollment Form</td>
<td>ASRS</td>
</tr>
<tr>
<td></td>
<td>ORP Withdrawal Forms</td>
<td>ASU HR Benefits</td>
</tr>
<tr>
<td>To applicable carrier within 31 days of date coverage ended</td>
<td>ADOA Life Insurance and/or ASU Life Insurance Conversion/Portability Forms</td>
<td>ASU HR Benefits, then applicable carrier</td>
</tr>
<tr>
<td>Within 150 days following date of retirement, to meet state’s 180-day filing deadline</td>
<td>RASL Application, University Checklist, W-4 and A-4</td>
<td>ASU HR Benefits</td>
</tr>
<tr>
<td>No deadline</td>
<td>403(b) Withdrawal Forms</td>
<td>ASU HR Benefits</td>
</tr>
<tr>
<td></td>
<td>457(b) Withdrawal Forms</td>
<td>Nationwide</td>
</tr>
</tbody>
</table>
Snapshot of your retirement steps

- Notify your department of your intent to retire in writing.
- Contact your retirement plan (ASRS, Fidelity or TIAA) to set up distributions within 31 days of retirement date if you want to elect state-sponsored health insurance or receive the RASL benefit.
- Enroll or decline ADOA and ASRS retiree health benefits within 31 days of retirement.
- Contact Social Security Administration and Medicare (if applicable).
- Complete RASL Packet within 150 days of retirement (if applicable).
- Contact any additional parties (as necessary): Parking Services, Sun Card Office, department IT, Life Insurance, Long-term Care provider, FSA Provider and Student Recreation Center.
- Reports any address changes to your retirement plan and your retiree health care administrator, the General Accounting Office (RASL) and to ASU though My ASU.
<table>
<thead>
<tr>
<th>Resource</th>
<th>Phone</th>
<th>Web Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona Department of Administration (ADOA) Benefits</td>
<td>602-542-5008</td>
<td><a href="https://benefitoptions.az.gov/">https://benefitoptions.az.gov/</a></td>
</tr>
<tr>
<td>Services Division</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arizona State Retirement System (ASRS)</td>
<td>1-800-621-3778</td>
<td><a href="https://www.azasrs.gov/">https://www.azasrs.gov/</a></td>
</tr>
<tr>
<td>ASU Employee Assistance</td>
<td>480-965-2271</td>
<td><a href="https://cfo.asu.edu/eao-wellness">https://cfo.asu.edu/eao-wellness</a></td>
</tr>
<tr>
<td>Healthcare Marketplace</td>
<td>1-800-318-2596</td>
<td><a href="https://www.healthcare.gov/">https://www.healthcare.gov/</a></td>
</tr>
<tr>
<td>Medicare</td>
<td>1-800-633-4227</td>
<td><a href="https://www.medicare.gov/">https://www.medicare.gov/</a></td>
</tr>
<tr>
<td>Social Security</td>
<td>1-800-772-1213</td>
<td><a href="https://www.ssa.gov/">https://www.ssa.gov/</a></td>
</tr>
</tbody>
</table>
Thank You

Employee services
855-278-5081
Monday – Friday
8 a.m. to 5 p.m.
Arizona time

Faculty services
480-727-9900
Monday – Friday
8 a.m. to 5 p.m.
Arizona time

Email: HRESC@asu.edu