

Allegheny College PERSONNEL POLICIES & BENEFITS HANDBOOK	500 POLICY NUMBER
	9/01/02 EFFECTIVE DATE
Subject: EMPLOYEE BENEFITS	

500 Employee Benefits

While it is expected that the benefit plans described below will continue for the foreseeable future, the College reserves the right to modify or discontinue them at any time. The language generally summarizes some of the terms and conditions of participation in the programs. Please refer to the plan documents and brochures available in the Office of Human Resources for detailed guidance.

500.1 Introduction

This section contains information about certain benefit programs which the College currently offers to regular full-time employees. Eligible employees will receive printed summaries of the various insurance and retirement plans. However, the precise terms of those plans are set forth in the plan documents themselves, which are the controlling documents. The brief descriptions set forth below in this Handbook can neither expand nor contract the provisions of the plans themselves. Copies of the plan documents are available in the Office of Human Resources, and employees may make arrangements to review these documents during normal office hours. The plans may be changed from time to time or eliminated at the sole discretion of the College.

500.2 Group Insurances

The College currently offers life, medical, and disability insurances to eligible full-time regular employees.

Life Insurance

Group term life insurance coverage is provided to all regular full-time employees of Allegheny College. Regular full-time employees are eligible on the first day of the month following their hire date.

The life insurance coverage is 1-1/2 times the employee's annual base salary, subject to a maximum amount of insurance of \$250,000. The amount of insurance will be rounded to the next higher multiple of \$1,000, if not already an exact multiple.

The premiums are paid in full by the College. Federal tax law requires that the amount of group term life insurance coverage in excess of \$50,000 is taxable and subject to social security withholding. If your amount of life insurance is over \$50,000, the taxable amount will be added to your taxable income and will appear on your pay stub.

In the event of an approved paid leave of absence, the life insurance coverage will be continued by the College. A person on leave of absence without pay is not eligible for the insurance coverage pursuant to the terms of the life insurance plan.

You may designate the beneficiary of this insurance and should notify the Office of Human Resources of any change in beneficiary.

Medical Group Insurance

The College offers basic and major medical coverage for full-time regular employees. Coverage will be effective on the first day of the month following hire date.

Medical coverage requires an employee contribution of a percent of premium based upon salary and type of coverage selected. The percent of premium for the selected coverage will be based on the following salary schedule:

0 - \$35,000	5%
\$35,000 - \$50,000	10%
\$50,000 - \$65,000	15%
\$65,000 - \$90,000	20%
\$90,000+	25%

Please contact the Office of Human Resources for the most current premium amounts for the level of medical coverage that you have selected.

Employees who are already covered by an existing medical plan may elect not to participate in the Highmark Blue Cross/Blue Shield Medical Plan offered through Allegheny College and will receive \$41.67 per month as an opt out benefit payment which will be treated as ordinary taxable income. In order to be eligible for this benefit payment, proof of other coverage must be provided to the Office of Human Resources. One of the following documents will satisfy as proof of coverage: 1) a letter from the insurance carrier, 2) a letter from the other employer, or 3) a copy of the insurance card.

It is extremely important that an employee advise the Office of Human Resources of any changes of family status (such as marriage, divorce, births, etc.) and of address changes within 30 days of the event so that the necessary forms can be completed to ensure ongoing coverage.

Long-Term Disability

Long-term disability (LTD) insurance coverage is provided to all full-time regular employees. Coverage becomes effective on the first day of the month following hire date. Additional information is available from the Office of Human Resources.

Short-Term Disability

The College's short-term disability program is administered by the Office of Human Resources and a designated third party administrator. The short-term disability program is self-funded by Allegheny College. A copy of the policy is attached as Appendix B.

If short-term disability leave is approved, 100% of salary may be continued for up to six months from the date disability begins.

To qualify for short-term disability benefits, the employee must submit application along with a written evaluation from a physician stating the reason for the employee's inability to work and the expected time of recovery. The College's designated third party administrator will recommend eligibility for benefits and reserves the right to recommend other medical opinions and to deny or terminate such benefits.

All full-time regular employees become eligible for the Short-Term Disability Insurance coverage upon completion of six months of full-time uninterrupted service with the College.

500.3 Voluntary Insurance Offerings

In addition to the health, life, and disability insurance funded by the College, the College has worked out an arrangement that permits employees to purchase other types of insurance through payroll deduction. Both dental and vision coverages are available for the employee, spouse, domestic partner, or children. Both are offered at group-discounted rates. Eligible employees may enroll when hired or annually during the open enrollment period held every June with coverage effective July 1st. A more detailed explanation of each program is available in the Office of Human Resources.

500.4 Section 125 Flexible Spending Accounts (FSA)

The College makes flexible spending accounts available to its regular full-time employees. Flexible spending accounts allow employees to pay for certain types of un-reimbursed medical expenses and dependent care expenses with pre-tax dollars. You can participate in either or both of these accounts. Administration of the FSA is handled through ADP FlexDirect. Therefore, payments for medical and dependent care expenses will be processed by ADP. Claims that have been processed are paid daily. Reimbursements can be either mailed directly to you or direct-deposited into a checking or savings account.

To obtain additional information on flexible spending accounts, please contact the Office of Human Resources or visit the Human Resources Web site, [*Synopsis of Benefits, Section 125/Flexible Spending Accounts*](#). Eligible employees can enroll annually during the open enrollment period held each December with enrollment effective January 1st.

500.5 Eligibility for Benefits

In general, the date of employment for the purpose of determining eligibility for benefits will be the date the employee begins work as a regular full-time employee.

500.6 Retirement Plan

Regular employees who work at least 1000 hours per year are eligible to participate in the Section 403(b) retirement program administered by Teachers Insurance Annuity Association-College Retirement Equity Fund, known as TIAA-CREF. Within the TIAA-CREF plan, there are two annuity options to choose from The Retirement Annuity (referred to as the RA), and the Supplemental Retirement Annuity (referred to as the SRA).

The College provides a contribution towards an eligible employee's retirement annuity, provided the employee elects to participate in the RA. Participation in the retirement plan is voluntary.

Contributions by employees are made on a pre-tax basis through a salary reduction election. There is a maximum allowed by the IRS on the total amount saved for a retirement plan. You can contact either the Director of Human Resources or TIAA-CREF to determine your maximum deferral limit for your retirement contribution.

Eligible employees may join the RA on or after the first day of the month upon completion of one year of full-time continuous service with the College. The one-year waiting period is waived for those employees with one or more years of full-time, benefit-eligible service in another institution of higher education in the twelve months immediately preceding their joining Allegheny College. Written documentation from the previous employer is required to waive the one-year waiting period.

Eligible employees may join the SRA at any time.

The two primary differences between the RA and the SRA are: (1) the College's matching contributions are made to the RA, but not to the SRA; and (2) employees may borrow against accumulations in the SRA, but may not borrow against accumulations in the RA.

There are also other differences in these programs outlined in the Plan Documents and brochures available in the Office of Human Resources.

Retirement Plan Matching Contributions

Eligible employees must contribute a percentage of their salaries in order to participate in the Retirement Annuity (RA) plan. There are two levels of matching contributions available to employees:

1. If the employee contributes 6% of base salary to the RA, the College will then make a contribution of 9% of the employee's base salary; or
2. If the employee contributes 4% of base salary, the College will make a contribution of 7% of the employee's base salary.

Vesting

The total amount of both the individual and the College contributions will be 100% vested to the employee from the effective date of participation in the Retirement Plan.

500.7 Tuition Benefits – (Revised September 2007)

A. Tuition Remission

The College currently provides tuition remission to regular full-time employees, their spouses, domestic partners, and dependent children according to the following conditions and limitations:

There is no service requirement connected with tuition remission at Allegheny except that an employee must be a full-time regular employee when application is made and while enrolled in classes. All applicants must meet Allegheny's general admission requirements. Tuition remission is limited to tuition charges only.

An employee may take four credits per semester or eight credits per academic year with the approval of both the Admissions Office and his/her Supervisor and respective AEC member. Employees engaged in a degree program may take up to five credits in those semesters they are completing one of the Academic Planning (APL) units. Employees are required to make up the time they are away from their work.

A spouse, partner, or dependent of a full-time employee who attends Allegheny must apply for financial assistance from the Pennsylvania Higher Education Assistance Agency and any other gift/grant program requested by the Office of Financial Aid, or proves that he or she is not eligible. The Allegheny tuition remission may be reduced by an amount equal to any such state or federal monies received by the spouse, partner, or child to prevent an over award of funds by federal regulations.

The total tuition remission per dependent is limited to the equivalent of four academic years of undergraduate education, but they need not be consecutive years.

B. Tuition Exchange

The College provides tuition exchange to qualified dependents of regular full-time employees.

There is no service requirement connected with the Tuition Exchange program except that an employee must be a regular full-time employee when application is made and while dependent is enrolled in classes. Tuition Exchange is contingent upon acceptance for admission and enrollment under the Tuition Exchange program at one of the participating institutions. A current list of participating institutions can be found at www.tuitionexchange.org.

C. Tuition Grant Program

The Tuition Grant Program is available only to dependents of regular full-time employees hired on or before July 1, 1998, or to full-time employees who received an offer of employment letter dated on or before July 1, 1998. A list of employees who qualify for the Tuition Grant benefit is maintained in the Office of Human Resources.

Employees hired or who received an employment letter prior to July 1, 1998, are eligible to apply for the tuition grant benefit. However, if the institution the student wants to attend participates in the tuition exchange program, application must be made through tuition exchange first, and only if the student is denied tuition exchange, will the employee be given the grant benefit.

The following provisions apply to the above-referenced tuition programs:

Service

Service requirements for the Tuition Exchange and Tuition Remission are immediate eligibility for active employees; at least 6 years of service if employee is deceased; at least 10 years of service if employee is retired or disabled.

Coverage

All programs cover tuition payments only.

Availability

Tuition Remission and Tuition Exchange Programs are available for eligible dependent children. Employees, spouses, and partners may apply under the Tuition Remission Program only.

Degrees

Dependent child candidates must be accepted in a 2- or 4-year degree to be eligible for consideration under both programs. Only institutions issuing a diploma will be accepted. Certificate programs will not be considered.

Employee, spouse, and partner may be degree seeking or not, or already have a 4 year degree. If desiring credits for a degree, the individual must be accepted as a viable student by the College.

Eligibility

Employee must be a regular, full-time employee of Allegheny College.

Spouse must be married to a regular, full-time employee of Allegheny College.

Partner must be in a committed relationship of at least one full year with a full-time regular employee and financially interdependent as defined in the Allegheny College Domestic Partner Benefits Policy.

Dependent child must be a dependent of a regular, full-time employee and be claimed as a dependent of the employee on his/her federal income tax return for 3 consecutive years prior to application for tuition.

Legal documentation showing that the employee is the custodial parent for at least 50% of the time for tuition is acceptable proof of dependency. Eligibility is limited to the equivalent of eight (8) semesters of full-time enrollment. The age limit for completion of benefits is 25 years of age.

Termination of Tuition Benefits

Tuition benefits for all of the above programs end upon termination of employment.

Administration

Applications for Tuition Remission and Tuition Exchange are available in the Financial Aid Office. Employees interested in any of the tuition programs listed above may obtain additional information from the Financial Aid Office at 332-2701.

500.8 Retiree Benefits

Allegheny retirees are eligible for the following College benefits, provided they have completed at least ten (10) years of full-time continuous employment with the College immediately prior to retirement and have attained the age of 58:

- College paid group health insurance in lieu of COBRA Medical Coverage up to age 65. Retiree will continue to pay his/her portion of the premium as required of all other College employees. If employee has already attained age 65 at retirement date, COBRA will be offered for up to a maximum of 18 months.
- Tuition remission for dependent children.

Additional benefits/services available for Allegheny retirees include:

- Allegheny I.D. card
- Bookstore discount
- Pelletier Library privileges
- Computer lab privileges
- Wise Center facility pass
- Athletic event pass
- Employee rate for Playshop Theatre performances
- Early purchase privileges for Centerstage tickets
- Continuation of Allegheny Magazine
- Continuation of discounted telephone service.

500.9 Leave Time – (Revised 12-1-03)

A. Time Off for Religious Holidays

Employees wishing time off for observance of a religious holiday should request the time with sufficient advance notice to allow the supervisor to accommodate both the employee's and the department's needs. The time off may be taken from vacation or personal days or may be taken without pay.

B. Vacation and Personal Days

Vacation or personal time is intended to give employees an opportunity to rest and relax away from the job. Regular full-time exempt administrators are eligible to accrue vacation and personal time. Vacation and personal time is accrued at the rate of 1.8333 days per month for a total of 22 days per year (20

vacation days; 2 personal days). Employees who work full-time but less than 12 months will accrue vacation and personal time on a pro-rated basis proportionate to the number of months worked.

Employees begin accruing vacation and personal time upon hire. For the initial year of employment, the number of vacation and personal days granted would be prorated based on the number of months the employee is actually employed during the fiscal year. Employees are eligible to take vacation or personal time after three months of full-time employment up to the maximum number of days actually earned at the time the days are taken.

Vacation or personal time in one fiscal year may be carried over into the next fiscal year up to a maximum of 22 days. However, carry-over days must be used by the end of the fiscal year in which the days were carried over. If an employee cannot use vacation or personal time due to work demands, the unused time may be carried forward with approval by the supervisor and AEC member. Such documentation should be forwarded to the Director of Human Resources so that records may be adjusted appropriately.

Upon termination of employment for any reason, an employee who has completed three or more months of continuous full-time service will be paid for accrued unused vacation and personal days. In the year when employment ceases, the number of days granted would be prorated based on the number of months actually employed during the fiscal year. The Office of Human Resources is responsible for maintaining the official record of vacation and personal days remaining. Please see Section 900.4 of this Handbook for procedures on reporting days off to Human Resources.

An employee's immediate supervisor is responsible for approving all requests for time off. The College makes a determined effort to accommodate the requests of employees; however, employees should not expect that they would always be able to take time off when they request.

The supervisor may sometimes need to consider seasonal requirements, special events and staffing requirements when approving an employee's request. If any conflict arises, preference will generally be given to the employee with the greater length of service.

C. Sick Leave

Sick leave does not accrue for exempt positions. However, for periods of temporary absence due to non-occupational illnesses or injuries, exempt employees will receive their regular compensation, except as otherwise outlined in Appendix B, Leave Policies/FMLA, for short-term and long-term disability leaves.

Employees who are unable to report to work due to illness or injury should notify their supervisor before the scheduled start of each workday. Tracking of sick days is at the discretion of the department manager/supervisor. Should an employee abuse absences due to illness, the supervisor should discuss the absences with the employee and the Director of Human Resources.

Before returning to work from a sick leave absence of three calendar days or more, an employee may be requested to provide a physician's verification that he or she may safely return to work. The College reserves the right to seek a medical notice from the employee and to require an exam by a College physician to verify the illness.

D. Bereavement Leave

In the event of the death of a member of an employee's immediate family, the employee is eligible for up to three days leave with pay. Additional working days with pay, not to exceed two days, may be granted

where circumstances require travel out of the surrounding area or if it is demonstrated that an earlier return would cause a hardship for the employee. Any such requests for extended leave time require approval by the supervisor. Immediate family includes spouse, domestic partner, children, grandchildren, parents, parents-in-law, brothers and sisters, grandparents, grandparents-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, step-children and step-parents.

With the supervisor's approval, an employee may attend a funeral for reasons other than death in the immediate family. For such absences, the employee may use earned vacation or personal days or may take the time off without pay.

Time off may be granted to attend the funeral of a fellow employee with approval by the supervisor. Such absence will be treated as leave with pay.

In the case of the death of an employee, the surviving spouse/partner or beneficiary will be paid through and including the last day worked, plus pay for any accrued vacation and personal time.

E. Leaves of Absence

Allegheny College currently offers a number of leave options to employees who are unable to work because of illness or disability, or whose family circumstances, such as childbirth or adoption, require time away from work. It is important to review the leave provisions completely to understand the full range of leave benefits and conditions that apply. The leave options available to employees, including short-term disability leave, child-bearing leave, and family leave, are included as Appendix B to this document.

500.10 Statutory Benefits

Statutory benefits are those benefits provided on behalf of each employee by Allegheny College as required by law. They include:

Social Security/Medicare

All employees are covered by the Federal Social Security Act. Social Security pays benefits when you retire, become disabled, or die, if eligibility requirements are met. Both you and the College share the tax payments for social security benefits. Your social security tax is withheld from your paycheck, and the College matches dollar for dollar your contribution.

Workers' Compensation

Allegheny College covers all employees with workers compensation insurance as a protection for illness or injuries arising out of, or in the course of, their employment, which are compensatory under the Workers' Compensation and Occupational Disease Act. All work-related accidents, including minor ones, must be reported immediately to the supervisor and to the Office of Human Resources. An Accident Report form must also be completed and submitted to the Office of Human Resources within 24 hours of the occurrence, even though there is no loss of time or medical attention. Failure to report a work-related injury in a timely fashion may jeopardize eligibility for payment of benefits for medical bills or lost time.

In the event that an employee sustains a work-related injury which temporarily prevents the employee from performing his/her regular job duties, then he/she may be eligible for transitional work until the employee is able to return to work to fully perform his/her regular job. Transitional work assignments require a release from the treating physician stating the specific restrictions. Upon medical release to return to regular job duties, the employee is responsible to notify his supervisor and the Director of

Human Resources and must provide a written release from the treating physician that he/she is fully released to work with no restrictions.

Our Workers' Comp provider recommends that follow-up doctor appointments or therapy sessions should be scheduled either after hours or at the end or beginning of the work day in order to cause the least amount of disruption to the department work schedule.

Unemployment Insurance

Allegheny College pays taxes on your behalf for benefits for which you may become eligible under Pennsylvania's Unemployment Compensation Law.