Summary of Staff Employee Benefits
(Employed on or after January 1, 2013)

January 1, 2017
Welcome to the University of South Alabama - #WeAreSouth! This guide provides important information about the benefits offered to new employees, including a brief description of each benefit. You may also obtain additional information from the Human Resources website at http://www.southalabama.edu/departments/financialaffairs/hr/. 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.

New Employee Enrollment
It is important to review and understand these benefits so that you can enroll in the plans for which you are eligible and that meet your needs. The choices you make will be in effect for the remainder of the calendar year unless you experience a qualifying change in status event.

New employees must enroll in benefit programs within the first 30 days of employment, after a qualifying “change in status” event or during the Open Enrollment period held annually in November with coverage effective January 1.

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

UNIVERSITY OF SOUTH ALABAMA
Human Resources
650 Clinic Drive
TRP III, Suite 2200
Mobile, Alabama 36688-0002
Phone: (251) 460-6133 • Fax: (251) 460-7483
E-mail: hrmaincampus@southalabama.edu

USA MEDICAL CENTER
Human Resources
2451 USA Medical Center Drive
Mobile, Alabama 36617-2293
Phone: (251) 471-7325 • Fax: (251) 471-7075
E-mail: hrusamc@southalabama.edu

USA CHILDREN’S & WOMEN’S HOSPITAL
Human Resources
1700 Center Street
Mobile, Alabama 36604-3391
Phone: (251) 415-1604 • Fax: (251) 415-1606
E-mail: hrusacw@southalabama.edu

USA HEALTH & DENTAL PLANS
The University of South Alabama offers two comprehensive plans which include health, dental and pharmacy benefits. Employees may choose to enroll in either of these two plans, as a new employee or during open enrollment, by selecting the one that best fits their needs. The USA HEALTH & DENTAL PLAN is administered by Blue Cross Blue Shield of Alabama; and the USA VIVA HEALTH & DENTAL PLAN is administered by VIVA Health and Southland Benefit Solutions. The employee receives a summary of the benefit plans to assist in the decision-making process.

USA HEALTH & DENTAL PLAN: Benefits are received within a network of Blue Cross Blue Shield providers or within the USA Health network of hospitals, physicians, outpatient clinics and other providers affiliated with the University of South Alabama. By using a USA Health provider, the member receives medical care at a lower cost to both the Plan and the member.

USA VIVA HEALTH & DENTAL PLAN: This plan is a limited network plan consisting of USA Health providers and select providers from the VIVA network. To assist with primary care, a Telehealth program is included providing telephone and internet access to a physician for minor medical concerns resulting in less cost for the employee, time saved and convenience. The plan includes coverage for other medical providers only in the case of emergency or when approved by VIVA the health plan administrator.
Monthly Employee Cost: Single* Family*
USA Health & Dental Plan $128 $418
USA VIVA Health & Dental Plan $108 $350
*Includes the non-tobacco wellness incentive of $50

Monthly University Cost: Single Family
USA Health & Dental Plan $426 $870
USA VIVA Health & Dental Plan $363 $745

Pharmacy Benefits
The USA Health & Dental Plans provide prescription drug coverage administered by Express Scripts, Inc. Coverage is automatic for employees and eligible dependents enrolled in the Plans. Accredo Specialty Pharmacy provides highly personalized service for complex medical conditions.

USA Wellness Program
The University of South Alabama encourages all employees to adopt healthy lifestyle choices. We have implemented a tobacco cessation program intended to help employees stop using tobacco products, which will greatly improve their health.

Employees and their spouses who declare that they do not use tobacco products (and have not for at least six months) will be eligible to receive a $50 per month wellness incentive (one per family). Employees are required to certify on the enrollment application that they do not use tobacco products.

Employees and their covered spouses who use tobacco products are not eligible for the $50 wellness incentive. However, employees and their covered spouses can qualify for the $50 wellness incentive after they stop using tobacco products for at least six months.

The USA Health & Dental Plans are committed to helping you achieve your best health. The wellness incentive is available to all employees. If you think you might be unable to meet the standard under this Wellness Program, you may qualify for an opportunity to earn the same reward by different means. Contact the USA Human Resources department for additional information.

Premium Conversion
Premiums for the USA Health & Dental Plans are automatically 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 and dental insurance during the calendar year.

LIFE & DISABILITY PLANS

University-Paid Group Term Life Insurance
Company: The Standard
Website: www3.standard.com Phone: 800-628-8600
The University provides at no cost to benefits-eligible employees a group term life insurance plan from The Standard. Coverage is provided in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Annual Base Salary</th>
<th>Coverage Amounts *</th>
</tr>
</thead>
<tbody>
<tr>
<td>$12,500 or less</td>
<td>$25,000</td>
</tr>
<tr>
<td>$12,501 - $15,000</td>
<td>$26,500</td>
</tr>
<tr>
<td>$15,501 - $17,500</td>
<td>$28,000</td>
</tr>
<tr>
<td>$17,501 - $20,000</td>
<td>$32,000</td>
</tr>
<tr>
<td>$20,001 - $22,500</td>
<td>$36,000</td>
</tr>
<tr>
<td>$22,501 - $25,000</td>
<td>$38,000</td>
</tr>
<tr>
<td>$25,001 - $30,000</td>
<td>$42,000</td>
</tr>
<tr>
<td>$30,001 - $35,000</td>
<td>$45,000</td>
</tr>
<tr>
<td>$35,001 - $38,500</td>
<td>$48,000</td>
</tr>
<tr>
<td>$38,501 and over</td>
<td>125% of salary</td>
</tr>
<tr>
<td></td>
<td>($100,000 maximum benefit)</td>
</tr>
</tbody>
</table>

*Includes a $5,000 benefit for spouse and eligible children.

University-Paid Accidental Death & Dismemberment Insurance
The University provides at no cost to eligible employees an Accidental Death & Dismemberment (AD&D) policy from The Standard in the amount equal to the Basic Term Life Insurance if death was caused by an accident. AD&D also pays a benefit if a serious injury results in dismemberment.

Additional Group Term Life Insurance
Additional term life insurance equal to one, two, or three times the basic coverage is available to the employee at group rates. Employees applying for additional coverage must be medically underwritten. Additional coverage for spouse and dependent children is available and is also subject to underwriting.

Teachers’ Retirement System—Group Life Insurance
Teachers’ Retirement System of Alabama
Website: www.rsa-al.gov Phone: 877-517-0020

Flexible Spending Accounts
USA Health & Dental Plan – Health Equity, Inc.
Website: www.healthequity.com
Phone: 866-346-5800

USA VIVA Health & Dental Plan – Discovery Benefits, Inc.
Website: www.discoverybenefits.com
Phone: 866-451-3399

Eligible employees can take advantage of flexible spending accounts by setting aside pre-tax money through payroll deductions to pay for qualified health care expenses, including deductibles and copays, out-of-pocket dental expenses and qualified dependent child care expenses. Money set aside in these accounts will reduce taxable income, providing participants with more value for the dollar. Each plan provides a VISA® reimbursement account card for use when you incur a qualified medical expense. Participants may also submit expenses through the online participant portal for reimbursement. As other eligible expenses are incurred such as dependent care expenses, claims may be filed for reimbursement. The University pays all administrative expenses for this benefit.
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. The death benefit payable varies with age, service credit and circumstances of death.

**University Paid—Long Term Disability Insurance**

**Company:** The Standard  
**Website:** www3.standard.com  
**Phone:** 800-628-8600

The University provides at no cost to eligible employees long term disability insurance through The Standard. After a 90-day period of disability, 60% of the employee’s base monthly salary will be paid for permanent or temporary total disability, up to a maximum benefit of $10,000 a month.

**The Retirement Systems of Alabama—401(a)**

**Organization:** Teachers’ Retirement System (TRS)  
**Website:** www.rsa-al.gov  
**Phone:** 877-517-0020

All eligible employees are required by state law to contribute 6% of their gross annual salary to TRS (certain members will be subject to the Annual Compensation Limit). This defined benefit program provides retired employees with a specific benefit payable monthly for the lifetime of the member. In addition to the employee contribution, the University contributes a percentage which is determined by the Alabama Legislature.

TRS members are eligible for retirement benefits at age 62 with 10 years of participating service. Upon service retirement, employees are also eligible to join the state’s Public Education Employee Health Insurance Plan (PEEHIP). Rates for this plan vary based on age at retirement and years of TRS service.

Individuals resigning from employment before vesting in the program, or before qualifying to receive benefits, may request a refund of their contributions and applicable interest.

**The University of South Alabama 403(b) Plan**

**Company:** TIAA  
**Website:** www.tiaa.org  
**Phone:** 800-842-2776

**Company:** VALIC  
**Website:** www.valic.com  
**Phone:** (251) 625-4894

The University offers 403(b) supplemental retirement plans that allow eligible employees to invest in fixed and variable annuities and mutual funds. There is also a self-directed Brokerage Services Account which gives employees greater flexibility when building and managing their retirement portfolio. Employees may reduce their state and federal taxable income by contributing up to $18,000 ($24,000 if over age 50) annually.

Eligible employees will also have an opportunity to contribute post-tax contributions to the Roth 403(b). Employees may make pre-tax contributions to the 403(b) and post-tax contributions to the Roth 403(b) subject to a combined limit set by Section 402(g) of the IRS Code.

**The University of South Alabama 457(b) Plan**

**Organization:** Retirement Systems of Alabama (RSA-1)  
**Website:** www.rsa-al.gov  
**Phone:** 877-517-0020

**Company:** TIAA  
**Website:** www.tiaa.org  
**Phone:** 800-842-2776

**Company:** VALIC  
**Website:** www.valic.com  
**Phone:** (251)625-4894

457(b) plans allow eligible employees to defer receipt of a portion of their salary until some later date, usually at retirement or termination of employment. Contributions are made on a pre-tax basis and accumulate tax-free until withdrawal.

Eligible employees can also contribute post-tax contributions to the Roth 457(b). Employees may make pre-tax contributions to the 457(b) and post-tax contributions to the Roth 457(b) subject to the combined limit set by Section 402(g) of the IRS Code.

Contributions to 457(b) plans may be made instead of, or in addition to, any 403(b) contributions. Eligible employees may participate in both 403(b) and 457(b) plans in the same year, contributing up to $18,000 ($24,000 if over age 50) annually to each plan.

**Social Security**

Social Security provides protection in the form of retirement benefits, disability income, survivor income and Medicare insurance. Participation is required. In 2017, the employee and the University contribute 6.2% of the employee’s annual salary up to the maximum taxable earnings base of $127,200. Contributions for Medicare are 1.45% of the employee’s annual salary. The University contributes a matching amount.

**Vacation**

With supervisor 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 vacation which will be converted and transferred to sick leave if not taken by the last day of the last pay period of the fiscal year in which accrued.

Regular full-time employees accrue vacation at the following rate:

<table>
<thead>
<tr>
<th>Years of Continuous Service</th>
<th>Months of Continuous Service</th>
<th>Days Accrued Per Year</th>
<th>Maximum Vacation Accrual</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 3</td>
<td>0 - 36</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>4 &amp; 5</td>
<td>37 - 60</td>
<td>12</td>
<td>24</td>
</tr>
<tr>
<td>6 &amp; 7</td>
<td>61 - 84</td>
<td>13</td>
<td>26</td>
</tr>
<tr>
<td>8 &amp; 9</td>
<td>85 - 108</td>
<td>14</td>
<td>28</td>
</tr>
<tr>
<td>10 &amp; 11</td>
<td>109 - 132</td>
<td>15</td>
<td>30</td>
</tr>
<tr>
<td>12 &amp; 13</td>
<td>133 - 156</td>
<td>16</td>
<td>32</td>
</tr>
<tr>
<td>14 &amp; 15</td>
<td>157 - 180</td>
<td>17</td>
<td>34</td>
</tr>
<tr>
<td>16 &amp; 17</td>
<td>181 - 204</td>
<td>18</td>
<td>36</td>
</tr>
<tr>
<td>&gt; than 17</td>
<td>205</td>
<td>20</td>
<td>40</td>
</tr>
</tbody>
</table>
Upon separation of employment, employees are not eligible for payment of unused accrued vacation hours. This includes resignations, terminations, and retirements.

**Sick Leave**
Sick leave is provided to protect an employee against loss of income when confined at home or in the hospital due to illness or injury, or when an employee must have health related professional services which cannot be obtained outside regular work hours, or when an employee must care for a seriously ill member of the immediate family for not more than three days per occurrence. Sick leave is accrued at the rate of eight hours (one day) per month, for full-time employment with unlimited accumulation.

**Holidays**
Following are the eight scheduled holidays observed by the University General Division 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.

**MISCELLANEOUS BENEFITS**

**Educational Benefit Plan**
**Employee** – Upon completion of 6 months of employment prior to the first day of classes per the University Academic Calendar, regular full-time employees may qualify for a tuition credit for up to five credit semester hours, plus the University registration fee. The tuition credit rate is based on the prevailing College of Arts and Sciences undergraduate tuition rate for all course levels. Employees must maintain at least a 2.0 institutional grade-point average for undergraduate course work and a 3.0 institutional grade-point average for graduate course work for continued eligibility.

**Spouse/Dependents** – Tuition credit is also available to the spouse and unmarried dependent children (under age 25 on the first day of classes) of employees who are eligible for the educational benefit. The tuition credit is 50% of tuition only (no fees) with no hour maximum. The tuition credit rate is based on the prevailing College of Arts and Sciences undergraduate tuition rate for all course levels. The spouse/dependent children must maintain at least a 2.0 institutional grade-point average for undergraduate course work and a 3.0 institutional grade-point average for graduate course work for continued eligibility.

**United Healthcare Global Travel Assistance**
**Company: The Standard**
**Website: www3.standard.com**
**Phone: 800-628-8600**
This University paid benefit provides the employee and their eligible dependents with medical, travel, legal and financial assistance services when faced with an emergency while traveling more than 100 miles away from home.

**Employee Assistance Program (EAP)**
**Phone: (251) 461-1346**
The EAP offers confidential counseling and referral services at no cost to the employee.

**OTHER BENEFITS**
- Use of University facilities
- USA Bookstore discount (10%)  
- Twenty-five percent (25%) discount on USAMC and USA Children’s & Women’s hospital charges after group insurance has paid
- USA Federal Credit Union
- Free admission to athletic events (excludes tournaments and football)
- A discount, up to 20%, on season tickets for all ticketed sports, up to a maximum of 6 tickets per employee
- Local restaurant discounts
Benefits “At a Glance” Matrix

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Who Pays</th>
<th>When Eligible*</th>
<th>What to Know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Plan</td>
<td>USA &amp; Employee</td>
<td>First of month following date of employment**</td>
<td>Administered by Blue Cross Blue Shield of Alabama or VIVA Health, Inc.</td>
</tr>
<tr>
<td>Dental Plan</td>
<td>USA &amp; Employee</td>
<td>First of month following date of employment (if enrolled in Medical Plan)**</td>
<td>Administered by Blue Cross Blue Shield of Alabama or Southland Benefit Solutions</td>
</tr>
<tr>
<td>Pharmacy Benefits</td>
<td>USA &amp; Employee</td>
<td>First of month following date of employment (if enrolled in Medical Plan)**</td>
<td>Administered by Express Scripts, Inc.</td>
</tr>
<tr>
<td>Flexible Spending Accounts</td>
<td>Employee</td>
<td>First of month following date of employment</td>
<td>Administered by Health Equity, Inc. or Discovery Benefits, Inc. Provides tax savings on medical and dependent care expenses</td>
</tr>
<tr>
<td>University Paid LTD Insurance</td>
<td>USA</td>
<td>First of month following date of employment**</td>
<td>Payments after 90 days of disability</td>
</tr>
<tr>
<td>University Paid Group Term Life Insurance</td>
<td>USA</td>
<td>First of month following date of employment**</td>
<td>Coverage varies with salary</td>
</tr>
<tr>
<td>University Paid AD&amp;D Insurance</td>
<td>USA</td>
<td>First of month following date of employment**</td>
<td>Coverage equals amount of Term Life</td>
</tr>
<tr>
<td>Voluntary Additional Group Term Life Insurance (Employee)</td>
<td>Employee</td>
<td>First of month following date of employment**</td>
<td>Available coverage equal to 1x, 2x or 3x Basic coverage</td>
</tr>
<tr>
<td>Voluntary Additional Group Term Life Insurance (Spouse)</td>
<td>Employee</td>
<td>First of month following date of employment**</td>
<td>$25,000 additional coverage</td>
</tr>
<tr>
<td>Voluntary Additional Group Term Life Insurance (Children)</td>
<td>Employee</td>
<td>First of month following date of employment**</td>
<td>$10,000 additional coverage</td>
</tr>
<tr>
<td>Teachers’ Retirement System 401(a) Plan</td>
<td>USA &amp; Employee</td>
<td>Immediately</td>
<td>Mandatory employee contribution</td>
</tr>
<tr>
<td>USA 403(b) Plan</td>
<td>Employee</td>
<td>Immediately</td>
<td>Pre-tax or Roth savings Plan with TIAA or VALIC</td>
</tr>
<tr>
<td>USA 457(b) Deferred Compensation Plan</td>
<td>Employee</td>
<td>Immediately</td>
<td>Pre-tax or Roth savings Plan with TIAA or VALIC</td>
</tr>
<tr>
<td>Employee Educational Benefit</td>
<td>USA</td>
<td>Upon completion of 6 months of employment</td>
<td>Employee &amp; dependent tuition credit benefits Requires full-time employment</td>
</tr>
<tr>
<td>Employee Assistance Program</td>
<td>USA</td>
<td>Immediately</td>
<td>Confidential counseling and referral services</td>
</tr>
<tr>
<td>Vacation Leave</td>
<td>USA</td>
<td>Immediately</td>
<td>Number of days vary based on years of service (PT leave prorated)</td>
</tr>
<tr>
<td>Sick Leave</td>
<td>USA</td>
<td>Immediately</td>
<td>Equals 1 day earned per month (PT leave prorated)</td>
</tr>
<tr>
<td>Holidays</td>
<td>USA</td>
<td>Immediately</td>
<td>Eight (8) scheduled holidays per year with additional special holidays designated by the University President</td>
</tr>
</tbody>
</table>

* Most benefits require active enrollment by the employee within 30 days of employment date.
** Employees are eligible to participate in the designated benefits if a regular employee and appointed to work a schedule of 30 hours or more per week (.75 FTE).