

Employee Benefits Summary

Introduction to Benefits

Benefits are an important part of the University's compensation program. Once eligibility requirements are met, employees with the following appointments are eligible for all benefits, including those as outlined for Tuition Remission and Exchange, and for the Secondary School Grant benefit:

- Full-time regular employees, including tenure track and tenured faculty;
- Term staff and contingent faculty with full-time appointments for more than 24 consecutive months who continue to work at least half-time after the 24th month.
- Part-time regular staff who are scheduled to work at least $\frac{3}{4}$ time (1560 hours annually for non-exempt employees).

Staff members with an appointment of a minimum of 1,560 hours (3/4 time) are eligible to participate in the University's health plan. Contingent faculty members with a one year, full-time appointment are also eligible to participate in the University's health plan.

Staff members with a regular, part-time appointment who are scheduled to work at least 1000 hours annually are eligible to participate in the retirement plan. Term staff and contingent faculty members normally do not participate in the retirement plan unless they have held a full-time appointment for 24 consecutive months and continue to hold at least a half-time appointment.

An employee's benefit status is determined by his or her primary appointment. Multiple positions normally will not be combined to determine eligibility for benefits, and benefits earned in one position may not be used when an employee is working in a position that is not eligible for benefits.

Each employee should contact the Office of Human Resources as soon as possible after employment (no later than 30 days) to discuss eligibility for benefits and complete all necessary enrollment forms.

Employees must notify the Office of Human Resources of a change in marital status, deletions or additions of dependents, or changes of beneficiaries.

The following benefits are subject to IRS guidelines and are deducted from wages on a pre-tax basis:

- health insurance
- dental insurance
- vision insurance
- medical care spending accounts
- dependent care spending accounts

All fringe benefits and practices are subject to change at the University's discretion. Any benefit may be eliminated at any time and eligibility requirements and premiums may be adjusted at the University's discretion. If such changes occur, the University will attempt to advise employees and retirees in a timely manner. Questions concerning benefits should be directed to the Office of Human Resources.

Social Security

The University participates in the Social Security (FICA) program. Social Security benefits may be paid for death, total disability, and retirement providing service requirements are met. To obtain these benefits, an employee must file a claim with the Social Security Office.

Basic Retirement Program

Episcopal clergy normally participate in the Church Pension Fund.

Other eligible employees participate in The University of the South Retirement Plan. The waiting period for the plan is one year from the date of employment, at which time registration by the employee in the plan is required. The one-year service requirement will be waived if the employee worked full-time at a four-year college or university for the 12-month period immediately prior to date of employment with the University.

Contributions are paid during working years to provide income during retirement. Each employee has the opportunity to choose among several investment options. If death occurs before retirement, the employee's beneficiaries (listed with provider/s) will receive accumulated retirement contributions and the earnings from these contributions. Detailed information on this program is available in the Office of Human Resources.

Optional Tax-Deferred Retirement Plans

Employees may be eligible to begin contributing on a voluntary basis to an additional tax-deferred retirement account (up to Internal Revenue Service limits) on the first day of the month following the date of employment or anytime thereafter. The University currently sponsors tax-deferred plans with TIAA. Information on this plan is available in the Office of Human Resources.

Health Insurance

Eligible employees may choose to participate in the University's health plan, which is administered by Blue Cross Blue Shield of Tennessee. Coverage may be elected if application is made within 30 days of employment or during the annual open enrollment period (normally in November), in which case the change of coverage is effective on January 1. The employee pays the employee portion of the premium through payroll deduction. A detailed description of the plan is available in the Office of Human Resources.

Dental Insurance

Eligible employees may choose to participate in the University's dental plan. Coverage in the plan begins on the first day of the month following an employee's hire. If selection is not made within 30 days of employment, employees must wait until the annual enrollment period (normally in November). The employee pays the total premium through payroll deduction. A detailed description of the plan is available in the Office of Human Resources.

Vision

Eligible employees may choose to participate in the University's vision plan. Coverage in the plan begins on the first day of the month following an employee's hire. If selection is not made within 30 days of employment, employees must wait until the annual enrollment period (normally in November). The employee pays the total premium through payroll deduction. A detailed description of the plan is available in the Office of Human Resources.

Flexible Spending Accounts

Employees are eligible to participate in the medical care spending account and/or the dependent care spending account if the employee is eligible to participate in the University's health care plan. For the medical care spending account, the participant must have been employed for at least six consecutive months and the employee's employment must be expected to continue the entire plan year.

Medical Care Spending Account

The purpose of this account is to provide a method through which an employee can accumulate pre-tax funds in a medical care spending account and then be reimbursed for payment of health care costs not otherwise covered by health, vision, and dental insurance. The employee must decide the amount of base salary that will be directed each pay period to the medical care reimbursement account.

Medical, dental, vision, and other health-related expenses for the employee and the employee's legal dependents as defined by the IRS, that would not be paid under the University's health plan or other medical or dental coverage the employee may have, are reimbursable from the medical care spending account. An eligible expense is an expense incurred for the diagnosis, cure, mitigation, treatment, or prevention of disease or for the purpose of affecting any structure or function of the body. Expenses incurred for cosmetic purposes are not eligible expenses.

Dependent Care Spending Account

The purpose of this account is to provide a method through which the employee can accumulate pre-tax funds in a dependent care spending account and then be reimbursed for child care expenses or care for a disabled dependent. If the employee is married, the employee's spouse must also be employed, be a full-time student, or be disabled in order to use a dependent spending account.

Life and Accidental Death & Dismemberment Insurance (AD&D)

Term life insurance, equal to an employee's annual salary rounded to the next higher thousand and limited to \$100,000 coverage is provided by the University to eligible employees on the first day of the month following the date of hire. Coverage is reduced to 65% of the benefit amount at age 65, and 50% of the benefit amount at age 70. The reduced amount will be adjusted to the next higher multiple of \$1,000 if the figure is not already a multiple of \$1,000. Life insurance coverage is reduced to \$5,000 at retirement. A description of the term life insurance plan is available in the Office of Human Resources.

AD&D insurance provides payment to you in the event you are involved in an accident that results in a covered loss that causes a permanent impairment, or payment to your beneficiary in the event you are involved in a covered accident resulting in your death. AD&D coverage is provided as a secondary component with the previously mentioned life insurance coverage in an amount equal to the life insurance benefit.

Supplemental life and AD&D insurance and dependent supplemental life and AD&D insurance are also available. Information on these programs is available in the Office of Human Resources.

Long-Term Disability Insurance

Long-term disability insurance provides disability income to eligible employees after a disabling illness or injury of six-months' duration.

Premiums are paid entirely by the University, and an employee must work at least 30 hours per week and meet other requirements to be eligible for coverage. Coverage is effective the first day of the month following the date of hire. A description of the long-term disability insurance plan is available in the Office of Human Resources.

After an employee has been unable to work as a result of an illness or injury for a year's duration, the employee normally will be considered terminated.

Employee Assistance Program (EAP)

An EAP offers a range of services including financial planning, work / life support, legal advice and personal counseling, and all advice is completely confidential. EAP services may be valuable in helping you reach your goals, facing life's challenges or simply making your life a little easier. A summary of services provided is shown below and a full description of EAP services as well as contact information is available in the Office of Human Resources.

- Financial Advice & Planning – Access to a Certified Financial Planner (CFP), Certified Public Accountant (CPA) or other financial expert to assist you in planning for long-term financial goals.
- Legal Guidance – Access to a free consultation and discounted legal services on legal topics ranging from adoption and estate planning to civil legal actions.
- Personal Counseling – Access to a fixed number of sessions with a psychologist or trained counselor.
- Work / Life Support – Access to a support team that can assist you with topics like finding housing, assessing your elder care needs, finding a daycare provider, assessing big consumer purchases and more.

The EAP is available to all employees who are enrolled in the University's Life and Long-Term Disability benefit programs.

Educational Benefits

Employees are encouraged to develop their skills and increase job knowledge and expertise.

General Educational Development or General Education Diploma (GED)

The University will pay the tuition, as well as the cost of materials and examination fees, for any employee to take instruction in any regular program directed toward high school certification.

The University of the South Courses in Undergraduate Programs in The College & The School of Theology:

Eligible employees may take for credit or audit, at no cost (except for necessary books and supplies or special fees), any undergraduate course in the College of Arts and Sciences or any graduate course in the School of Theology for which the necessary prerequisites have been satisfied. During the second and third years of employment, employees may only take one course per semester for credit. After three years of employment, supervisors have the responsibility for limiting the number of credit hours so that an optimum level of job performance is maintained.

The eligibility requirements for courses at the University of the South are:

- The employee must be at least a three-quarter time employee and have worked for at least one year prior to course enrollment. A retired employee who has met the age and service requirement for University post-employment benefits is also eligible to receive the benefit.
- The employee must meet the eligibility requirements of the College of Arts and Sciences or School of Theology to enroll as a special student.
- For non-exempt staff members, time off for a University of the South course must be made up unless the head of the division in which the staff member works and the Director of Human Resources approve. Exempt employees are expected to work all the hours necessary to fulfill their duties when taking University of the South courses.
- Enrollment in the course must be approved by the employee's supervisor who must also approve any special work schedule prior to enrollment.

Procedures for applying for this benefit are:

1. Employees should complete the "Employee Tuition Remission" form which is available in the Office of Human Resources and on its webpage prior to registration each semester and have it approved and returned to the Office of Human Resources within two days following registration.
2. Employees are normally enrolled as Special Students during the academic year and are required to register with the Associate Dean for Undergraduate Academic Affairs of the College of Arts and Sciences or the Associate Dean for Academic Affairs of the School of Theology. Employees wishing to enroll in Summer School are required to register with the Director of Summer School for courses in the College of Arts and Sciences and the Director of the Advanced Degrees Program for courses in the School of Theology.

The University of the South Courses in The School of Letters:

Each year, a maximum of two scholarships will be available to employees interested in enrolling in the School of Letters.

The eligibility requirements for a scholarship in the School of Letters are:

- The employee must have been continuously employed for at least one year and be a regular or term employee working at least three-quarter time prior to course enrollment.
- The employee must be accepted into the School of Letters. The supervisor and division head of the employee must support the application and confirm that attending the School of Letters will not interfere with the employee's duties.

Procedures for applying for this benefit are:

1. Employees must apply for admission to the School of Letters by February 15.
2. Employees must submit a scholarship request to Human Resources by March 15. This request must contain a statement describing how a degree from the School of Letters will support his or her work at the University and his or her future career plans. The employee must also ask his or her supervisor and division head to send a statement of support to Human Resources.
3. Final decisions on awarding scholarships will be made by the School of Letters Employee Scholarship Committee.

To renew the scholarship in subsequent years, employees must submit a renewal request to the School of Letters Employee Scholarship Committee by March 1. Renewal of the scholarship will depend on successful work in the School in previous summers.

Undergraduate Courses at Other Colleges and Universities:

Limited funding is available for employees wishing to pursue undergraduate programs at accredited universities, colleges, junior colleges, technical or vocational schools and who have not yet earned a degree. Employees interested in this program should discuss his or her interest with Human Resources.

The Office of Human Resources will assist the employee with a proposal describing the program being pursued, the length of time required to achieve the degree, the long-term benefit to the University if the employee earns the degree, and the opportunities for growth at the University this program could provide the employee. To ensure that the proposal will benefit the University, the Position Management Team will review the proposal and may award a scholarship up to one-half the cost of tuition with a maximum of \$12,000 per person. The University will pay one-fourth the tuition upon registration and the remaining one-fourth upon successful completion of the course with a grade of C or better. Under current tax laws any benefit greater than \$5,250 in a calendar year must be treated as taxable income. Scholarships will be awarded only to the extent that funding is available. If an employee is selected for this program, an interest-free loan will also be available to assist the employee with tuition not covered by the scholarship. Employees who receive this award are required to repay the scholarship if they leave the University before serving three years following receipt of the degree. Scholarship recipients who terminate their employment before completing their degree must also repay the scholarship.

The eligibility requirements for receiving funding are:

- The employee must complete a year of service as a regular full-time employee prior to enrollment.
- Any special work schedule arrangements must be cleared with the employee's supervisor prior to enrollment.
- If the employee will qualify for grants or scholarships, the employee must apply for them. The amount of University funding will be reduced by the amount of the grant or scholarship.

Employees not wishing to pursue a degree may be eligible to receive the one-half tuition benefit for up to one work-related course per semester. Those interested in taking a single course should contact Human Resources.

Funding for Advanced Degree Programs

Limited funding is available for assisting employees with at least three years of full-time continuous service who wish to pursue an advanced degree. Employees interested in this program should submit a proposal to Human Resources describing the degree being pursued, the length of time required to achieve the degree, and the opportunities for growth at the University this program could provide the employee. To ensure that the proposal will benefit the University, the Position Management Team will review the proposal and may award a forgivable interest free loan of up to \$35,000, or \$12,000 on an annual basis, to offset the tuition for the program. Repayment of the loan is due when the employee terminates his or her employment with the University or if the employee fails to complete degree requirements. For each year the employee works after the degree is awarded, 10% of the loan is forgiven. If the employee works 10 years, the obligation for repaying the loan is met.

Educational Benefits For Spouses And Children

The University of the South

The University provides complete tuition remission for on-campus, undergraduate courses in the College of Arts and Sciences or any graduate course in the School of Theology for the spouses and dependent children of full-time employees whose appointment is for a period of one year or more, subject to the student's being in good standing and the student's degree-seeking status. Spouses and dependent children who have not previously received a four-year undergraduate degree are eligible for remission for courses taken at the University as part of an undergraduate degree-seeking program, and must be accepted for matriculation to be eligible. Spouse and dependent children who are not seeking a degree are eligible for remission for a maximum of two courses per semester. Continuation of this remission is subject to the same academic and other standards as the continuation of need-based financial aid. These same spouses and dependent children are eligible for portable financial aid for off-campus Advent or Easter semester programs, subject to the same standards as apply to students on financial aid.

The spouses and dependent children of disabled and retired employees who had met the age and service requirement for University post-employment benefits are also eligible under the same terms above.

To be considered a dependent child, he or she must be the natural, adopted or step-child of the employee, be under age 24, receive more than 50% of his or her support from the employee, and have lived with the employee for at least ½ of the year. Evidence of paying more than 50% of support is normally shown by the employee taking the child as a dependent on his or her federal income tax return.

Procedures for applying for this benefit are:

1. Employees should obtain the “Spouse-Dependent Tuition Application” form available from the Office of Human Resources and on its webpage, and have it approved and returned to the Office of Human Resources prior to registration each semester.
2. Spouses and dependent children studying on a part-time basis follow the registration procedures established for Special Students and must contact the Associate Dean of the College. Those enrolled as full-time students follow the established registration procedures for full-time students.

The Tuition Exchange Program

The University participates in both the national Tuition Exchange (TE) Program, involving schools throughout the United States, and in the Associated Colleges of the South (ACS) tuition exchange program, involving most ACS member schools. These undergraduate programs provide the opportunity for dependent children of University employees to receive tuition scholarships at other participating institutions. For the national TE Program, the annual value of the grant varies among participating institutions; however, it cannot be less than a stated minimum in any given year. (This figure is available from the Office of Financial Aid.) For the ACS program, the value of the grant at participating institutions is full tuition. Most member institutions in both programs are liberal arts colleges, although some more specialized institutions also participate. The Office of Financial Aid has lists of those institutions participating in either or both programs. (Some institutions, like the University, have dual participation.) Due to restrictions inherent in both programs, some member institutions may not, in given years, be able to participate in tuition exchanges. Interested employees should contact the Office of Financial Aid beginning in the fall of each dependent’s senior high school year for details on participating institutions.

The eligibility requirements for this benefit are:

- The student must be the natural, adopted or step-child of the employee, under age 24, receive more than 50% of his or her support from the employee, have lived with the employee for at least ½ of the year, and have been claimed as the employee’s dependent on at least one of the preceding two years’ federal income tax returns.
- A student(s) whose parent is a full-time employee of the University hired for at least a year is eligible.
- A student(s) whose parent is a University retiree (living or deceased) is eligible providing section 1 above was met while the parent was an active employee.

Procedures for applying for this benefit are:

1. Obtain from the Office of Financial Aid the list of participating institutions to determine which schools will be participating in tuition exchanges.
2. The Office of Financial Aid will certify the eligibility of your dependent child to the school or schools under consideration.
3. The Tuition Exchange Liaison Officer of the receiving institution(s) will notify both the student and the Office of Financial Aid of acceptance into or rejection from the particular tuition exchange program.
4. In September, the Office of Financial Aid will provide the Office of Human Resources a list of all dependents receiving a Tuition Exchange. By October 1st, the employee must submit to Financial Aid or Human Resources documentation on the value of the scholarship.
5. Both tuition exchange programs are renewable annually, usually up to a four-year maximum, provided the student meets the stated academic standards of his or her institution for continuance of the tuition scholarship. At many institutions the process of admission into the institution is separate from the process of receiving a tuition exchange scholarship, and that an offer of one neither implies nor guarantees an offer of the other. (Typically, an offer of a tuition exchange scholarship follows an offer of admission or is contingent upon a subsequent offer of admission.)

The Educational Loan Program

The University offers an interest-free loan plan to all eligible employees who are enrolled or have dependents enrolled in degree-granting programs at accredited post-secondary educational institutions. Employees may borrow from a minimum of \$500 to a maximum of \$12,000 per academic year per dependent, not to exceed four academic years of borrowing per dependent. Loan repayments will be by payroll deduction for a period of up to 24 months per annual loan. Upon notice of termination of employment, the employee must pay the balance of the loan in full. This balance will be deducted from any payments owed the employee.

The eligibility requirements for this benefit are:

- All regular full-time employees who are in good credit standing with the University are eligible to apply for a loan under the Educational Loan Program (ELP) after one year of employment, provided there is a reasonable expectation that employment will continue beyond three years.
- A family's adjusted gross income (AGI) as reported on their most recent federal income tax return will be used to determine income eligibility for the ELP. A family must show sufficient resources (by use of a standardized needs analysis) to repay the ELP in order to qualify.
- The student for whom the ELP is sought must have been claimed as a dependent on the borrower's federal income tax return for at least one of the two years preceding the loan application, and he or she must be the natural, adopted or step-child of the employee, under age 24, receive more than 50% of his or her support from the employee, and have lived with the employee for at least ½ of the year.
- The student for whom the ELP is sought must be enrolled in a program at an accredited post-secondary educational institution.

Procedures for applying for this benefit are:

1. Obtain from the Office of Financial Aid an application for the ELP. When completed, the form must be returned to the Office of Financial Aid, along with a copy of the borrower's most recent tax return, a statement of the dependent's cost of education for the requested loan period, and the student's financial aid award (if applicable).
2. When the loan is approved, the borrower must sign a promissory note and a payroll deduction authorization form.
3. Loan disbursements will be made payable to the applicant at times corresponding to the enrollment period(s) covered by the loan.

The Secondary School Grant

The Secondary School Grant is designed to assist dependents of full-time employees hired for at least one year in attending an independent school of their choice for secondary education, excluding home school and online educational programs. The amount of the grant is determined each year, and the grant amount will vary depending upon where the student enrolls.

Repeated grades will not be covered and repayment will be required if student is withdrawn before end of term.

The eligibility requirements are the same as those for the Tuition Exchange Program.

Any student eligible for a scholarship or grant from the independent school must declare the amount of the grant in order to receive a University grant, and the amount of the scholarship or grant may reduce the University's grant.

Procedures for applying for this benefit are:

1. As soon as the student has been admitted to an independent school, the University employee parent or the guardian of a deceased employee's dependent should submit to Human Resources the completed "Secondary School Benefit Request" form that may be obtained from the Office of Human Resources or its website.

Housing

A limited number of rental housing units are available through the University Rental Housing Office in Facilities Management.

Information about owning a residence on the Domain is available from the Superintendent of Leases.

Athletic Facilities And Events

The University's athletic facilities, including the Fowler Center, are available for use on a scheduled basis by all University employees. Employees will be admitted with their Sewanee ID Card. Spouses and eligible dependents may obtain Fowler Center cards for a processing fee from the Athletic Department. These cards may also be used for admittance to home football games.

Library Privileges

All employees are entitled and encouraged to use the facilities, services, and materials of the University Library. These include:

- Checking out books: Employees may check out regular stack materials and materials from the government information collection for sixteen weeks, subject to recall. Fooshee/Browsing books may be checked out for five weeks.
- Checking out videos: Employees may check out up to three videos for one day.
- Checking out audio material: Audio CDs may be checked out for three days. Books on tape or CD may be checked out for five weeks.
- Use of online resources: Employees may use any of the online indexes, databases, and other resources made available via the Library's web site: <http://library.sewanee.edu>.
- Checking out equipment: Employees may check out certain audio visual equipment and laptop computers, subject to availability. Equipment returned late may subject the employee to a fine. Equipment that has been damaged (i.e., beyond normal wear and tear) or lost while checked out to the employee will be repaired or replaced at the employee's expense and deducted from pay.
- Other library services available to employees include interlibrary loan, reference services, computing equipment and printing, scanning equipment, and video editing equipment. The use of these services and materials by employees will be governed by the library's policies.
- If any checked out item is lost, the employee will be charged the cost of the item, plus a processing fee, both of which will be deducted from pay.

Property And Liability Insurance

University insurance may cover employees for unintentional acts which result in liability to third parties and which occur while the employee is engaged in his or her work duties. It does not cover the theft, loss of, or damage to employee's personal possessions, such as personal computers, eyeglasses, etc., while on or off the University's premises.

In the case of liability caused by an employee's automobile while traveling on University business, the University's insurance covers only the amount of the insurance that exceeds the employee's own automobile liability limit. All employees must have liability insurance in force before using a personal automobile on University business.

The foregoing are general rules only and other coverage may apply in individual cases. Questions about coverage by the University's insurance may be directed to the Office of the Treasurer.

Emeriti Retirement Healthcare Program

The Emeriti Consortium is a non-profit program, developed by higher education leaders through the support of the Andrew W. Mellon Foundation, to provide health insurance during retirement years.

Eligible employees may make tax-advantaged, voluntary contributions to an Emeriti Health Account. Funds accumulated in an Emeriti Health Account can be used to offset the cost of future retiree medical expenses.

As a member of the Consortium, the University will contribute to an Emeriti Health Account for regular, full-time employees who are over 40 years old and have five years of continuous service with the University.

Post-Retirement Benefits

An employee is eligible for standard retirement benefits if the employee has attained either (a) 65 years of age and has completed at least 10 consecutive years of full-time service, or (b) 62 years of age and the sum of age and years of full-time service is at least 80.

Eligible employees receive the following standard benefits upon retirement:

- **Health Insurance at Full Cost Until 65.** Retirees may continue to participate in the University Health Plan until age 65, selecting among the same options for themselves and/or their families, paying the full cost (University and employee premiums). Only those retirees (and dependents) who are enrolled in the health plan on the date of retirement may continue in the plan; retirees who drop the University's plan may not reenroll.
- **Educational Benefits.** Retirees and their eligible spouses and dependent children are eligible for educational benefits on the same basis as current employees.
- **Life Insurance.** Retirees are eligible for \$5,000 of group term life insurance paid by the University.
- **Lease Fee Discount.** Retirees continue to receive the same discount on lease fees that they had while employed. When the retiree dies, their widows/widowers continue to receive the discount as long as they do not remarry.
- **Access to Facilities and Public Events.** Retirees continue to access facilities such as duPont Library, the Fowler Center, the golf course, and tennis courts, and to attend public events such as athletic and concert series, under the same terms and fees as employees.

Contributions for Post-Retirement Health Expenses

Certain retired employees are also eligible for health expense assistance, independent of whether they were eligible to retire with standard retirement benefits.

Retirees who are 65 and older are not eligible to participate in the University Health Plan. However, the University has established certain benefits to assist eligible retirees with health expenses after age 65, through contributions to VEBA funds in Emeriti health accounts, which may be used to offset the cost of retiree medical expenses. The Emeriti program combines tax-advantaged savings with access to group retiree health insurance.

- For those employed by the University and aged at least 50 as of July 1, 1995, the University contributes \$1,461.60 annually to the Emeriti account. Their spouses who were also on the University's health plan at the time of retirement also receive this amount annually.
- For employees who were employed by the University after July 1, 1995, who have reached the age of 40, and have 5 years of service, the University contributes \$600 annually to the Emeriti account. These contributions continue until the University has made 25 years of contributions or the employee retires, whichever comes first.
- For employees who were employed by the University before July 1, 1995, who have reached the age of 40, and have 5 years of service, the University contributes \$600 annually to the Emeriti account. In addition, the University will pay \$994 annually to the retiree after the sixth year of retirement. (Health care costs in the first five years can be paid with Emeriti funds.) Their spouses who were also on the University's health plan at the time of retirement also receive \$994 annually.