



How to Determine Pension Eligibility

There are two requirements an employee needs to satisfy to be eligible for a pension contribution. First the employee needs to satisfy **initial eligibility** and become a plan participant. Initial eligibility only needs to be satisfied once. After entering the plan, the employee just needs to satisfy the **annual hours requirement** to receive a contribution for that year.

How to meet initial eligibility and become a plan participant

An employee becomes a plan participant on the plan entry date (January 1 or July 1) coincident with or immediately preceding the date on which the employee completes **one year of service (1,000 hours)**. Initial eligibility is first computed on an anniversary year from the date of hire. If an employee completed 1,000 hours of service by his/her first-year anniversary, the employee would enter the plan on January 1 or July 1 depending on the date of hire. January 1 is the entry date for employees hired from January through June and July 1 is the entry date for employees hired from July through December. For example, Jessica was hired on March 6, 2015, and she completed 1,000 hours of service by her first-year anniversary of March 6, 2016, so she would enter the plan on January 1, 2016.

However, if an employee did not complete 1,000 hours of service by his/her first-year anniversary, initial eligibility is then computed based on a calendar year and the plan entry date is July 1 of the year that the employee first completes 1000 hours of service. For example, John was hired as a part-time employee working 10 hours a week from his initial date of hire, May 5, 2013, to April 1, 2016. Since he did not complete 1,000 hours in his first year (May 5, 2013, to May 5, 2014), his initial eligibility computation is then switched to a calendar year. On April 2, 2016, John became a full-time employee and for the first time he has 1,000 hours in a calendar year, so he would enter the plan on July 1, 2016.

How to meet the annual hours requirement

After becoming a plan participant, the employee just needs to have a total of **1,000 paid hours in a calendar year** to receive a contribution for that year. For employees working at multiple locations, the total paid hours are a combination of hours *at all locations*.

Frequently Asked Questions

- Q:** For pension purposes, how are hours and plan year different from other benefits?
- A:** **Hours** refers to total paid hours (including holiday, vacation, sick leave, etc.) earned at all units combined.
- Plan Year:** the pension plan year is a calendar year not a school or fiscal year.
- Q:** Is a new employee eligible for a half or whole-year contribution?
- A:** Any new employee with a plan entry date of January 1 is eligible for a full year contribution and anyone with a July 1 entry date is eligible for a half-year contribution. Please note that contributions in subsequent years are for whole years, provided the hours requirement has been met.