

Employer Audit Appeals Regulations Process Comparison

	Currently	Proposed Regulations
Engagement	<ul style="list-style-type: none"> • <i>The employer and sampled members</i> are provided the preliminary audit findings and an opportunity to respond in writing 	<ul style="list-style-type: none"> • <i>The employer</i> is provided the preliminary audit findings and an opportunity to respond in writing • Following the issuance of the final audit report, <i>the employer</i> notifies <i>all affected members</i> of anticipated corrections resulting from the audit • <i>All affected members</i> are able to engage with <i>the employer</i>
Audit Conclusion	<ul style="list-style-type: none"> • CalSTRS issues the final audit report to <i>the employer and sampled members</i> 	<ul style="list-style-type: none"> • CalSTRS issues the final audit report to <i>the employer</i>, which triggers the start of the audit resolution period
Audit Resolution	<ul style="list-style-type: none"> • <i>The employer</i> makes reporting corrections for <i>sampled members</i> and is instructed to identify and make reporting corrections for any <i>other affected members</i> • <i>The other affected members</i> are not notified of the audit findings and the related reporting corrections 	<ul style="list-style-type: none"> • <i>The employer</i> is required to submit a list of <i>all members affected</i> by the audit and to make corrections within the audit resolution period, or becomes <i>subject to a penalty</i> • CalSTRS issues the audit Determination to <i>the employer and all affected members</i> after the close of the audit resolution period
Appeal	<ul style="list-style-type: none"> • <i>The employer and sampled members</i> may request an administrative hearing within 90 days of being issued the final audit report • <i>The other affected members</i> who are not known to CalSTRS at the time of issuing the final audit report <i>are not able to request an administrative hearing</i> 	<ul style="list-style-type: none"> • <i>The employer and all affected members</i> may request an administrative hearing within the required timeframe after being issued the audit Determination • <i>Any affected members</i> who were not identified by the employer during the audit resolution period and were not issued an audit Determination <i>may appeal any late corrections</i> • <i>The employer is subject to a penalty</i> for each administrative hearing request that is connected to a member identified after the close of the audit resolution period