**Monash University Procedure**

<table>
<thead>
<tr>
<th>Procedure Title</th>
<th>Superannuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parent Policy</td>
<td>Remuneration and Benefits Policy</td>
</tr>
<tr>
<td>Date Effective</td>
<td>16 September 2016</td>
</tr>
<tr>
<td>Review Date</td>
<td>3 years from effective date</td>
</tr>
<tr>
<td>Procedure Owner</td>
<td>Chief Human Resources Officer</td>
</tr>
<tr>
<td>Category</td>
<td>Human Resources</td>
</tr>
<tr>
<td>Version Number</td>
<td>3</td>
</tr>
<tr>
<td>Content Enquiries</td>
<td>ask.monash or phone Monash HR on 990 20400</td>
</tr>
<tr>
<td>Scope</td>
<td>This procedure applies to Academic, Professional, Casual, Sessional and Trades and Services Staff.</td>
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<tr>
<td>Purpose</td>
<td>This procedure outlines the manner in which Monash University meets its superannuation obligations to all staff. UniSuper is the required recipient fund for superannuation purposes under the relevant Enterprise Agreements. UniSuper is the industry super fund dedicated to employees working in the higher education and research sector.</td>
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**PROCEDURE STATEMENT**

1. **Superannuation Obligations**

1.1. The University is required to make superannuation contributions equivalent to 17% of superannuable salary into UniSuper's Defined Benefit Division/Accumulation 2 scheme where staff are employed in one of the following designated superannuable classifications:

- Staff who are appointed from recurrent funds on a fraction on 0.5 or greater and who hold (i) a continuing appointment; (ii) a single fixed-term appointment for two or more years; or (iii) who have been employed on continuous fixed-term appointments for five consecutive years.

- Fixed-term research-only staff who, following 29 January 2010 have reached the years of continuous service outlined in clause 27(d) of the Monash University Enterprise Agreement (Academic and Professional Staff) 2014 are eligible to make an application for membership into UniSuper's Defined Benefit Division/Accumulation 2 scheme. Staff wishing to apply should email a completed UniSuper Defined Benefit/Accumulation 2 application form to pay-admin@monash.edu.
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1.2. Fixed-term research-only staff who have at least twelve months’ continuous service are eligible to apply for membership on the same basis as continuing staff subject to the University being satisfied that full and adequate provision is included in the funding arrangements for the position such that the full employer contribution can be met from other than recurrent funds of the University. Refer to clause 27(c) of the Monash University Enterprise Agreement (Academic and Professional Staff) 2014. Staff should discuss this option with their immediate supervisor.

1.3. Staff not listed in the above classifications are eligible to apply for 17% superannuation subject to the availability of funding. Staff should discuss this option with their immediate supervisor, who should seek advice from their Finance Manager and/or HR Business Partner.

1.4. If a staff member does not qualify for 17% superannuation, the University is obliged to make applicable superannuation contributions (subject to minimum thresholds) to UniSuper’s Accumulation 1 scheme in line with the Federal Government mandated Superannuation Guarantee, which is currently 9.5% of superannuable salary.

1.5. **Staff should note** that legislative reference to Choice of Fund does not apply to staff employed by the University as the relevant Enterprise Agreements nominate UniSuper as the required recipient fund for superannuation contributions. Further information regarding eligibility for choice of fund can be found on the ATO website.

2. Commencement of Employment

2.1. New employees are required to make an application to join the appropriate superannuation scheme with UniSuper from their first day of work. Staff should refer to their employment contract to find out which superannuation scheme is available to them. Staff will be sent a link with their induction instructions to the relevant Product Disclosure Statement which contains the application form. It is the staff member’s responsibility to return the completed superannuation membership forms to pay-admin@monash.edu prior to the commencement of employment.

2.2. After a new member record is established in the UniSuper system, UniSuper will issue membership details including information on the superannuation scheme to the new member.

2.3. Existing UniSuper members who are new to Monash should email their existing UniSuper membership number to pay-admin@monash.edu. An updated membership form should be completed if any of the following have changed: level of superannuation contributions (9.5% - 17% or vice versa), insurance, investment options or preferred beneficiaries.

2.4. Staff interested in rolling over superannuation balances to UniSuper should complete the **rollover form** available from the UniSuper website.

3. UniSuper Accounts

**Accumulation 1**

3.1. This account is where contributions are made by the University to all staff who qualify for superannuation contributions but who are not eligible for membership of the Defined Benefit Division/Accumulation 2 scheme. Contributions are made in line with the Federal Government mandated **Superannuation Guarantee**, which is currently 9.5% of superannuable salary.
3.2. Accumulation style superannuation funds give members the choice as to how their super balance is invested. Superannuation balances are influenced by the amount of contributions members make and the performance of investment markets.

**Defined Benefit Division**

3.3. Staff eligible for 17% superannuation are initially enrolled in the Defined Benefit Division. Members receive a lump sum benefit on retirement based on a predetermined formula. This formula is based on the staff member's superannuable salary, service fraction, contribution factor, lump sum factor (age) and years of membership.

3.4. Staff eligible for 17% superannuation are deemed to have become members of UniSuper's Defined Benefit Division when the Trustee (UniSuper) accepts a contribution notwithstanding that a membership application form may not have been returned.

**Accumulation 2**

3.5. Staff eligible for 17% superannuation have the option to switch to Accumulation 2 membership within the first twenty four (24) months of joining the Defined Benefit Division. Members of the Defined Benefit Division can also make additional voluntary contributions to their Accumulation component.

4. **Member (Employee) Contributions**

4.1. Members of UniSuper's Defined Benefit Division/Accumulation 2 contribute member contributions at the standard rate of 7% of superannuable salary. Deductions are made from base salary on a fortnightly basis.

4.2. By accepting the employment contract the staff member authorises the University to deduct the default 7% (after-tax) member superannuation contributions.

5. **Reduction of Member (Employee) Contributions**

5.1. Staff have the option to reduce their 7% member contributions under UniSuper's contribution flexibility arrangements and should note that once an employee reduces their contributions this cannot be reversed at a later date. Please refer to the UniSuper fact sheet for more information.

5.2. Staff also have the option to salary package their member (employee) contributions and should refer to the Salary Packaging Procedure for more information.

6. **Voluntary Contributions**

6.1. Staff can make additional voluntary contributions to UniSuper and should note that these contributions are separate from member (employee) contributions. Both post-tax and pre-tax additional voluntary contributions are made to an accumulation account.

6.2. Staff wishing to make post-tax additional voluntary contributions should email their request to pay-admin@monash.edu specifying the amount required, and should ensure they are familiar with the non - concessional contributions cap prior to doing so.

6.3. Staff wishing to make pre-tax additional voluntary contributions should complete the online Salary Packaging Superannuation form and should ensure they are aware of the concessional contributions cap prior to doing so.
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6.4. The University strongly recommends all staff planning to reduce or make additional contributions to their superannuation seek independent financial planning advice from an accredited financial adviser prior to commencing or amending any superannuation arrangements, particularly as some changes cannot be reversed. Individual circumstances vary and no staff member should rely on the contents of this procedure without first obtaining such advice.

7. Further Information

7.1. UniSuper has an on-campus consultant who can provide free general advice and help with UniSuper paperwork or answer questions about superannuation. UniSuper can also provide tailored financial advice on a fee-for-service basis. For staff wishing to utilise either service, appointments can be made here on the UniSuper website.

7.2. Staff can also register for a range of free seminars offered by UniSuper held at different campuses, with some webinars available online. Other information from UniSuper can be obtained directly by contacting their Helpline on 1800 331 685, or through their website.

7.3. For further queries regarding superannuation, please refer to Ask.Monash or phone Access HR on 990 20400.

8. Responsibilities

Staff member

8.1. The individual staff member is responsible for returning completed superannuation forms prior to commencement of employment.

Monash HR responsibilities

HR Recruitment Support

8.2. The HR Recruitment Support is responsible for:

- generating employment contracts; and
- specifying the required superannuation in employment contracts.

Superannuation

8.3. Superannuation is responsible for:

- ensuring Monash University meets its superannuation obligations to staff; and
- ensuring staff are entered onto the UniSuper administration system.
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<thead>
<tr>
<th>Responsibility for implementation</th>
<th>Status</th>
<th>Revised</th>
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<td><strong>Approval Body</strong></td>
<td>Academic Quality and Standards procedure</td>
<td>Operational procedure</td>
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<tr>
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<td>Chief Human Resources Officer</td>
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<td>Author: Director, Remuneration and Global Mobility</td>
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<td>Agenda item:</td>
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**Definitions**

- **Relevant Enterprise Agreement**: means the Enterprise Agreement that applies to a particular staff member. The [Monash University Enterprise Agreement (Academic and Professional Staff) 2014](#) will apply to academic and professional staff at the University and, depending on the services provided by a trades and services staff member, the [Monash University Enterprise Agreement (Trades and Services Staff - Building and Metal Trades Staff) 2009](#) or the Monash University Enterprise Agreement (Trades and Services Staff - Catering and Retail, Cleaning and Caretaking, and Miscellaneous Services Staff) 2005 will apply.

**Recurrent Funds**: Funds received from Government operating grants or funding from fees paid by or on behalf of students.

**Legislation Mandating Compliance**

**Related Policies**
- Salary Packaging procedure
- Retirement (including pre-retirement) procedure

**Related Documents**

**EA Agreements**
- [Monash University Enterprise Agreement (Academic and Professional Staff) 2014](#)
- [Monash University Enterprise Agreement (Trades and Services Staff - Building and Metal Trades Staff) 2009](#)
- [Monash University Enterprise Agreement (Trades and Services Staff - Catering and Retail, Cleaning and Caretaking, and Miscellaneous Services Staff) 2005](#)

**Documents & Forms**
- [Accumulation 1 Product Disclosure Statement](#)
- [Defined Benefit Division/Accumulation 2 Product Disclosure Statement](#)
- [Contribution Flexibility Information and Form](#)
- [Rollover form](#)
- [Salary packaging application-Superannuation](#)
- [Transferring from Defined Benefit Division to Accumulation 2 Information and Form](#)
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<table>
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<td>Additional mandatory requirements specific to a Faculty or Offshore location Education procedure</td>
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