

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 however 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 is provided by Highmark Blue Cross Blue Shield through PPO Blue, a Preferred Provider Organization (PPO) program or a Qualified High Deductible Health Plan (QHDHP). Both plans offer two levels of benefits. If you receive eligible services from a provider who is in the Blue Cross Blue Shield preferred-provider network of doctors, you will receive the highest level of benefits. You will also have coverage – at a lower level – if you choose to receive eligible services from out-of-network providers. In either case, you coordinate your own care. There is no requirement to select a Primary Care Physician (PCP) to coordinate your care.

Any Allegheny College employee who elects the Qualified High Deductible Health Plan is eligible to open an HSA account as long as you: are not covered by other health insurance, not enrolled in any type of Medicare (including Part A) or Tricare, and can't be claimed as a dependent on someone else's tax return. As a reminder, dependent children must be considered a tax-qualified dependent in order to receive medical reimbursements under the HSA.

Coverage requires an employee contribution of a percent of premium based upon salary. Detailed information on each plan and contribution rates can be found on the Human Resources Website at <http://sites.allegheny.edu/hr/forms/#medical>

Access to the Highmark Benefit Book, Summary of Benefits, and Summary Plan Description can also be found on the Human Resources Website at <http://sites.allegheny.edu/hr/synopsis-of-benefits/>

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 received \$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 – (Revised 12/1/04)

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 and/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 June with enrollment effective July 1st. Please consult the Office of Human Resources for further information.

500.5 Eligibility for Benefits

In general, the date of employment for the purposes 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 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 February 2014)

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 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 as well as employees, spouses, and partners enrolled in a graduate program at one of the participating institutions of the Tuition Exchange Program or Council of Independent Colleges' Tuition Exchange Program.

There is no service requirement connected with the Tuition Exchange programs 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 or Council of Independent Colleges' Tuition Exchange Program at one of the participating institutions. A current list of participating Tuition Exchange institutions can be found at www.tuitionexchange.org and participating Council of Independent Colleges' Tuition Exchange Program institutions can be found at www.cic.edu.

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. Tuition Exchange benefit amounts are determined by the importing institution; however the tuition benefit amount of institutions participating in the Council of Independent Colleges' Tuition Exchange Program is the full tuition of the importing institution. Therefore, the entire cost of tuition may not be covered. For more information about participating institution's tuition exchange benefit amounts, please visit the Tuition Exchange website at www.tuitionexchange.org.

Availability

Employees, spouses, partners, and dependent children may apply under the Tuition Remission and/or either Tuition Exchange Programs for undergraduate or graduate programs.

Degrees

Dependent child candidates must be accepted in a 2- or 4-year undergraduate degree program or a graduate degree program of one of the participating institutions in the Council of Independent Colleges' Tuition Exchange Program 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 to participate in Tuition Remission at Allegheny College. If desiring credits for a degree, the individual must be accepted as a viable student by Allegheny College or one of the participating institutions in one of the Tuition Exchange programs.

Attendance

Employee may attend only on a part-time basis. Full time employees of Allegheny College may take up to four (4) credits per semester or eight (8) credits per academic year tuition-free. Missed work due to time spent in class must be made up without overtime compensation.

Spouse or partner may attend Allegheny or one of the participating institutions in the Tuition Exchange programs on a full- or part-time basis.

Dependent child may attend Allegheny on a full- or part-time basis; however, if participating in the Tuition Exchange or Council of Independent Colleges' Tuition Exchange Program, they must attend their chosen institution as a full-time student.

Eligibility

Employee must be a regular, full-time employee of Allegheny College. Eligibility is limited to the equivalent of eight (8) semesters of part-time (the equivalent of 4 credits) undergraduate or graduate enrollment in a Tuition Exchange program, or until completion of the degree, whichever comes first. Part-time enrollment (4 credits) at Allegheny College is not limited to a number of semesters. An Experiential Learning seminar through Allegheny College is included in the billable semester, so the tuition cost of the seminar may be covered by the tuition remission benefit and the seminar itself will not count against the eight semester limit of using tuition benefits.

Spouse must be married to a regular, full-time employee of Allegheny College. Eligibility is limited to the equivalent of eight (8) semesters of full- or part-time undergraduate or graduate enrollment in a Tuition Exchange program, or until completion of the degree, whichever comes first. Full- or part-time enrollment at Allegheny College is not limited to a number of semesters.

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. Eligibility is limited to the equivalent of eight (8) semesters of full- or part-time undergraduate or graduate enrollment in a Tuition Exchange program, or until completion of the degree, whichever comes first. Full- or part-time enrollment at Allegheny College is not limited to a number of semesters.

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 undergraduate enrollment or eight (8) semesters of full-time graduate enrollment, or until completion of the degree, whichever comes first. The age limit for completion of benefits is 26 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 the Tuition Exchange as well as the Council of Independent Colleges' Tuition Exchange Program are available in the Financial Aid Office. A list of participating institutions is provided at each program's website. For an application or additional information, please call 814-332-2701.

A spouse, partner, or dependent student utilizing Tuition Remission must also complete the Free Application for Federal Student Aid (FAFSA) for each year they are receiving the benefit.

500.8 Retiree Benefits *(revised April 2015)*

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.
- Non-Exempt employees are eligible for payment of ½ of accumulated sick leave up to a maximum payment of 65 days.

Part-time employees who have completed the equivalent of 15 years of full-time continuous employment with the College immediately prior to retirement and have attained the age of 58 will be eligible to receive the additional benefits/services listed below.

Additional benefits/services available for Allegheny retirees include:

- Allegheny Chair
- 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
- Continuation of Allegheny Magazine
- Continuation of discounted telephone service.

500.9 Leave Time

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 without pay or from accrued vacation or personal days.

B. Vacation Days

Regular full-time non-exempt employees are eligible to accrue vacation time. Vacation time is intended to give employees an opportunity to rest and relax away from the job. Vacation time is accrued per payroll period and is determined by the employee's length of service with the College as follows:

<u>Years of Service</u>	<u>Hours Per Pay Period</u>	<u>Vacation Days/Yr</u>
Less than 2 years	1.5385	5
3 thru 7 years	3.0769	10
8 thru 14 years	4.6154	15
15+ Years	6.1538	20

The above schedule is based on an employee working 8 hours per day, 5 days per week, 52 weeks per year. Employees classified as full-time but working a modified schedule will have their vacation time pro-rated based on the number of hours scheduled to work per pay period and the number of months or weeks scheduled per year. The Payroll Manager can provide a pro-rated vacation schedule to those employees.

Length of service for determining an increase in the rate at which vacation is earned is based on the employee's date of hire.

Employees are eligible to take vacation time after three months of service up to the maximum number of days actually earned at the time the vacation is taken. All requests for vacation must be approved by an employee's immediate supervisor. The College makes a determined effort to accommodate the vacation requests of employees; however, employees should not expect that they will always be able to take vacation when they request.

Seasonal requirements, special events and staffing requirements must be considered by the supervisor when approving an employee's vacation request. If any conflict arises for vacation time, preference will generally be given to the employee with greater length of service.

Earned vacation time in one fiscal year may be carried over into the next fiscal year. However, the carry-over vacation time can only be carried forward one year and must be used within that next fiscal year (July 1st through June 30th). If an employee cannot use vacation time due to work demands, the unused vacation 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 payroll records may be adjusted appropriately.

Upon termination of employment for any reason, an employee who has completed three or more months of continuous service will be paid for any earned unused vacation days.

C. Sick Leave

Allegheny provides paid sick leave benefits to regular, full-time non-exempt employees for periods of temporary absence due to illness or injuries.

Sick leave benefits are intended solely to provide income protection in the event of illness or injury to the employee, his/her spouse/partner or dependent children living at home. It may not be used for any other absence.

Sick leave is earned at the rate of .83 days per calendar month worked, to a maximum of ten (10) days per year, calculated on a fiscal year basis. Unused sick leave may be accumulated and carried over each fiscal year.

Paid sick leave can be used in minimum increments of one-half hour. Employees who are unable to report to work due to illness or injury should notify their direct supervisor before the scheduled start of each workday of absence.

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.

Sick leave benefits will be calculated based on the employee's base pay rate at the time of absence and will not include any special forms of compensation.

Employees may receive payment for one-half of any unused accumulated sick leave, up to a maximum of 65 days, if they leave active employment with the College due to voluntary retirement at age 58 or above and have at least 10 years of full-time continuous service with the College. Otherwise, unused sick leave benefits will not be reimbursed upon termination of employment.

D. Personal Days

Regular full-time non-exempt employees are eligible for two personal days every year. Scheduling of personal days must be approved by the supervisor. Personal days may not be accumulated from year to year and must be used during the fiscal year. Unused personal days are not eligible for reimbursement upon termination of employment.

E. 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 with pay. Additional working days with pay, not to exceed two days, may be granted where the circumstances require travel out of the surrounding area, or it is demonstrated that an earlier return would cause a hardship for the employee. Any such requests for extended leave time requires 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 days, personal days, or may take the time off without pay.

Time off, not to exceed one day, 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.

F. 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 the 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 these benefits. Your social security tax is withheld from your paycheck, and the College matches dollar for dollar your contribution.

Injury & Incident Reporting for Workers Compensation (rev. 1/10/2017)

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 Worker's Compensation and Occupational Disease Act. All work-related accidents, including minor ones, must be reported immediately to the supervisor, the Office of Human Resources, and the Environmental Health & Safety Officer. An Injury-Incident Report must also be completed and submitted to the Office of Human Resources and to the Environmental, Health & Safety Officer 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. The Employee Injury Report form can be accessed on the Human Resources website at <http://sites.allegheny.edu/hr/forms/#workers>.

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 a temporary transitional work assignment 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/her 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 third-party administrator (TPA) 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. Such appointments will be covered as workers' comp time and not sick time.

Unemployment Insurance

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