

BENEFITS  
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UNIVERSITY OF SOUTH ALABAMA



**Human Resources**  
**Summary of Faculty Employee Benefits**  
**January 1, 2009**

# UNIVERSITY FACULTY EMPLOYEE BENEFITS

This summary of University faculty employee benefits provides a brief description of each benefit. Benefits and an employee's right to them are subject to certain laws and University regulations, individual plan documents and the appropriate duly recorded notice of employee benefits limitations election form. Additional information is provided in the individual plan booklets and brochures. The University reserves the right to either change, modify, or terminate these benefits at any time.

Additional benefits information may be obtained from Human Resources at the following addresses:

UNIVERSITY OF SOUTH ALABAMA  
Human Resources  
USA Technology and Research Park  
Bldg. III, Suite 2200  
Mobile, Alabama 36688-0002  
(251) 460-6133

USA MEDICAL CENTER  
Human Resources  
2451 Fillingim Street  
Mobile, Alabama 36617-2293  
(251) 471-7325

USA CHILDREN'S AND WOMEN'S HOSPITAL  
Human Resources  
1700 Center Street  
Mobile, Alabama 36604-3391  
(251) 415-1604

The University of South Alabama is an Equal Opportunity/Equal Access Employer.

## HEALTH AND DENTAL INSURANCE

The USA Health & Dental Plan provides comprehensive health and dental benefits received within a network of Blue Cross Blue Shield providers. Within the USA Health & Dental Plan is a network of hospitals, physicians, outpatient clinics and other providers affiliated with the University of South Alabama. Their participation in the USA Health & Dental Plan allows members to receive medical care at a lower cost to both the Plan and the member. Outside the state of Alabama, Blue Cross Blue Shield providers are members of the BlueCard PPO Network.

New enrollees and their dependents must be covered under the USA Health & Dental Plan for a period of 270 days before benefits are payable for pre-existing conditions. Maintaining coverage from a previous employer, if applicable, may provide coverage until the pre-existing conditions period is satisfied.

Annual enrollment for USA Health & Dental Plan is held in November for coverage effective January 1. The 270-day pre-existing conditions period applies during annual enrollment.

### Employee Cost:

|        |                 |
|--------|-----------------|
| Single | \$ 67 per month |
| Family | \$230 per month |

### University Cost:

|        |                 |
|--------|-----------------|
| Single | \$297 per month |
| Family | \$535 per month |

## PREMIUM CONVERSION

Under premium conversion, USA Health & Dental Plan premiums are deducted before any federal, state or social security taxes are withheld. The result is a reduction of taxable income equal to the amount paid for health insurance during the calendar year.

## FLEXIBLE SPENDING ACCOUNTS

SouthFlex is a flexible spending account(s) plan. It is designed to increase disposable income by reducing the amount of taxes paid by allowing the use of pre-tax dollars to pay for qualified dependent child care expenses and qualified health care expenses, including dental. Either the Health Care Account or the Family Care Account, or both, is credited with a deposit from each paycheck. As eligible expenses are incurred, claims may then be filed for reimbursement using before-tax contributions.

### Cost:

The University pays all administrative expenses.

## DISABILITY BENEFITS

### SUN LIFE ASSURANCE CO. OF CANADA - LONG TERM DISABILITY INSURANCE

After a 90-day period of disability, 66<sup>2</sup>/<sub>3</sub>% of faculty member's base monthly salary will be paid for permanent or temporary total disability up to a maximum benefit of \$10,000 a month. Total cost of long term disability coverage is paid in full by the University.

## SURVIVOR BENEFITS

### THE STANDARD LIFE INSURANCE COMPANY - BASIC GROUP LIFE INSURANCE

Basic coverage is provided in accordance with the following schedule:

#### Basic Group Life Insurance

| <u>Annual Base Salary</u> | <u>*Amount of Basic Term Life Insurance</u> |
|---------------------------|---|
| \$12,500 or less          | \$25,000                                    |
| 12,501 - 15,000           | 26,500                                      |
| 15,001 - 17,500           | 28,000                                      |
| 17,501 - 20,000           | 32,000                                      |
| 20,001 - 22,500           | 36,000                                      |
| 22,501 - 25,000           | 38,000                                      |
| 25,001 - 30,000           | 42,000                                      |
| 30,001 - 35,000           | 45,000                                      |
| 35,001 - 38,500           | 48,000                                      |
| 38,501 and over           | 125% of salary<br>maximum \$100,000         |

\*Includes matching amounts of AD & D and \$5,000 benefit for spouse and eligible children. Total cost of basic coverage is paid in full by the University.

### THE STANDARD LIFE INSURANCE COMPANY - ADDITIONAL LIFE INSURANCE

Additional coverage equal to one, two, or three times the basic coverage is available to the faculty member at group rates. Faculty applying for additional coverage must be medically underwritten.

Additional coverage for spouse and dependent child is available and is also subject to medical underwriting.

### TEACHERS' RETIREMENT SYSTEM - GROUP LIFE INSURANCE

The death benefit payable varies with age, service credit and circumstances of death. Teachers' Retirement System provides \$15,000 of free term life insurance coverage to full-time active members. Part-time member's insurance is prorated based on FTE.

## LONG TERM CARE INSURANCE

Long term care insurance is offered to faculty members and their family members at group rates through Blue Cross and Blue Shield. Application for coverage requires medical underwriting.

## RETIREMENT BENEFITS

### TEACHERS' RETIREMENT SYSTEM

Faculty members become vested in the Teachers' Retirement System of Alabama with 10 years of service credit and may begin drawing benefits at age 60. Faculty members with 25 years of service may receive benefits at any age. Participation is required under state law.

#### **Cost:**

Each faculty member contributes 5% of annual salary. The University contributes an amount as determined by independent actuaries. Faculty member contributions are sheltered from federal income tax until retirement benefits are received or the separated member withdraws contributions from the system.

### TIAA-CREF MATCHING PLAN

For eligible faculty members, the University matches employee contributions to Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF) at a maximum rate of three percent (3%) of base salary.

To participate in the matching plan, faculty members must satisfy these eligibility requirements:

| <u>Rank</u>         | <u>Service Requirement</u>                 |
|---------------------|--|
| Professor           | Upon employment                            |
| Associate Professor | Upon employment                            |
| Assistant Professor | After three years of continuous employment |
| Instructor          | After six years of continuous employment   |

Faculty members who are highly compensated employees as defined under IRS regulations are not eligible for matching funds.

## OPTIONAL RETIREMENT PLAN

Faculty members may reduce their state and federal taxable income by contributing up to \$16,500 (\$22,000 if over age 50) a year to an approved 403(b) and/or 457 tax-sheltered annuity.

## SOCIAL SECURITY

Social Security provides protection in the form of retirement benefits, disability income, survivor income and medicare insurance. Participation is required.

### Cost:

For 2009, both the employee and employer contribute 6.2% of the employee's annual salary up to the maximum taxable earnings base of \$106,800. Contributions for medicare are 1.45% of employee's annual salary. The University contributes a matching amount.

## OTHER BENEFITS

### ANNUAL LEAVE

Twelve month faculty in the Colleges of Allied Health, Medicine, Nursing and the University Libraries accrue vacation at the rate of 1.67 days per month of service for a maximum of 20 days annually.

With departmental approval, accrued vacation may be used at any time. Vacation may accrue up to a maximum of two times the annual accrual rate. Once two times the annual rate has been accrued, the employee may continue to accrue non-reimbursable annual leave which will be converted and transferred to sick leave if not taken by September 20 of the fiscal year in which accrued.

### SICK LEAVE

Sick leave is provided to protect a faculty member against loss of income when confined at home or in the hospital due to illness or injury or when a faculty member must have health related professional services which cannot be obtained outside regular work hours, or when a faculty member must care for a seriously ill member of the immediate family for not more than three days per illness.

Sick leave is accrued at the rate of one day per month of service - nine days per year for nine month appointments, twelve days per year for twelve month appointments - with unlimited accumulation.

### HOLIDAYS

Following are the eight scheduled holidays observed each year: New Year's Day, Martin Luther

King Day, Mardi Gras Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day.

Additional special holidays may be designated by the President of the University.

## TUITION REIMBURSEMENT

**Faculty Member** - Upon completion of 6 months of employment prior to registration, regular full-time faculty members may apply for tuition reimbursement for successful completion of up to five credit hours per semester, plus refund of part-time registration fee, student center fee, health fee, and activity fee. The faculty member must receive a minimum grade of a C to be eligible for a refund for a course(s) taken.

**Spouse/Dependents** - Tuition assistance is also available to the spouses and unmarried dependent children (under age 25) of faculty members who are eligible for the education benefit. Reimbursement is 50% of tuition only (no fees) with no hour maximum. Spouse/dependents must receive a minimum grade of D for undergraduate course(s) and C for graduate course(s).

The faculty member pays the total cost at registration and is reimbursed upon successful course completion and request for reimbursement. In accordance with current federal law, all reimbursements for spouses and eligible dependents classified as graduate students are subject to federal and state income tax.

## COUNSELING SERVICES

### University and Hospitals

Counseling Services are available free of charge to faculty through the Employee Assistance Program.

## MISCELLANEOUS BENEFITS

- Direct Deposit of paychecks
- Use of University Facilities
- USA Bookstore discount (10%)
- Twenty-five percent (25%) discount on USAMC and USA Children's and Women's Hospital charges after group insurance has paid
- USA Federal Credit Union
- U.S. Savings Bonds
- Free admission to athletic events (excluding tournaments)
- Gulf Pines golf course discount
- Vacation discount cards and local restaurant discounts