

# BENEFITS

## Primary Retirement Plan Comparison

<https://in.nau.edu/human-resources/primary-retirement/>

	Arizona State Retirement System (ASRS)	Optional Retirement Plan (ORP)
Who is Eligible	Required for all Classified Staff Available to Appointed staff, Faculty and Service Professionals	Available to Appointed Staff, Faculty and Service Professionals
Plan Type	<b>Defined Benefit Plan:</b> This is a pension plan where your retirement benefit is clearly defined and calculated through a standard formula. The plan assumes the investment risk. Qualified under Internal Revenue Code 401(a)	<b>Defined Contribution Plan:</b> This is a plan where your retirement benefit is determined by monies accumulated in your account and based on the market and your investment choices.  Qualified under Internal Revenue Code 401(a)
Control of Investments	ASRS determines and monitors the investments.	You select the investment company (Fidelity or TIAA) and determine how your contributions are invested.  ABOR, ASU, NAU and UA monitor the performance of core investment options with the assistance of CAPTRUST, an independent investment research and advisory firm.
Retirement Benefits	You can receive a monthly benefit for life that is determined through the following formula:  <ul style="list-style-type: none"> <li>- <b>Total Credited Service</b> (The period during which you are making contributions to ASRS) multiplied by</li> <li>- <b>Graded Multiplier</b> (A percentage set by statute that is based on total years of service at retirement) multiplied by</li> <li>- <b>Average Monthly Compensation</b> (Determined by one of two calculation methods)</li> </ul> View your personal estimated retirement benefit on the ASRS website at <a href="https://www.azasrs.gov/">https://www.azasrs.gov/</a> .	Your retirement benefit is determined by the amount of contributions deposited to your account and the performance of the investments selected.  View the <a href="#">ORP Guide</a> for information on investments offered.
Contribution Amount	For fiscal year 22-23, you and the University each contribute 12.17% of earnings on a pretax basis. This contribution amount can change each fiscal year.	You and the University each contribute 7% of earnings on a pretax basis.
Contribution Maximum	2023 - If enrolled on or before June 30, 1996 - \$490,000 - If enrolled after June 30, 1996 - \$330,000	2023 - If enrolled on or before June 30, 1996 - \$490,000 - If enrolled after June 30, 1996 - \$330,000

## Primary Retirement Plan Comparison

<https://in.nau.edu/human-resources/primary-retirement/>

### Vesting (Ownership of Contributions)

#### Arizona State Retirement System (ASRS)

**You are 100% vested in your own contributions.**

University contributions Vesting applies upon termination and varies depending on when you started contributing to ASRS:

**If ASRS membership began prior to July 1, 2011:**

If you elect to withdraw contributions upon termination, you are partially vested in the University's contributions after five years of ASRS participation and fully vested after 10 years.

You may also leave contributions with ASRS and receive a pension when you meet retirement eligibility.

**If ASRS membership began on or after July 1, 2011:**

If you elect to withdraw contributions upon termination, you will not have access to the University's contributions, only your own.

You may also leave contributions with ASRS and receive a pension when you meet retirement eligibility.

#### Optional Retirement Plan (ORP)

**You are 100% vested in your own contributions.**

University contributions: Five years of retirement-eligible University employment is required to be fully vested in the University contributions.

Prior to vesting, employer contributions for the ORP are held in a trust account. When you reach the five-year vesting requirement, the employer contributions are transferred to your ORP account

Previous participation in ASRS will be applied to the vesting period for the ORP if there has not been a break in service. **Prior ASRS contributions must remain with ASRS while actively employed and cannot be rolled into your ORP account.**

### Normal Retirement

**If your ASRS membership date is on or after July 1, 2011, normal retirement is:**

- Age 65, or
- Age 62 with at least 10 years of service, or
- Age 60 with at least 25 years of service, or
- Age 55 with at least 30 years of service

**If your ASRS membership date is before July 1, 2011, normal retirement is:**

- Age 65, or
- Age 62 with at least 10 years of service, or
- When the sum of you age and years of service equals 80 points

Age 65

### Loans

No loans are available.

No loans are available.

### Additional Contributions

No additional contributions permitted. Employees can contribute to one or both of the supplemental retirement plans (403b and 457).

You can find more information on these plans on the [Supplemental Retirement](#) web page.

No additional contributions permitted. Employees can contribute to one or both of the supplemental retirement plans (403b and 457).

You can find more information on these plans on the [Supplemental Retirement](#) web page.

## Primary Retirement Plan Comparison

<https://in.nau.edu/human-resources/primary-retirement/>

	Arizona State Retirement System (ASRS)	Optional Retirement Plan (ORP)
Purchase of Service Credits	<p>You may be eligible to purchase past service time for:</p> <ul style="list-style-type: none"> <li>- Other public service</li> <li>- Forfeited ASRS service</li> <li>- Military service</li> <li>- An unpaid leave of absence with an ASRS employer</li> </ul> <p>Purchasing additional service credit may increase your lifetime monthly benefit and/or qualify you for retirement at an earlier date.</p> <p>For more details visit the ASRS website at <a href="https://www.azasrs.gov">https://www.azasrs.gov</a>.</p>	<p>Service credit purchases are not available, but rollover and transfer of some eligible funds from another qualified plans into the ORP is allowed under the plan provisions.</p>
Long-term Disability <i>(included with your retirement plan)</i>	<p>Long-term disability (LTD) coverage will pay up to 66% of your pre-disability monthly earnings, reduced by some income from other sources. There is no maximum benefit limitation.</p> <p>You and the University each contribute 0.18% of pre-tax earnings for this coverage. This coverage is required as part of ASRS participation and is administered by Broadspire.</p>	<p>Long-term disability (LTD) coverage will pay up to 66% of your first \$10,000 of pre-disability monthly earnings, reduced by some income from other sources.</p> <p>This is University-paid coverage with no cost to you. This LTD coverage is administered by MetLife.</p>
Retiree Health Care Benefits	<p>Retiree medical and dental plans are available through the Arizona Department of Administration and ASRS.</p> <p>You are eligible for a health insurance premium subsidy as a retiree if you have at least five years of service in the ASRS plan. The amount of the premium subsidy ranges from \$75 to \$260 per month and is based on years of service and the coverage you select.</p> <p>For more details visit the ASRS website at <a href="https://www.azasrs.gov">https://www.azasrs.gov</a>.</p>	<p>Retiree medical and dental plans are available through the Arizona Department of Administration and ASRS.</p> <p>There is no health insurance premium subsidy available with the ORP. You may be eligible for a subsidy if you retire from ASRS with 5 years of service in the ASRS plan. For more details visit the ASRS website at <a href="https://www.azasrs.gov">https://www.azasrs.gov</a>.</p>
Distribution Options at Retirement*	<p>ASRS offer a variety of annuity options that provide a monthly benefit for life.</p> <p>For more details visit the ASRS website at <a href="https://www.azasrs.gov">https://www.azasrs.gov</a>.</p>	<p>The following distribution options may be available upon retirement depending on your investment choices:</p> <ul style="list-style-type: none"> <li>- Full or partial cash withdrawal</li> <li>- Systematic withdrawal</li> <li>- Interest-only payments</li> <li>- Minimum distribution payments</li> <li>- Lifetime annuity option</li> <li>- Life expectancy option - <i>Speak with a Fidelity or TIAA representative for more information.</i></li> </ul> <p><b>Important:</b> <i>To qualify for retiree benefits including the Retiree Accumulated Sick Leave (RASL) Program retirees must take a reoccurring distribution from a state sponsored retirement plan.</i></p>

# BENEFITS

## Primary Retirement Plan Comparison

<https://in.nau.edu/human-resources/primary-retirement/>

	Arizona State Retirement System (ASRS)	Optional Retirement Plan (ORP)
Distribution Options at Termination*	<p>The following distribution options are available if you separate employment from all ASRS employers:</p> <ul style="list-style-type: none"> <li>- Obtain a refund of the vested portion of your account (see vesting section)</li> <li>- Roll over contributions to an IRA or another qualified retirement account</li> <li>- Leave contributions with ASRS for a future pension benefit</li> </ul> <p>For more details visit the ASRS website at <a href="https://www.azasrs.gov">https://www.azasrs.gov</a>.</p>	<p>The following distribution options are available if you separate employment with the entire Arizona University System (UA, ASU, NAU):</p> <ul style="list-style-type: none"> <li>- Withdraw all or some of vested funds</li> <li>- Roll over contributions to an IRA or another qualified retirement account</li> <li>- Leave contributions in your ORP account for a future benefit</li> </ul>
Contact Information	<p><b>Arizona State Retirement System (ASRS)</b></p> <ul style="list-style-type: none"> <li>- <b>Phone:</b> 602-240-2000 – Phoenix</li> <li>- 800-621-3778 – Outside Phoenix</li> <li>- <b>Website:</b> <a href="https://www.azasrs.gov">https://www.azasrs.gov</a></li> </ul>	<p><b>Fidelity:</b> <i>Ryan Barton – Planning &amp; Guidance Consultant</i></p> <ul style="list-style-type: none"> <li>- <b>Phone:</b> 480-322-9743</li> <li>- <b>Email:</b> <a href="mailto:chad.mclain@fmr.com">chad.mclain@fmr.com</a></li> <li>- <b>Website:</b> <a href="https://nb.fidelity.com/public/nb/nau/home">https://nb.fidelity.com/public/nb/nau/home</a></li> </ul> <p><b>TIAA:</b> <i>Donn Fitch – Planning &amp; Guidance Consultant</i></p> <ul style="list-style-type: none"> <li>- <b>Phone:</b> 866-548-3705 ext. 453209 or 480-350-3209</li> <li>- <b>Email:</b> <a href="mailto:dfitch@tiaa.org">dfitch@tiaa.org</a></li> <li>- <b>Website:</b> <a href="https://www.tiaa.org/public/tcm/arizona/home">https://www.tiaa.org/public/tcm/arizona/home</a></li> </ul>

\*Distributions may be subject to taxes and IRS penalties.