

# HOWARD PAYNE UNIVERSITY

## 2023-2024 SUMMARY of BENEFITS FOR FULL-TIME EMPLOYEES

Welcome to Howard Payne University. As you join the Howard Payne family, it is important to know that your total compensation is much more than salary alone because of the Christian atmosphere of the University and the benefits available to you.

Additional details about various benefits are included in the *Administrative Policies of Howard Payne University*. The Human Resources Office staff is available to assist you regarding the benefits offered by the University. These benefits are subject to change at any time.

### PAID TIME OFF

**Scheduled Holidays:** University employees enjoy these twenty-four paid holidays each year:

HOLIDAY	LENGTH	DAYS OF THE WEEK
Independence Day	1 day	Determined Annually
Labor Day	1 day	Determined Annually
Fall Break	1 day	Determined Annually
Thanksgiving	3 days	Wednesday through Friday
Christmas	10 days	Determined Annually
Spring Break	5 days	Monday through Friday
Easter	1 day	Good Friday
Memorial Day	1 day	Determined Annually

**Floating Holiday:** All University offices will be open on the following days. One time per calendar year, full-time employees may choose from the following days and take it as a floating holiday after consulting with and obtaining prior written approval by their supervisor and their vice president on a Leave Request Form.

Martin Luther King, Jr. Day	3rd Monday in January
Presidents' Day	3rd Monday in February
Cesar Chavez Day	March 31 <sup>st</sup>
Columbus Day	2nd Monday in October
Employee's Birthday	see Administrative Policies
Optional day	Any other day than the above

**“Jacket Leave”** - All full-time employees may take up to four hours of “Jacket” Leave per month (six days per year), with the prior approval of their supervisor. “Jacket” Leave is paid personal time. It does not accrue or carry over from month to month.

**Vacation Leave** – Eligible employees (excludes faculty) may accrue a maximum of 80 hours of vacation leave (10 days per year). After 90 days of service, employees may request and use accrued vacation leave if their supervisor approves their request. Employees begin accruing vacation leave on their first day of employment, as follows:

Non-exempt employees – 3.08 hours per payroll (26 payrolls per year)

Exempt administrative staff – 6.67 hours per payroll (12 payrolls per year)

Faculty do not accrue vacation leave.

**Sick Leave** - All eligible employees accrue eight hours of paid sick leave each month (12 days per year). Employees can accumulate a maximum of 1,440 hours of sick leave (six months/180 days). This coincides with the six-month elimination period for the Long-Term Disability insurance provided by the University.

Non-exempt employees – 3.69 hours per payroll (26 payrolls per year)

Exempt staff and faculty – 8.00 hours per payroll (12 payrolls per year)

**Emergency Leave** – After the first 90 days of employment, an employee is eligible to request up to three days of paid emergency leave each calendar year.

## **BENEFITS PROVIDED by the UNIVERSITY**

The following benefits are provided to all full-time employees with no premium charged to employee:

**Term Life Insurance** - The policy has a death benefit equal to twice your annual salary, depending on age, with a maximum benefit of \$250,000. The life insurance policy booklet explains eligibility and benefits in detail. The IRS requires the University to tax your benefit amount in excess of \$50,000 each pay period as ordinary income. \* Employees may purchase dependent life insurance with a \$5,000 benefit for your spouse and children.

**Long-Term Disability (LTD) Insurance** - The policy pays up to two-thirds of your salary if you become disabled. The LTD insurance policy booklet explains eligibility and benefits in detail.

**Worker's Compensation Insurance** – The policy provides eligible employees with medical insurance coverage and partial wage replacement for job-related injuries.

**Unemployment Compensation Insurance** – The policy provides eligible employees with partial wage replacement in the event the employee loses their job for a covered reason.

**Teladoc** – This benefit allows employees and their eligible dependents to obtain quality, fast, non-emergency medical care from a physician without any cost for the physician's services. Employees can use their telephone, email, or a smartphone application to consult a physician who can diagnose, treat and write prescriptions for many common medical conditions including: *cold and flu symptoms, allergies, bronchitis, sinus problems, urinary tract infection, respiratory infection, ear infection, and much more.* The employee is responsible for the cost of any prescriptions written by a Teladoc physician. If the employee is enrolled in one of the University's health insurance plans, the prescription can be filed with BCBSTX.

**MD Save** – This benefit allows employees to shop online for certain medical procedures and services and pay at significant discounts (*occasionally up to 60% off*) with no claims to file. You and your dependents can use MDsave, even if none of you are covered by a University health plan. You can have the amount you pay for MDsave procedures applied to your health plan deductible (information is available on the campus network). Go to <https://www.mdsave.com> to learn more about this valuable benefit.

## OPTIONAL BENEFITS

The University provides a wide variety of optional benefits to full-time employees. You are under no obligation to purchase or participate in any of these benefits. If you choose to participate, IRS regulations determine when and how you can make changes to these benefits, if you pay for them with pre-tax dollars withheld from your pay.

IRS regulations allow employees to elect to purchase certain optional insurance products and make deposits to health savings accounts, flexible spending accounts and dependent care accounts with pre-tax dollars.

**Why use pre-tax dollars?** If you elect to withhold pre-tax dollars to pay for your benefits, it reduces the amount of income tax withheld from your paycheck, thereby increasing your net pay. You should consult with your CPA or tax advisor to help you determine if you want to use pre-tax dollars to pay for benefits.

**IMPORTANT NOTE:** If you elect to withhold pre-tax dollars for optional benefits, you may not stop or change the withholding until the next annual open enrollment (normally in November or December), unless you have a "Qualifying Event" as determined by the IRS.

## OPTIONAL BENEFITS GROUP HEALTH INSURANCE

Howard Payne offers self-insured PPO group health insurance to its employees. "Self-insured" means your medical claims are paid from a pool of funds comprised of the premiums you pay and the budgeted contribution from the University.

The University contracts with BlueCross and BlueShield of Texas to administer your claims and provide discounted services from participating hospitals and physicians. Employees may elect to pay health insurance premiums on a pre-tax basis. Please review and understand the plan summaries before choosing a group health insurance plan.

Employee premiums (effective through May 31<sup>st</sup>) are as follows:

### HEALTH SAVINGS ACCOUNT PLANS Option 1 - \$3,000 H.S.A. Low Plan

Plan Features:

1. Annual In-Network Deductible of \$3,000 per individual and \$6,000 maximum per family.
2. No co-pay, you pay discounted amount between the provider and Blue Cross Blue Shield (see Summary of Benefits and Coverage for more details),
3. Annual \*Maximum Out-of-Pocket Medical Expense (In-Network) of \$6,000 per individual and \$12,000 per family,
4. This plan also offers an optional Health Savings Account (HSA), to which the University will deposit funds for your use. Additional HSA details follow later in this document.

Coverage Selected	Monthly Premium	Bi-Weekly Premium	Annual Cost
Employee Only	\$173.00	\$86.50	\$2,076.00
Employee & Child/ren	452.00	226.00	5,424.00
Employee & Spouse	607.00	303.50	7,284.00
Employee & Family	754.00	377.00	9,048.00

### HEALTH SAVINGS ACCOUNT PLANS Option 2 - \$4,000 H.S.A. Mid Plan

Plan Features:

1. Annual In-Network Deductible of \$4,000 per individual and \$8,000 maximum per family.
2. No co-pay, you pay discounted amount between the provider and Blue Cross Blue Shield (see Summary of Benefits and Coverage for more details),
3. Annual \*Maximum Out-of-Pocket Medical Expense (In-Network) of \$6,550 per individual and \$13,100 per family,
4. This plan also offers an optional Health Savings Account (HSA), to which the University will deposit funds for your use. Additional HSA details follow later in this document.

Coverage Selected	Monthly Premium	Bi-Weekly Premium	Annual Cost
Employee Only	\$77.00	\$38.50	\$924.00
Employee & Child/ren	251.00	125.50	3,012.00
Employee & Spouse	403.00	201.50	4,836.00
Employee & Family	607.00	303.50	7,284.00

## HEALTH SAVINGS ACCOUNT PLANS Option 3 - \$6,000 H.S.A. High Plan

Plan Features:

1. Annual In-Network Deductible of \$6,000 per individual and \$12,000 maximum per family.
2. No co-pay, you pay discounted amount between the provider and Blue Cross Blue Shield (see Summary of Benefits and Coverage for more details),
3. Annual \*Maximum Out-of-Pocket Medical Expense (In-Network) of \$7,500 per individual and \$15,000 per family,
4. This plan also offers an optional Health Savings Account (HSA), to which the University will deposit funds for your use. Additional HSA details follow later in this document.

Coverage Selected	Monthly Premium	Bi-Weekly Premium	Annual Cost
Employee Only	\$52.00	\$26.00	\$624.00
Employee & Child/ren	198.00	99.00	2,376.00
Employee & Spouse	352.00	176.00	4,224.00
Employee & Family	502.00	251.00	6,024.00

### OPTIONAL INSURANCE PRODUCTS

These benefits are available from June 1<sup>st</sup> through May 31<sup>st</sup> of the following year and you elect these benefits during the Open Enrollment period each year.

Below are optional benefits to eligible employees through payroll deduction. These plans include the following with:

**Pre-Tax Benefits** – We withhold the premiums for these products before we calculate your taxes. This lowers your taxable wages, which lowers your taxes, resulting in more take-home pay. You do not pay taxes on the benefits you receive from these products:

- Colonial Life Insurance (pre-tax)
- Colonial Group Cancer
- Colonial Accident Insurance
- Colonial Medical Bridge (Gap) Insurance
- BCBS Dental Insurance
- Superior Vision Care Insurance
- Flexible Spending and Dependent Care Accounts
- Health Saving Accounts

**After-Tax Benefits** – We do not withhold the premiums for these products before we calculate your taxes. This does not give you any tax savings each pay period, but it prevents you having to pay taxes on the benefits you receive from these policies. Otherwise, your benefits will be taxed when you or your beneficiaries receive them; decreasing the amount you receive at a time when you may need it most.

- Colonial Critical Illness Insurance
- Colonial Short Term Disability Insurance
- Colonial Term Life Insurance
- BCBS Voluntary Life Insurance

## HEALTH SAVINGS ACCOUNT (HSA)

With our High Deductible Health Insurance Plans (HDHP) the University will make a *one-time* maximum deposit into the employee's HSA of \$500.00. Texas Bank, 400 Fisk Street, Brownwood, administers each employee's HSA. Employees pay \$5.00 quarterly for this service. You can start, stop or change your contribution to your HSA at any time during the year.

You may establish a pre-tax HSA up to \$3,850 for individuals and \$7,750 for families to pay for any eligible medical expenses. After going to Texas Bank and establishing your personal HSA bank account, participants receive a debit card from Texas Bank that can be used to access funds in their account to pay medical bills without filing claims for reimbursement. Your HSA can also be used for eligible dependent care expenses. Setting aside funds from your paycheck into an HSA reduces your income tax withholding, thereby increasing your net pay.

- You own this HSA and any monies in this account are yours, even if you leave HPU.
- Your HSA balance will roll over from year to year. It is not "use it or lose it."
- HSA account holders over the age of 55 can make an additional "catch up" contribution of \$1,000 per year.
- If you enroll in Medicare at age 65, you can no longer contribute to your HSA.

You may continue contributing to your HSA after age 65, but only if you have not enrolled in any part of Medicare.

- You may not have both an HSA and FSA at the same time in a calendar year.

## FLEXIBLE SPENDING ACCOUNTS (FSA)

**\*\* This is only available to those who are 65 or over and on Medicare, because they cannot participate in a health savings account any longer.** A third-party vendor, iSolved, administers your FSA. Use of FSA funds are on a calendar year basis for IRS purposes.

You may establish a pre-tax FSA up to \$3,050 per calendar year to help pay for eligible medical expenses. Participants receive a debit card from iSolved that can be used to access funds in their account to pay medical expenses without filing claims for reimbursement. Your FSA can also be used for eligible dependent care expenses. Setting aside funds from your paycheck into a FSA reduces your income tax withholding, thereby increasing your net pay.

**Eligible FSA Expenses for Health Care** - You may use the standard health care FSA for health care expenses that are not covered by any medical insurance plan. This includes your out-of-pocket expenses related to your medical plan's deductible, coinsurance, or copayment arrangements.

You may request reimbursement for your own eligible expenses as well as your spouse's, if you file a joint tax return. In addition, qualified medical expenses incurred by the following persons are eligible:

- All dependents you claim on your tax return,
- Any person you could have claimed as a dependent on your return. You do not need to be covered by Howard Payne's medical plan to participate in a standard health care FSA.

Most over the counter (OTC) medicines require a doctor's prescription for reimbursement. The following are not eligible for reimbursement from your FSA:

- Amounts paid for health insurance premiums,
- Amounts paid for long-term care coverage or expenses, and
- Amounts covered under another health plan.

You may only submit claims you incur while you are employed by the University and participating in the FSA plan.

#### **IMPORTANT IRS LIMITATIONS ON FLEXIBLE SPENDING ACCOUNTS:**

- Expenses reimbursed from an FSA cannot be claimed as a medical expense on your tax return.
- Only expenses actually incurred during the 2019 calendar year and through the "*Grace Period*," March 15, 2020, are eligible for reimbursement from your 2019 FSA. FSAs may not be used to reimburse employees for future or projected expenses.
- If you do not use all the pre-tax dollars in your flexible spending account, you forfeit the amount left over at the end of the grace period (March 15, 2020), so please plan wisely.

#### **DEPENDENT CARE (DCA) ACCOUNTS**

The dependent care account reimburses dependent day care expenses necessary while you (and your spouse, if you are married) are working or attending school on a full-time basis. Typically, these would be day care expenses for children, but you can also use this account to reimburse day care for other dependents, such as spouses, parents, or grandparents, who cannot care for themselves. Your dependent must live in your home at least eight hours a day. The DCA limit is \$5,000 for single taxpayers and married couples filing jointly. The limit for married couples filing separately is \$2,500.

Allowable expenses include those for care provided in your home, a sitter's home, or a day care facility. Expenses for certified all-day kindergarten programs are not eligible.

You may only submit FSA claims that you incur while you are participating in the FSA plan. For example, if you stop working at Howard Payne and end your FSA participation on June 30<sup>th</sup>, claims for services through that date are eligible, but claims for service beginning July 1<sup>st</sup> are ineligible. If you do not use all the pre-tax dollars in your flexible spending account, you forfeit the amount left over, so plan wisely.



## RETIREMENT PLANS

The University provides one mandatory and one optional retirement plan.

### SOCIAL SECURITY

**Social Security Retirement and Medicare** - Employees are required to participate in the federal Social Security and Medicare systems. Employees contribute 7.65% of their taxable wages and the University matches that amount for these benefits.

Your withholding for Social Security and Medicare is made with pre-tax wages, reducing the income taxes withheld from your paycheck.

### OPTIONAL 403 (b) RETIREMENT PLANS

**Retirement Plan through GuideStone Financial Services** – You may start or stop contributing to your optional retirement plan at any time. Howard Payne will match your contribution dollar for dollar up to 5%. You may contribute up to 5% of your base pay to put in your account with GuideStone Financial Services and you determine where all of these funds are invested based on your personal risk tolerance and retirement goals. Maximum employee elective for 49 years or younger is \$22,500. Employee catch-up contribution (age 50 or older by year-end) is \$7,500 (total is \$30,000).

Your **annuity** contribution is made with pre-tax dollars, which will decrease the income taxes withheld from your paycheck, thereby increasing your net pay. You will pay taxes on your contributions to your plan when you withdraw funds from your account.

A **Roth 403(b) IRA** is also available through GuideStone on an after-tax basis, meaning you are taxed now on your withholdings, but when you are eligible to withdraw funds from your account, they are not taxed.

Information about the fund choices available for you to invest in through GuideStone Financial Services is available at:

<http://www.guidestoneretirement.org/Individual/What-we-offer/Fund-Choices.aspx>



## HOWARD PAYNE UNIVERSITY TUITION WAIVERS

**Undergraduate Tuition Waiver for Employees** - Employees may apply to receive a waiver of Howard Payne's tuition and the Student Services and Technology fee for up to six credit hours per semester. Details of the Tuition Waiver policy and applications are available on the campus network.

**Undergraduate Tuition Waiver for Dependents** - Employees may apply for tuition waivers for their legal dependents enrolling in Howard Payne's undergraduate credit classes taken toward their first degree. Details of the Tuition Waiver policy and applications are available on the campus network.

**Graduate Tuition Waiver for Employees** - Employees may apply to receive a waiver of Howard Payne's tuition and the Student Services and Technology fee for one graduate level course per eight-week term or semester. Details of the Tuition Waiver policy and applications are available on the campus network.

Tuition Waivers are available on Gateway/Menu/Employee Services/Human Resources. Please read all of the Guidelines on the form prior to submitting one. The forms must be submitted two weeks prior to the semester/term beginning in order for Human Resources, Financial Aid and the Business Office to have time to process it.

## TUITION EXCHANGES with OTHER UNIVERSITIES

The University participates with other institutions to provide tuition exchanges (waivers) to dependents of full-time employees. In each case, it is up to the receiving institution to approve the exchange after the Howard Payne Human Resources office confirms our employee is eligible to apply. For more information on the current tuition exchanges, contact the Financial Aid Office.

## OTHER BENEFITS

**Wellness Center** – The Wellness Center is available to employees during its normal operating hours. Employees must present their University ID card to use the Wellness Center. To get your University ID card, go to the Mabee Center, upstairs to the Student Experience Office to have your photo taken and they will issue you an ID card.

**“Tobacco Free” Facilities** – To enhance the learning and working environment for everyone, the use of tobacco products is prohibited inside all University facilities.

**Free Attendance at University Events** - Employees and their families are admitted free to all athletic events (excluding playoff games) and to most Theater and Music performances. You can contact John Wilson in the Athletic Department for Athletic passes for you and your family.

**Food Service** - Sodexo, Inc. provides all food services for Howard Payne in the Mabee University Center. Employees may enjoy the all-you-can eat buffet in the cafeteria at discounted prices.

**Discounted Purchases from Staples** — Howard Payne departments enjoy the benefits of discounted corporate contract pricing from Staples. Employees may also use Staples for personal purchases and receive similar discounts.

**Check Cashing Service** - Employees may cash personal checks at the Cashier's Office on the second floor of the Packer Administration building.

**Business Casual Dress** – Staff employees can enjoy a relaxed business casual dress code throughout the year. Each employee's dress, grooming, and personal hygiene should be appropriate to the work situation and always professional.