

## Messiah College Policy and Procedure Manual: Benefits

- 3.01 **PHILOSOPHY OF BENEFITS AT MESSIAH COLLEGE.** The benefits program at Messiah College is designed primarily for the protection of personal and economic security of eligible employees and their spouses and dependents when applicable. By providing health insurance, dental insurance, life insurance, long-term disability insurance, educational assistance, and sick days for the employees, the College protects the employee's ability to work with security and confidence from the incurring of large expenses caused by illness, injury/disability, or tuition burden. The design of the benefits program can also play a significant part in every employee's financial planning most notably via mutual retirement contributions. Additionally, the benefits program seeks to reward employees for faithful service to the College via vacation days and community-wide events.

Since benefits are a part of each regular employee's compensation, the benefits program has a significant impact on the operating budget of the College. By the nature of many benefits, employees share unequally in both the actual benefits and actual costs of protection that benefits seek to provide. For example, those members of our community that become ill or injured receive the actual benefits of health and major medical insurance, while the entire campus employment community shares in the costs and in the potential benefits. Accordingly, Messiah College seeks to provide equitable protection, security, and potential for benefit for each employee of the College community. The College must, however, reserve the right to alter employee benefits at any time.

- 3.02 **EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.** Employee Retirement Income Security Act (ERISA) was enacted to help assure that all employer-sponsored group benefit programs conform to standards set by Congress. ERISA requires that the employer inform all employees of the pertinent facts about their fringe benefits.

ERISA requires that persons who control employee benefit plans, called fiduciaries, must act solely in the interest of an employee and must act prudently with respect to their administration and discretionary authority over employee benefit plans. The principal officer of the College who has discretionary responsibility in relation to the plan is the Vice President for Administration and Finance, who serves as Plan Administrator.

- 3.02.01 **Statement of ERISA Rights.** Participants in the College Retirement Plan and the College Tax-Deferred Annuity Plan are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

Examine, without charge, at the Plan Administrator's Office, all plan documents and copies of all documents filed by the plan with the U.S. Department of Labor and Internal Revenue Service, such as detailed annual reports and plan descriptions.

Obtain copies of all plan documents and other plan information upon written request to Plan Administrator. The Administrator may make a reasonable charge for the copies.

Receive a summary of the plan's annual ERISA Report to the Internal Revenue Service. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement advising the participant of the amount of funds accumulated to provide benefits at normal retirement age if participation under the plan stops now. Each year TIAA-CREF sends participants a statement of annuity premiums paid during the previous calendar year and an illustration of the annuity income at retirement under certain stated assumptions. Participants may also request additional benefit illustrations from TIAA-CREF at any time.

No one, including the employer, may discharge or otherwise discriminate against participants in any way to prevent them from obtaining benefits to which they are entitled under the plans or exercising their rights under ERISA.

If an application for benefits under any of the plans described in this handbook is denied in whole or in part, the participant or beneficiary must receive a written explanation of the reasons for the denial. Participants have the right to have the Plan Administrator review and reconsider denied

claims on eligibility, participation, contributions, or other aspects of the plan and to have TIAA-CREF review and reconsider denied claims under TIAA-CREF Annuity contracts. Under ERISA, participants may take steps to enforce these rights. For example, if a participant requests materials from the plan and does not receive them within 30 days, he or she may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay the participant up to \$100 a day until he or she receives the materials unless the materials were not sent due to reasons beyond the control of the Administrator.

If a claim for benefits is denied or ignored, in whole or in part participants may file suit in a state or federal court. If the Plan Administrator's responsibility to compute and remit plan contributions is not discharged according to the terms of this plan or if a participant is discriminated against for asserting ERISA rights, he or she may seek assistance from the U.S. Department of Labor or may file suit in a federal court. The court will decide who should pay court costs and legal fees. If the participant is successful, the court may order the person sued to pay these costs and fees. If the participant loses, the court may order him or her to pay these costs and fees, for example, if it finds the claim is frivolous.

Contact the Plan Administrator if you have any questions about this plan. If a participant has any questions about this statement or about rights under ERISA, he or she should contact the nearest area office of the U.S. Labor-Management Services Administration, Department of Labor.

### 3.03 SOCIAL SECURITY INSURANCE

3.03.01 **Eligibility and Participation.** All categories of individuals are eligible and are required to participate with some exceptions for students and ministers.

3.03.02 **Contributions.** The employees and employers each pay a percentage of the employee's wages up to a designated maximum. This rate includes hospital insurance under Medicare. Your contributions are deducted from your wages and are sent to the Internal Revenue Service along with the College's matching share.

3.03.03 **Benefits.** Before you or your family becomes eligible for benefits you must have credit for a certain amount of work. The amount of work credit required depends upon your age.

Social Security benefits include retirement income, disability income, survivor's income, and hospital and medical insurance. Under some circumstances, payments are also made to the dependents of retired, disabled or deceased employees.

Medicare is designed to provide hospital and medical insurance assistance for people over 65 years of age whether or not they retire. Disabled individuals under 65 and their dependents are also eligible for some benefits.

3.03.04 **Claims for Benefits.** Application must be made at a local Social Security office in order to begin receiving benefits.

### 3.04 MESSIAH COLLEGE TIAA-CREF RETIREMENT PLAN

3.04.01 **Establishment of Plan.** This Board of Messiah College (the "institution") established the plan as of October 1, 1961, as amended through July 1, 1993. Contributions under this defined contribution (money purchase) plan are applied to individual annuities issued to each participant by Teachers Insurance and Annuity Association (TIAA) and/or College Retirement Equities Fund (CREF).

3.04.02 **Eligibility.** Employees are eligible to participate in this Retirement Plan if they work at least 1,000 hours per year.

3.04.03 **Participation.** Eligible employees may begin participation in this Retirement Plan on a voluntary basis immediately upon commencing employment at the College or upon attainment of age 21, whichever occurs later.

In any event, however, employees in eligible categories of employment who have fully vested, fully funded benefits under the terms of an institutional retirement plan of a previous employer may begin participation in this Retirement Plan through the TIAA and/or CREF Retirement Annuities

used under this plan following employment at the College.

- 3.04.04 **Retirement Age.** With the 1986 amendment to the Age Discrimination in Employment Act of 1967, there is no longer a required age at which employees of the College must retire from full-time employment.
- 3.04.05 **Cashability.** The present policy of the College is to allow full cash withdrawal upon retirement or termination subject to the limitations imposed by TIAA-CREF. Any employee making a cash withdrawal should consult a financial advisor as to possible tax consequences.
- 3.04.06 **Transferability.** The present policy of the College is to allow no investment firm other than TIAA-CREF to manage employee retirement funds which have been contributed to TIAA-CREF.
- 3.04.07 **Plan Contributions.** Contributions under this Retirement Plan, referred to as "Plan Contributions," will be made at least monthly during years of participation, except for months in which no salary is paid, in accordance with the following schedule:

**Plan Contributions as a Percentage of Total Salary**

By the Participant	By the College	Total
2.5%	3%	5.5%
5%	6%	11%
7.5%	9%	16.5%

For teaching faculty, total salary shall mean academic year contract salary and summer and supplementary contracts; for all other categories of employees, total salary shall mean basic annual earnings and overtime pay.

Plan contributions by participants to TIAA and/or CREF Retirement Annuities will be deducted from salary payments or, if elected by the participant, will be made on a tax-deferred basis under an agreement for salary reduction executed in accordance with Section 403 (b) of the Internal Revenue Code.

Plan contributions shall be forwarded to TIAA-CREF to be applied as premiums on Retirement Annuities owned by the participant and may be allotted by the participant between TIAA and CREF in whole percentages as designated by the participant.

Plan contributions shall not continue beyond the date a participant receives his or her first annuity payment from a TIAA or CREF Annuity contract to which plan contributions have been made under this plan.

During a leave of absence, the College will continue its plan contributions to a participant's annuities on the basis of salary then being paid by the College, provided the participant also continues plan contributions. No plan contributions will be made during an unpaid leave of absence.

- 3.04.08 **Retirement Annuities.** The participant shall complete a TIAA-CREF application form in order for retirement annuities to be issued. Each TIAA and/or CREF Retirement Annuity issued under this plan is for the sole purpose of providing a retirement or death benefit. All benefits under this plan are provided solely through individually owned, fully funded retirement annuities and therefore are not subject to, nor covered by, federal plan termination insurance.
- 3.04.09 **Repurchase.** In the event a participant in this retirement plan terminates employment for reasons other than retirement or disability and requests that TIAA-CREF repurchase his or her annuity, the College will approve such repurchase provided the participant is not employed by or moving to another institution having a TIAA-CREF Retirement Plan for which he or she will be eligible, and provided the repurchase meets the other conditions under which TIAA-CREF will repurchase annuities. Upon repurchase, the entire amount accumulated in the annuities will be payable by TIAA-CREF to the participant and shall be in full satisfaction of the participant's and his or her spouse's rights to retirement and/or death benefits. Married participants who wish TIAA-CREF to repurchase retirement annuities shall refer to all relevant plan requirements when considering repurchase.

- 3.04.10 **Retirement Benefits.** Upon retirement at any age, the participant shall be entitled under the terms of his or her TIAA-CREF Retirement Annuities to receive a monthly or periodic income under one of the options set forth in such contracts. All options provide a lifetime income for the participant and all except one also provide for income to a surviving spouse or other beneficiary. Married participants shall refer to all relevant plan requirements before electing an annuity income option. Total TIAA-CREF annuity income benefits which began on or after May 1, 1980, will be calculated on a sex-neutral basis.
- 3.04.11 **Death Benefits.** In the event a participant dies prior to commencement of retirement benefits payment described above, the full current value of the annuity accumulation, including the portion attributable to plan contributions made by the College, is then payable to the beneficiary or beneficiaries named by the participant in a single sum or under any one of the options offered by TIAA-CREF. For married participants, the surviving spouse will receive death benefits as set forth below.
- 3.04.12 **Spouse's Rights.** Benefits may only be paid for married participants in the plan as described below, unless a written waiver of the benefit by the employee and a written consent to the waiver by the spouse is filed with TIAA-CREF.. This provision applies to repurchase as described herein.

Under this plan, a participant terminating employment who requests that TIAA-CREF repurchase his or her annuities, must furnish the spouse's written consent to repurchase, together with an acknowledgment that the repurchase is in satisfaction of all rights to a retirement or death benefit at the time application for repurchase is made.

At the participant's death, the surviving spouse shall receive an annuity income that is at least 50 percent of the annuity income payable during the joint lives of the participant and his or her spouse. If the participant dies prior to the start of the annuity income, the surviving spouse shall receive a benefit that is at least 50 percent of the full current value of the participant's annuity accumulation payable in a single sum or under one of the income options offered by TIAA-CREF.

Married participants and their spouses may waive the spousal entitlement to receive retirement or death benefits or repurchase distributions only if a written waiver of the benefit, signed by the participant and the spouse, is filed with TIAA-CREF under the procedure described in the section "Application for Benefits."

For the post-retirement survivor benefits (joint and survivor annuity), the waiver may only be made during the 90 days prior to commencement of benefits. The waiver may also be revoked during the same period. It may not be revoked after the annuity income begins.

The period during which participants and their spouses may elect to waive the pre-retirement survivor death benefit begins on the first day of the plan year in which the participant attains age 35 and continues until the earlier of the participant's death or the date the participant starts receiving annuity income. In the event that the participant dies before attaining age 35, i.e., before the participant has had the option to make a waiver, at least 50 percent of the full current value of the annuity accumulation is payable automatically to the surviving spouse in a single sum or under one of the income options offered by TIAA-CREF. If the participant terminates employment before age 35, no waiver provisions are available. The waiver may also be revoked during the same period.

In the event that a judgment, decree, or order establishes the right of another person (the "alternate payee") to a participant's benefits under this plan, and where such order hereafter called a "qualified domestic relations order," is for the purpose of providing child support, alimony, or other marital property payments, payments will be made in accordance with that order. If a court issues a qualified domestic relations order, such order pre-empts the usual requirement that the spouse of the participant be considered the primary beneficiary for a portion of the accumulation.

- 3.04.13 **Plan Year.** The "plan year" is January 1 through December 31 of each year. Records for each participant to whom annuities have been issued are maintained on a calendar year basis. TIAA-CREF sends each annuity owner a report of premiums and benefits summarizing the status of his or her annuity contracts as of December 31 of each year. Similar reports or benefit illustrations may be obtained by a TIAA-CREF annuity owner upon termination of employment or at any other time by writing directly to TIAA-CREF.

3.04.14 **Plan Administrator.** The Messiah College Vice President for Finance is responsible for the administration of the plan at the College located at Grantham, Pennsylvania 17027, phone number (717) 766-2511, and is responsible for enrolling participants, sending plan contributions for each participant as premiums to annuity contracts issued on the participant's life, and for performing duties required for the operation of the plan. The Administrator may designate in writing other persons to carry out the duties under this plan.

3.04.15 **Application for Benefits.** Procedures for receipt of benefits are initiated by writing directly to TIAA-CREF.

Benefits provided by TIAA-CREF Retirement Annuities to which planned contributions have been applied will be payable by TIAA-CREF upon receipt by TIAA-CREF of a satisfactorily completed application for benefits and supporting documents, including any waiver of spousal rights to retirement benefits, death benefits, or repurchase amounts. The necessary forms will be provided to the participant, the surviving spouse, or the participant's beneficiary by TIAA-CREF.

3.04.16 **Requests for Information and Other Claims Procedures.** Requests for information and claims or service of legal process concerning eligibility participation contributions or other aspects of the operation of the plan must be in writing and directed to the Administrator of the plan. If a written request or claim is denied, the Administrator shall, within a reasonable time, provide written denial to the participant. It will include the specific reasons for denial, the provisions of the plan upon which the denial is based, a description of any material needed to complete the claim (if appropriate) and why it is necessary, and instructions on how to apply for a review of the claim.

When the Administrator requires additional time to process a claim because of special circumstances, an extension may be obtained by notifying the participant that a decision on the claim will be delayed, what circumstances have caused the delay, and when a decision can be expected. The Administrator will inform the participant of the delay within 90 days of the date the claim was submitted.

A participant may request in writing a review of a denied claim and may review pertinent documents and submit issues and comments in writing to the Administrator. The Administrator shall provide in writing to the participant a decision upon such request for review of the denied claim within 60 days of receipt of the request. When special circumstances require an extension, the Administrator may obtain such extension by notifying the participant that the decision on the review of the denied claim will be delayed, why, and when the decision can be expected .

Requests for information concerning the TIAA-CREF Annuity contracts and their terms, conditions, and interpretations thereof, claims thereunder, any requests for review of such claims, and service of legal process, may be directed in writing to TIAA-CREF, 730 3rd Avenue, New York, NY 10017. If a written request is denied, TIAA-CREF shall, within a reasonable period of time, provide a written denial to the participant. It will include the specific reasons for denial, the provisions of the TIAA-CREF Annuity contracts on which the denial is based, and how to apply for a review of the denied claim. Where appropriate, it will also include a description of any material which is needed to complete or perfect a claim and why such material is necessary. A participant may request in writing a review of a claim denied by TIAA-CREF and may review pertinent documents and submit issues and comments in writing to TIAA-CREF. TIAA-CREF shall provide in writing to the participant a decision upon such requests for review of a denied claim within 60 days of receipt of the request.

If special circumstances require a delay on the initial decision on a claim or a review of a denied claim, TIAA-CREF will notify the participant within 90 days of the date the claim was initially submitted or within 60 of the date the review was requested. A note will explain the reasons for the delay and when a decision can be expected.

3.04.17 **Amendment and Termination.** While it is expected that this retirement plan will continue indefinitely, the Board of Trustees of the College reserves the right to modify or discontinue the plan at any time. The Board may also delegate any of its powers and duties with respect to the plan, or amendments, to one or more officers or other employees of the College. Any such delegation shall be set forth in writing. Any discontinuance or modification of the plan cannot adversely affect the benefits accrued by participants prior to the date of discontinuance or modification.

### 3.05 TAX-DEFERRED ANNUITY PLAN

- 3.05.01 **Establishment of Plan.** This resolution sets forth the provisions of the TIAA-CREF Tax-Deferred Annuity (TDA) Plan established by the Board of Trustees at Messiah College, herein referred to as the College, as of May 9, 1976, as amended through July 1, 1993. Contributions under this Tax-Deferred Annuity Plan are made under Section 403 (b) of the Internal Revenue Code and are applied to individual annuities issued to each participant by Teacher's Insurance and Annuity Association (TIAA) and/or College Retirement Equities Fund (CREF).
- 3.05.02 **Eligibility and Participation.** Employees presently are eligible to participate in this Retirement Plan if they work at least 1,000 hours per year.
- 3.05.03 **Retirement Age.** There is no "normal" retirement age for the commencement of benefits under this TDA Plan. See the section entitled **Benefits Payable to Participants** for benefit payments.
- 3.05.04 **TDA Contributions.** Contributions under this plan, referred to hereafter as "TDA Contributions," are in addition to any contributions which may be made under the College Retirement Plan. Within the limits of Sections 403 (b) and 415 of the Internal Revenue Code, an eligible employee may enter into a written agreement with the College whereby the employee's salary is reduced and the amount of the reduction is applied as premiums to retirement annuities or supplemental retirement annuities issued by the Teacher's Insurance and Annuity Association (TIAA) and/or the College Retirement Equities Fund (CREF) which are fully vested in the employee. TDA contributions shall be made at least monthly except for months in which no salary is paid and shall be forwarded by the College to TIAA-CREF to be allocated between TIAA and CREF in any whole percentage as designated by the participant.
- 3.05.05 **Annuities.** If TDA contributions are not to be made to TIAA-CREF Annuities already in force, the participant shall complete a TIAA-CREF application form in order for additional annuities to be issued. Provisions of TIAA-CREF Retirement Annuities and Supplemental Retirement Annuities, and benefits provided thereunder. All benefits under the plan are provided solely through these individually owned annuities and are not subject to nor covered by federal plan termination insurance.
- 3.05.06 **Cash Surrender and Repurchase.** TIAA-CREF Supplemental Retirement Annuities may be surrendered by a participant for their full accumulated value at any time. Partial cash surrender, in increments of at least \$1,000 may also be made at any time, provided that no other partial withdrawal has been made from the same SRA in the proceeding six months.

TIAA and CREF Retirement Annuities contain no cash surrender provisions. However, if a participant for whom TDA contributions have been applied to TIAA or CREF Retirement Annuities terminates employment for reasons other than retirement or disability and requests that TIAA-CREF repurchase such contracts, the College will approve such repurchase provided the participant is not employed by or moving to another institution having a TIAA-CREF Retirement Plan for which he or she will be eligible, and provided the repurchase meets the other conditions under which TIAA-CREF will repurchase annuities.

Any portion of the accumulation attributable to plan contributions as defined in the College's retirement plan will be treated in accordance with Section VII of the Summary Plan Description (a copy of which is distributed to each participant in that plan). Amounts paid to the participant upon repurchase shall be in full satisfaction of the participants and his/her spouse's rights, to retirement and/or death benefits attributable to such amounts repurchased. Married participants who request repurchase or who wish to withdraw all or part of their SRA accumulation should refer to the sections "Spouse's Rights" and "Application for Benefits."

- 3.05.07 **Benefits Payable to Participants.** Benefits attributable to TDA Contributions made to TIAA or CREF Retirement Annuities or SRA's may be received by the participant at any time under one of the options set forth in such contracts. Married participants should refer to the sections "Spouse's Rights" and "Application for Benefits" before electing a benefit option.

Descriptions of the options for both types of contracts are contained in the booklets referred to on the cover page of this resolution. Total TIAA-CREF Annuity Income Benefits which began on or after May 1, 1980, will be calculated on a sex-neutral basis.

- 3.05.08 **Death Benefits.** In the event a participant dies prior to commencement of benefit payments described in Section VII, the full current value of the annuity accumulation attributable to TDA contribution is then payable to the beneficiary or beneficiaries named by the participant in a single sum or under any one of the income options offered by TIAA-CREF. For married participants, the surviving spouse will receive death benefits as set forth below.
- 3.05.09 **Spouse's Rights.** Benefits may only be paid for married participants in this plan as described below, unless a written waiver of the benefit by the employee and a written consent to the waiver by the spouse is filed with TIAA/CREF as described in the section "Requests for Information and Other Claims Procedures." This provision applies to cash surrender and repurchase (section "Cash Surrender and Repurchase") benefits payable to participants (section "Benefits Payable to Participants") and death benefits (section "Death Benefits"). At the participant's death, the surviving spouse shall receive an annuity income that is at least 50 percent of the annuity income payable during the joint lives of the participant and his/her spouse. If the participant dies prior to the start of the annuity income, the surviving spouse shall receive a benefit that is at least 50 percent of the full current value of the participant's annuity accumulation, payable in a single sum or under one of the income options offered by TIAA/CREF.

Married participants and their spouses may waive the spousal entitlement to receive retirement or death benefits or cashout and repurchase distributions only if a written waiver of the benefit signed by the participant and the spouse is filed with TIAA/CREF under the procedure described in the section "Requests for Information and Other Claims Procedures. For the post-retirement survivor benefits (joint and survivor annuity), the waiver may only be made during the 90 days prior to the commencement of benefits. The waiver may also be revoked during the same period. It may not be revoked after the annuity income begins.

The period during which participants and their spouses may elect to waive the pre-retirement survivor death benefit begins on the first day of the plan year in which the participant attains age 35 and continues until the earlier of the participant's death or the date the participant starts receiving annuity income. In the event that the participant dies before attaining age 35, i.e., before the participant has had the option to make a waiver, at least 50 percent of the full current value of any annuity accumulation is payable automatically to the surviving spouse in a single sum or under one of the income options offered by TIAA/CREF. If the participant terminates employment before age 35, the waiver provisions are available. The waiver may also be revoked during the same period.

In the event that a judgment, decree, or order establishes the rights of another person (the "alternate payee") to a participant's benefits under this plan and where such order, hereafter called a "qualified domestic relations order," is for the purpose of providing child support, alimony or other marital property payments, payments will be made in accordance with that order. If a court issues a qualified domestic relations order, such order pre-empts the usual requirement that the spouse of the participant be considered the participant's primary beneficiary for a portion of the accumulation.

- 3.05.10 **Plan Year.** The "plan year" is January 1 through December 31 of each year. Records for each participant to whom annuities have been issued are maintained on a calendar year basis. TIAA-CREF sends each annuity owner a report of premiums and benefits summarizing the status of his or her annuities as of December 31 of each year. Similar reports or benefit illustrations may be obtained by a TIAA-CREF annuity owner, upon termination of employment or at any other time by writing directly to TIAA-CREF.
- 3.05.11 **Administrator.** The Messiah College Vice President for Finance, located at Grantham, PA 17027, phone number (717) 766-2511, is the Administrator of this plan and is responsible for enrolling participants and sending TDA Contributions for each participant as premiums to annuities issued on the participant's life and performing such other duties as required for the operation of the plan. The Administrator may designate in writing other persons to carry out duties under the plan.
- 3.05.12 **Application for Benefits.** Procedures for receipt of benefits are initiated by writing directly to TIAA-CREF.

Benefits provided by TIAA and CREF annuities to which TDA contributions have been applied will be payable by TIAA-CREF upon receipt by TIAA-CREF of a satisfactorily completed application for

benefits and supporting documents including any waiver of spousal rights to retirement benefits, death benefits, repurchase, or SRA cashout amounts. The necessary forms will be provided to the participant, the surviving spouse, or the participant's beneficiary by TIAA-CREF.

- 3.05.13 **Requests for Information and Other Claims Procedures.** Requests for information and claims or service of legal process concerning eligibility, participation, contributions, or other aspects of the operation of the plan must be in writing and directed to the Administrator of this plan. If a written request or claim is denied, the Administrator shall, within a reasonable time, provide a written denial to the participant.

It will include the specific reasons for denial, the provisions of the plan upon which the denial is based, a description of any material needed to complete the claim (if appropriate) and why it is necessary, and instructions on how to apply for a review of the claim. When the Administrator requires additional time to process a claim because of special circumstances, an extension may be obtained by notifying the participant that a decision on the claim will be delayed, what circumstances have caused the delay, and when a decision can be expected. The Administrator will inform the participant of the delay within 90 days of the date the claim was submitted.

The participant may request in writing a review of a denied claim and may review pertinent documents and submit issues and comments in writing to the Administrator. The Administrator shall provide in writing to the participant a decision upon such request for review of the denied claim within 60 days of receipt of the request. When special circumstances require an extension, the Administrator may obtain such extension by notifying the participant that the decision on the review of the denied claim will be delayed, why, and when the decision can be expected.

Requests for information concerning the TIAA-CREF Annuity contracts and their terms, conditions, and interpretations thereof, claims thereunder, any requests for review of such claims, and service of legal process, may be directed in writing to TIAA-CREF, 730 3rd Avenue, New York, NY 10017. If a written request is denied, TIAA-CREF shall within a reasonable period of time, provide a written denial to the participant. It will include the specific reasons for denial, the provisions of the TIAA-CREF Annuity contracts on which the denial is based, and how to apply for a review of the denied claim. Where appropriate, it will also include a description of any material which is needed to complete or perfect a claim and why such material is necessary. A participant may request in writing a review of a claim denied by TIAA-CREF and may review pertinent documents and submit issues and comments in writing to TIAA-CREF. TIAA-CREF shall provide in writing to the participant a decision upon such requests for review of a denied claim within 60 days of receipt of the request.

### 3.06 **GROUP HEALTH INSURANCE.**

Employees may choose one of the health care options or the Waive Out Cash Benefit. The following descriptions are general. For more information about plan benefits and limitations, please see your benefits pamphlet, the Human Resources website, or contact the Department of Human Resources.

#### 3.06.01 **Highmark Blue Shield -- PPO Plan.**

\$500 per person/\$1,000 per family deductible In-Network. Out-of-Network deductible of \$1,000 per person/\$2,000 per family. Deductibles are based on the calendar year. \$15 physician visit co-pay for In-Network coverage. After meeting the deductible there is a coinsurance of 90% until out-of-pocket maximum is met. In-Network Out-of-Pocket Maximum of \$1,000 per person/\$2,000 per family per calendar year. Out-of-Network Out-of-Pocket Maximum \$2,000 per person/\$4,000 per family per calendar year. Medco Health prescription drug program has a \$100 calendar year deductible per person. There is a \$15 copayment for 31-day supply generic and \$35 copayment for 31-day supply of brand at the pharmacy. Mail order prescription drug program has no deductible. There is a \$30 copayment for 90-day supply for generic and \$70 copayment for 90-day supply for brand.

- 3.06.02 **Eligibility.** Employees who are regularly scheduled to work 1560 hours or more per year are eligible for coverage for self and dependents.

Employees who are regularly scheduled to work between 1040 and 1559 hours per year may **purchase** health benefits for self only.

Employees who are regularly scheduled to work less than 1040 hours are not eligible to purchase health benefits.

Employees classified as "temporary" or "occasional" are not eligible to purchase health benefits.

Eligible employees are covered beginning the first of the month following the hire date.

Eligible dependents are defined as spouse and unmarried children (including step children and legally adopted children) under 19 years of age or to age 23 if the dependent child is unmarried and a full-time student enrolled in an accredited college/university or technical program. Children include step-children, legally adopted children, and children actually supported by the employee provided the child is related by blood or marriage, or for whom the employee is the child's legal guardian.

Physically incapacitated or mentally retarded children are covered regardless of age. Proof of physical or mental incapacity must be furnished if requested.

Coverage for all benefit plans ends on the date employment ends, but may be extended in cases of layoff, leave of absence or disability. Benefits are issued on a one-year term basis which coincides with the College fiscal year.

### 3.06.03 Cost of Medical Plans.

Below are the premium co-pays as a percent of base wages for the medical plans.

	Base Plan		Buy-Up Plan		
	<u>2006-07</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Employee	0.00%	0.00%	0.50%	0.60%	0.00%
Employee & child(ren)	1.25%	1.30%	1.90%	2.10%	1.80%
Employee & spouse	1.50%	1.50%	2.50%	2.70%	2.05%
Family	2.25%	2.25%	3.50%	3.80%	3.10%
Family (2 spouses, each pay 1/2)	1.25%	1.30%	1.90%	2.10%	1.80%

- 3.07 **WAIVE OUT CASH BENEFIT.** Employees eligible to receive health insurance benefits, who are covered under another insurance plan by spouse or other, may elect to waive coverage under Messiah's health insurance plans in lieu of a waiver bonus. The amount of the waiver bonus is \$1,000 and is to be paid in installments as a separate line item in the employee's paycheck. Proof of other insurance is required in order to exercise this option.
- 3.08 **VOLUNTARY VISION COVERAGE.** Davis Vision is a preferred provider program. In-network and out-of-network benefits available. One eye exam and refraction and one standard lens (or contacts and fitting) are paid in full when a network provider performs these services within a 12-month period. Premium payments are made through payroll deduction.
- 3.09 **HEALTH INSURANCE CONTINUATION.** The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires employers with 20 or more employees to continue to offer employees and dependents certain health insurance continuation rights.

The length of the continuation coverage offered depends on the "qualifying event." "Qualifying events" are certain types of events that would cause, except for COBRA continuation coverage, an individual to lose health coverage. The type of qualifying event will determine who is entitled for continuation coverage and the required amount of time that the plan must offer the health coverage under COBRA. In the event a covered employee voluntarily or involuntarily terminates employment for reason other than "gross misconduct" or reduces the number of hours worked (with loss of coverage), the covered employee, spouse, and dependent children will be entitled to continue coverage in the group health plan for up to 18 months. A covered spouse and dependent child(ren) are eligible to continue coverage for up to 36 months in the event of divorce, legal separation, or death of the covered employee, or the child(ren) no longer meets the requirements of a dependent child under the health plan.

Individuals who elect COBRA coverage will be required to pay the entire group rate premium plus

a 2 percent administrative fee.

Employees and their dependents must be notified of their right to extend health plan coverage at the time they become participants in the health plan and anytime a qualifying event occurs.

The required period of continued coverage may be terminated by the College if the individual fails to make the required payments, becomes enrolled in another health plan that does not contain any exclusion or limitation with respect to any pre-existing conditions, becomes entitled to Medicare, or if the College's group health plan is terminated.

Employees or their family members have the responsibility to inform the Department of Human Resources of the occurrence of a "qualifying event."

**3.10 DENTAL INSURANCE**

**3.10.01 Insurance Carrier.** Delta Dental of Pennsylvania, One Delta Drive, Mechanicsburg, PA 17055

**3.10.02 Eligibility.** This program covers all employees who are regularly scheduled to work 1560 or more hours per year and their eligible dependents from the first day of employment.

Eligible dependents are defined as spouse and unmarried children (including step children and legally adopted children) under 19 years of age or 23 if the dependent child is unmarried and a full-time student enrolled in an accredited college/university or technical program. Children include step-children, legally adopted children, and children actually supported by the employee provided the child is related by blood or marriage, or for whom the employee is the child's legal guardian.

Physically incapacitated or mentally retarded children are covered regardless of age. Proof of physical or mental incapacity must be furnished if requested.

NOTE: There is no voluntary participation for those employees working less than 1560 hours and other ineligible dependents.

Benefits terminate on the last day of employment.

**3.10.03 Benefits.** A \$25 deductible per individual or a maximum of \$50 per family per contract year which is July 1 through June 30.

The maximum amount payable for each patient is \$1,000 per contract year. The maximum amount payable for the lifetime of each patient for orthodontics is \$1,000 per person.

For a full and complete description of services and definition of benefits and procedures, consult the benefits pamphlet provided to each employee or contact the Department of Human Resources.

**3.10.04 Cost of Dental Plans.**

	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
One-party (employee only)	0.00%	0.00%	0.00%
Employee plus child(ren)	0.30%	0.30%	0.30%
Employee plus spouse	0.30%	0.30%	0.30%
Family	0.40%	0.40%	0.40%
Family (2 spouses, each pay 1/2)	0.30%	0.30%	0.30%

**3.10.05 Continuation of Coverage.** All employees of Messiah College covered by Delta Dental of Pennsylvania have a right to choose continuation of coverage if they lose their group dental coverage because of a reduction in hours of employment or the termination of employment.

The spouse of an employee covered by Delta Dental has the right to choose continuation of coverage for group dental coverage in specific instances. For more information about continuation of dental coverage, contact the Department of Human Resources.

**3.11 LONG TERM DISABILITY INSURANCE.**

*(Approved by College Council, September 2008)*

3.11.01 **Insurance Carrier.** The insuring company is Guardian Life Insurance, P.O. Box 26040, Lehigh Valley, PA 18002-6040.

Questions concerning the terms and conditions of claims both approved and denied should be directed to Guardian.

3.11.02 **Eligibility.** This program covers all employees who are regularly scheduled to work at least 1560 hours per year. The total cost of the program is paid by Messiah College. The benefit begins the first of the month following the hire date.

Questions concerning eligibility, participation, and aspects of the operation of the plan are to be directed to the Department of Human Resources.

3.11.03 **Benefits**

3.11.03.01 **Monthly Benefit.** During a total disability your monthly benefit amount will be equal to the lesser of

- a. 60 percent of your monthly earnings; or
- b. \$6,000 maximum monthly benefit minus any income listed in the Benefit Reductions provision. The minimum monthly benefit will be \$50.

3.11.03.02 **Elimination Period.** The later of 180 consecutive calendar days or the end of your accumulated sick leave.

3.11.03.03 **Maximum Payment Period.**

<u>Age Disability Begins</u>	<u>Maximum Benefit Period</u>
Under age 61	To age 65
age 61	48 months
age 62	42 months
age 63	36 months
age 64	30 months
age 65	24 months
age 66	21 months
age 67	18 months
age 68	15 months
age 69 or older	12 months

3.11.03.04 **Duration.**

An employee may remain on long-term disability (subject to limitations and exclusions of policy) until the first of the month in which he/she turns age 65 if he/she can no longer fulfill the job requirements, unless the College has assigned the employee to a comparable new job which he/she is capable of performing. The College reserves the right to terminate an employee for refusing to accept a comparable position of employment which he/she is capable of performing.

Employees on long-term disability will continue to receive medical and dental benefits for a maximum of 24 months. Seniority, vacation and sick leave will not accrue. Employees on long-term disability will continue to receive Group Life Insurance and vision benefits until the first of the month in which they turn age 65 or until they are no longer eligible for long-term disability, whichever comes first.

Employees on long-term disability will continue to be eligible to purchase voluntary life and voluntary long term care coverage as specified by the provisions of the individual carriers.

Employees on long-term disability who have at least six years of continuous benefits eligible service remain eligible for the Educational Assistance benefit.

3.12 **LIFE INSURANCE**

- 3.12.01 **Insurance Carrier.** The insuring company is Guardian Life Insurance, P.O. Box 26040, Lehigh Valley, PA 18002-6040.

Questions concerning the terms and conditions of claims both approved and denied should be directed to the Guardian office or to the local agent.

- 3.12.02 **Eligibility.** This program covers all employees who work 1560 or more hours per year. The cost of the program is paid by Messiah College. The benefit begins the first of the month following the hire date.

Questions concerning eligibility, participation, and aspects of the operation of the plan are to be directed to the Department of Human Resources.

- 3.12.03 **Benefits.**

Employees under age 65 receive coverage in the amount of regular contract salary (regular contract salary includes wages paid exclusive of supplemental contracts and overtime) for both life insurance and accidental death and dismemberment provisions. These benefits cover employees both on and off the job. On and after age 65, the amount of insurance will decrease.

attainment of age 65:	to 65% of the scheduled amount
attainment of age 70:	to 40% of the scheduled amount
attainment of age 75:	to 25% of the scheduled amount

The life insurance remains in force to the date of retirement or termination of employment and is convertible to permanent insurance.

The plan also provides scheduled benefit payments to employees who suffer dismemberment.

- 3.12.04 **Claims Processing.** Claims or benefits are processed through the local company agent who services the College account.

- 3.13 **VOLUNTARY TERM LIFE INSURANCE.** Through Provident Life and Accident Insurance Company, Messiah College offers a voluntary life insurance program for all employees who are regularly scheduled to work at least 1040 hours per year and their spouses and dependent children. Insurance issue is guaranteed if purchased upon commencement of employment. Payment for insurance coverage is made through payroll deduction.

- 3.14 **PAID HOLIDAYS.**

*(Revised Oct. 2007)*

The College grants paid holidays as follows:

- a. New Year's Day
- b. Martin Luther King Day
- c. Good Friday
- d. Memorial Day
- e. Independence Day
- f. Fall Break (One Day)
- g. Thanksgiving Day
- h. Day following Thanksgiving
- i. Christmas Day
- j. Second Day for Christmas

*NOTE: The College will close between Christmas and New Year's Day as announced.*

If a paid holiday falls on Saturday or Sunday, either Friday or Monday will be designated as an alternate day off with pay.

Employees who are regularly scheduled for at least 1040 hours per year are entitled to the paid holidays, including the Christmas closed period, that occur during their regularly scheduled assignment.

Essential hourly employees (and non-essential hourly employees who are deemed essential in order to address the College emergency) (excluding temporary or occasional employees), working on a holiday will be compensated at the rate of time and one half for hours worked, in addition to the regular, straight-time holiday hours.

Essential hourly employees working on a holiday may be given equivalent alternate time off on another regularly-scheduled day in the same pay period in return for working on the holiday. Employees receiving alternate time off during the pay period should NOT report the alternate time-off hours as holiday hours on their timesheet. Instead, no time should be recorded on the timesheet for this alternate time off.

Illustrated examples are available on the Payroll website at:

[http://www.messiah.edu/offices/business/payroll/policies/recording\\_hours.html](http://www.messiah.edu/offices/business/payroll/policies/recording_hours.html)

3.14.01 **Christmas Closed Period.** Non--holiday closed days during Christmas break are paid as "Closed." Essential hourly employees (and non-essential hourly employees who are deemed essential in order to address the College emergency) will be compensated at the rate of straight time for hours worked, in addition to the regular, straight-time closed hours.

3.15 **VACATION PLAN.** *(revised August 2006)*

3.15.01 **Eligibility.** This plan covers all administrative and staff employees who are regularly scheduled to work at least 1040 hours per year.

3.15.02 **Service Year for Calculating Leave Accruals.**

A service year, for the purpose of calculating vacation leave accruals, is defined to be a year worked in a non-student, non-temporary/occasional assignment. Faculty transferring to interim administrative positions will not have faculty years of services included. During the first fiscal year (July-June) of hire, the service year will be calculated as one (1) year if hired prior to April 1. The service year will be calculated as zero (0) years if hired on or after April 1. Subsequent years of eligible employment will add an additional service year to this initial calculation.

When an employee has a break in employment service with the College, however, the Leave Hire Date and, subsequently, the years of service calculation for the purpose of calculating leave may be adjusted. For breaks in service of less than 12 calendar months, credit will be given for the prior time worked, but the Leave Hire Date and service years will be adjusted/reduced by the calculated time not employed at the College. For breaks in service of 12 or more calendar months, the date of current hire will be used for calculating years of service (e.g., any prior years of service are forfeited and no longer are included in the leave accrual calculation).

*NOTE: The service year for calculating leave accruals is defined separately from the service year for purposes of service awards.*

3.15.03 **Staff Employees.**

All staff employees who are regularly scheduled to work at least 1040 hours per year will accrue vacation at the rate of .0385 hours of vacation **per base job hour**.

Full-time, 2080-hour staff employees accumulate vacation days at the start of each service year at the following rates:

Service Years	Vacation Days	Service Years	Vacation Days
1 to 12 months	Prorate portion of 10 days	13	18 days
1 - 2	10 days	14	19 days
3	11 days	15 - 20	20 days
4	12 days	21	21 days
5	13 days	22	22 days
6	14 days	23	23 days
7 - 10	15 days	24	24 days
11	16 days	25+	25 days
12	17 days		

Staff employees who work between 1040 and 2079 hours will have their vacation accrual prorated based on the number of hours per year that the employee is scheduled to work (e.g., percentage of full-time, 2080-hour assignment). For example, an employee scheduled to work 1040 hours in the second year of service would receive 5 days of vacation (10 days x .5).

Vacation taken during the staff employee's 90-day evaluation period must have prior supervisory approval and is to be taken without pay.

Staff employees are entitled to take one-half of his/her vacation time after six months of employment. Thereafter, vacation days may be used as accumulated.

**3.15.04 Administrative Employees.**

All administrative employees who are regularly scheduled to work at least 1040 hours per year will accrue vacation at the rate of .0577 hours of vacation **per base job hour**.

Full-time, 2080-hour administrative employees accumulate vacation days at the start of each service year at the following rates:

Service Years	Vacation Days	Service Years	Vacation Days
1 to 12 months	Prorate portion of 15 days	21	21 days
1 - 10	15 days	22	22 days
11	16 days	23	23 days
12	17 days	24	24 days
13	18 days	25+	25 days
14	19 days		
15-20	20 days		

Administrative employees who work between 1040 and 2079 hours, including those working nine-, ten-, and eleven-months, will have their vacation accrual prorated based on the number of hours per year that the employee is scheduled to work (e.g., percentage of full-time, 2080-hour assignment). For example, an employee scheduled to work 1040 hours in the 13th year of service would receive 9 days of vacation (18 days x .5).

**3.15.05 Accumulation.** Administrative and staff employees who earn vacation time may accumulate a maximum of 30 vacation days (240 hours) with no more than 10 days (80 hours) carried over from one fiscal year to the next. Vacation days may not be "borrowed" from the next fiscal year.

**3.15.06 Claims and Records.**

All vacation time must be scheduled and approved by the employee's supervisor and/or the appropriate Vice President/Provost and is subject to departmental policy or protocol. Days claimed

by staff employees for vacation should be so indicated on the time sheets. Administrative employees should submit a report of vacation days used to their department supervisor on the last working day of each month. Records of accumulated vacation time are maintained in the office of the Payroll Supervisor.

Payment for vacation hours that have been taken but not yet earned will be deducted from an employee's final paycheck(s) in the event of termination of employment. The employee will be responsible for the repayment of any monies that could not be recovered from an employee's final paycheck(s).

**Employees must exhaust accrued vacation prior to taking unpaid time off. Unpaid time off extending beyond five working days will fall under the guidelines of the College's Personal Leave of Absence policy.**

### 3.15.07 **Vacation Payout.**

Actual time off work must be taken in order to receive compensation for accrued vacation time except upon retirement, reduction in work hours below minimum accrual eligibility, termination for any cause, resignation, layoff, or death. Employees leaving employment before the end of the new hire probation period are not eligible for vacation payouts.

Vacation will be paid out for all accrued vacation hours up to, but not exceeding, the current rollover limit of 240 vacation hours. Any accrued hours above and beyond 240 hours will not be paid out and, thus, will be forfeited.

Administrative employee leave reporting is separate from the payroll process. Therefore, prior to any vacation payout for administrative employees, all monthly leave reports must be submitted to the Payroll Office. *No vacation payout will be made until all leave reports have been submitted.*

### 3.16 **SICK LEAVE.** *(Revised, Feb. 2007; Approved by College Council)*

3.16.01 **Eligibility.** This plan covers all full-time administrative and staff employees and eligible part-time employees.

#### 3.16.02 **Benefits.**

Administrative and staff employees working 2080 hours per year will accrue 80 hours (10 days) of sick leave per fiscal year with full compensation.

Administrative and staff employees who work between 1040 hours and 2079 hours per year accrue a pro rata number of sick leave hours based on the number of hours per year that the employee is scheduled to work.

Sick leave may be used for illness or medical, dental, or other health related appointments of employees, their immediate family (including the employee's parents) and dependents.

#### 3.16.03 **Claims, Records, & Accumulation.**

Staff members claiming sick leave shall so indicate on the time sheets which are approved by the department supervisor. Sick leave must be recorded in one-quarter hour increments. Records of accumulated sick leave are maintained in the Payroll Office.

Unused sick leave (which can be verified through the Payroll Office) accumulates from year to year, with a maximum limit of 180 days (1440 hours). Sick leave may not be "borrowed" from the next fiscal year. Unused sick leave will not be paid out upon termination of employment with the College.

Payment for sick hours that have been taken but not yet earned will be deducted from an employee's final paycheck(s) in the event of termination of employment. The employee will be responsible for the repayment of any monies that could not be recovered from an employee's final paycheck(s).

Employees absent for three days or more due to illness may be asked to obtain a doctor's statement. Absences in excess of three consecutive working days, whether for illness or injury of employee, the employee's dependent child, spouse or parent, must be reported to the Department of Human Resources. The absence will be evaluated in light of the College's Short Term Disability Policy and the Family Medical Leave Policy. This applies to all College employees.

Consistent and reliable attendance is an important element of solid work performance. Sick leave is designed to protect the employee's income in the event of illness or injury. Sick leave is not a substitute for vacation time. Employees who use sick leave excessively may be asked to provide a doctor's statement.

### 3.17 **PERSONAL DAYS.**

*(Revised Feb. 2007; Approved by College Council)*

Full-time employees earn up to 16 total hours each fiscal year for personal days. Part-time employees working at least 1040 receive pro-rated personal time. Personal days have been instituted for employees to use during days of inclement weather, as well as other personal situations.

Employees are not required to give advance notice to take personal time, but should inform their supervisor as early as possible.

Personal days may be taken on an hourly basis. Personal days will not be carried over into the next fiscal year.

Payment for personal hours that have been taken but not yet earned will be deducted from an employee's final paycheck(s) in the event of termination of employment. The employee will be responsible for the repayment of any monies that could not be recovered from an employee's final paycheck(s).

### 3.18 **LEAVES OF ABSENCE.**

*(Revised Feb. 2007; Approved by College Council)*

The College grants leaves of absence to employees in certain situations or under conditions which necessitate their prolonged absence. The College recognizes the following leaves of absence and policies differ depending on the type of leave. Unless stated otherwise, leave benefits are only for employees who are regularly scheduled to work 1560 hours or more per year.

For specific information regarding requesting a leave, documentation required when requesting a leave or treatment of benefits while on leave, contact the Department of Human Resources.

#### 3.18.01 **Short Term Disability Leave.**

*(Revised Feb. 2007; Approved by College Council)*

Employees who are regularly scheduled to work 1560 hours or more per year and have completed at least six months of employment with the College are eligible for Short Term Disability benefits through our policy with Guardian Life Insurance Co. Employees must notify their supervisor upon the discovery of any temporarily disabling injury, condition, or illness which would require a temporary leave of absence from their work. Supervisors must notify the Benefits Manager or the Director of Human Resources concerning any employee who may need short term disability leave. An employee requesting short term disability leave will then be required to complete and return the Guardian claim form to Human Resources. The Guardian claim form includes medical certification to be completed by the attending physician.

With appropriate medical certification, this plan provides up to 100 percent of the employee's base salary in disability pay and is paid through Guardian for up to 90 calendar days. The first ten work-days of this 90 calendar day period are the waiting period. Staff and administrative employees may use accumulated sick leave, personal leave, or earned vacation during the ten-work-day

waiting period. Please note that vacation, personal and sick leave will not accrue during the leave period.

If necessary and with appropriate medical certification, an additional 90 calendar days disability paid by Guardian may be available to employees at 60 percent disability pay. During this second 90-calendar-day period, employees may use accumulated sick leave, personal leave, or vacation as part of the leave period in order to be paid at 100 percent. When sick leave, personal leave and earned vacation time has been exhausted, the employee will be paid at 60 percent disability pay.

If and where possible, an employee's position may be held for six months while he/she is out on medical leave. However, after exhausting Family Medical Leave (12 weeks), whether concurrent or intermittent, an employee on short term disability leave is no longer guaranteed employment with the College. In the event the College is able to hold an employee's position, no employee may remain out on short-term disability for more than 180 calendar days. This 180-calendar-day period includes used sick leave, personal leave, and vacation time. Disability leave beyond 180 calendar days may fall under the College's Long-Term Disability Policy.

Since ranked faculty do not receive sick leave, the ten-work-day waiting period will be waived and compensation for the disability leave will begin immediately for up to 90 calendar days at 100 percent. During the second 90-calendar-day period, ranked faculty will be credited with ten sick days per year of service in order to be paid at 100 percent. When this time has been exhausted, the employee will be paid at 60 percent disability pay.

#### 3.18.01.01 Continuation of Coverage.

*(Revised Feb. 2007; Approved by College Council)*

A **Statement of Continuing Disability** will be required from the employee's physician when the employee does not return to work on the expected return date. The College shall have the option of requiring an employee to undergo an **Independent Exam** at any time during the paid leave period when the employee's expected return to work date goes beyond the normal recovery period for such disabilities.

#### 3.18.01.02 Maternity Leave.

*(Revised Feb. 2007; Approved by College Council)*

Maternity Leave is twelve (12) weeks as designated by the College and in compliance with the Family & Medical Leave Act. Maternity Leave is also covered under the Short Term Disability Leave Policy and as such, coverage is based on medical documentation. Typically, physicians recommend six weeks of short term disability for maternity recovery time. Physician certification will be required prior to extending short term disability for maternity recovery beyond six weeks. The remaining weeks of maternity leave (concurrent with Family Medical Leave) is either covered by accrued vacation, personal and sick leave or taken as unpaid leave. Please see Section 3.18.02 for the Family and Medical Leave Policy.

The College provides one week of paid paternity leave for fathers to use within the first six months after the birth of a child. This benefit is available to employees who are regularly scheduled to work 1560 hours or more per year and have completed at least one year of employment with the College.

The College provides Adoption Leave (concurrent with Family Medical Leave) to employees who are regularly scheduled to work 1560 hours or more per year and have completed at least one year of employment with the College.

Adoption leave is granted if the employee is considered the primary care giver for the child. The benefit is available within the first six months after the child's placement. The Adoption Leave mirrors maternity leave in that the first six weeks of Adoption Leave are considered paid leave and the remaining six weeks are either covered by accrued vacation, personal, or sick leave or taken as unpaid leave.

In all cases covered by maternity leave, paternity leave or adoption leave, appropriate

documentation is required prior to commencing leave. In addition, in order for employee benefits to continue during the unpaid portion of the leave, the employee must take responsibility for their regular benefit premium payments. The benefits manager can facilitate this process.

### 3.18.02 **Family and Medical Leave.**

*(Revised Feb. 2009; Approved by College Council)*

In accordance with the Family and Medical Leave Act of 1993, it is the policy of the College to grant to eligible employees up to 12 weeks of unpaid family leave and/or medical leave during any 12-month period. Such leaves may be taken due to:

- Childbirth or to care for a child in the first 12 months after childbirth;
- Adoption or foster care, within the first 12 months of the placement;
- Care of seriously-ill spouse, child or parent;
- An employee's own serious health condition, where the employee is unable to perform his or her job. Under these circumstances, the employee would be covered under the Short Term Disability Policy.
- A spouse's, son's, daughter's or parents call to active duty status in the National Guard or Reserves in support of a contingency operation.

Employees are also entitled to up to 26 weeks of leave to care for a covered service member during a single 12 month-month period. A covered service member is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the service member medically unfit to perform his or her duties for which the service member is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

#### 3.18.02.01 Eligibility.

*(Revised Feb. 2007; Approved by College Council)*

Eligible employees include those who have been employed for more than 12 months and have at least 1250 hours of service with the College over the preceding year.

Employees requesting Family and Medical Leave are required to fill out a Request for Family and Medical Leave Form. Employees must provide 30 days advance notice when the leave is "foreseeable." It will be necessary to obtain approval from the employees' supervisor and the Director of Human Resources prior to the leave period. Forms are to be submitted to the Department of Human Resources in advance of the requested leave date. Forms are available through the Department of Human Resources.

This policy will be administered in conjunction with the policy on **Leave for Short Term Disabilities** stated above. A full statement of this policy may be obtained from the Department of Human Resources.

#### 3.18.02.02 Job and Benefits Protection During Family and Medical Leave.

*(Revised Feb. 2007; Approved by College Council)*

The use of Family and Medical Leave will not result in the loss of any employment benefit that accrued prior to the start of an employee's leave. Upon return from Family and Medical Leave, employees will be restored to their former position or equivalent position with equivalent benefits, pay, and terms and conditions of employment.

Medical insurance coverage will be maintained for employees during the duration of Family and Medical Leave. Employees continue to be responsible for their portion of any medical premiums while on leave. Messiah College may bill employees who are not having medical premiums

withheld from a paycheck.

- 3.18.02.03 **Compensation During Leave.** Employees may use accumulated sick leave, personal leave, and/or vacation for any part of the leave period which is unpaid. Vacation, sick, and personal leave will not accrue during the leave period.

- 3.18.03 **Funeral Leave.** The College recognizes that a time of bereavement is a very difficult one for an employee. Every effort will be made to insure that the employee is able to attend to family matters. However, it is necessary for the College to establish guidelines as to the amount of paid time away from the job.

- 3.18.03.01 **Guideline.** Absence due to a death in an employee's immediate family (i.e., mother, father, stepparent, sister, brother, spouse, children, grandparents, mother/father-in-law) will be excused and paid up to five work days per occurrence.

Absence of up to a maximum of two work days to attend a funeral of a relative not in the immediate family will be granted and paid as an excused absence. Time off for funerals of close friends or associates will be granted at the rate of one-half work day per request. The annual total of non-family funeral leaves will not exceed three incidents or a total of one-and-one-half work days.

Absences that extend beyond those approved by this policy will be covered by an employee's vacation or personal time.

- 3.18.03.02 **Eligibility.**

*(Revised Feb. 2007; Approved by College Council)*

Policy applies to all regular full-time, part-time and limited-hour employees. During the employee's initial evaluative period only funeral leave for immediate family will be allowed as paid funeral leave. New hires needing to attend a funeral for someone other than immediate family will need to use personal time or vacation or take the time as unpaid.

All requests for leave should be submitted to the Department Supervisor. Questions regarding duration of leave should be discussed with a representative from the Department of Human Resources.

- 3.18.04 **Personal Leave.**

*(Revised Feb. 2007; Approved by College Council)*

Employees who are regularly scheduled to work 1560 hours or more per year and have completed at least one year of employment with the College may request a leave of absence from the College for personal reasons. Employees wishing to request a leave must complete a Personal Leave Request Form, available in the Department of Human Resources. The request for Personal Leave will be submitted to the employee's supervisor, who will forward the request to the Director of Human Resources and the appropriate Vice President or Provost, along with the supervisor's recommendation relative to the request. In determining eligibility for a Personal Leave, the College will review the employee's length of service, work record, leave(s) previously granted and the reason for the leave. The Personal Leave will be approved jointly by the Provost/Vice President and the Director of Human Resources. Notification of the College's decision normally will be made within 20 working days following submission of the request form.

The employee shall receive no salary and will not receive fringe benefits during the period of Personal Leave. Vacation, sick, and personal leave will not accrue during the leave period. Time spent on Personal Leave shall not count toward years of service at the College and associated seniority rights and privileges, including experience credit toward eligibility for change of position (e.g., promotion or term-tenure for faculty). The cost of any fringe benefits which continue during the leave will be the responsibility of the employee.

An approved Personal Leave will not extend beyond one year. The approved length of the leave will be clearly specified in the notification given by the College.

In granting a Personal Leave the College assures employment to the individual upon completion of the leave. However, the College may not always be able to assure that the individual will be returned to the same position.

In special circumstances a Personal Leave may also be granted to part-time and limited-hour employees. This leave is not granted to temporary employees or adjunct faculty.

Depending on the length of the leave and the nature of the position, the College may elect to fill the position on a temporary basis, while the employee is on Personal Leave.

The Department of Human Resources will maintain specific procedures for granting Personal Leaves, monitor the individual's continued employment status during the leave, and insure the employee's return to work at the proper time.

A Personal Leave does not substitute for or replace Short Term Disability or Family and Medical Leave. Individuals who qualify for these leaves should request them accordingly, rather than apply for a Personal Leave.

The College reserves the right to deny requests for Personal Leave.

### 3.18.05 **Professional Leave.**

*(Revised Feb. 2007; Approved by College Council)*

Employees who are regularly scheduled to work 1560 hours or more per year and have completed at least three years of employment with the College may request a leave of absence from the College for reasons which contribute to the individual's professional development and which will bring future benefit to the College. Employees wishing to take a Professional Leave must submit a letter of request to the employee's supervisor(s). The letter of request should outline the potential professional benefits of the leave, the direct contribution of the leave to the employee's role at the College, and the future benefit that the leave will bring to the College. The letter should also state the intended duration of the leave. In determining eligibility for a professional leave, the College will review the employee's length of service, work record, leave(s) previously granted, and the potential professional benefits of the leave to both the employee and the College. The supervisor will forward the request to the Director of Human Resources and the Provost or appropriate Vice President, along with the supervisor's recommendation relative to the leave request. The letter of request, supervisor's recommendation, and recommendation of the Director of Human Resources and Provost/Vice President will be forwarded to the President for approval. The decision of the President is final. Notification of the College's decision normally will be made within 20 working days following submission of the letter of request.

A Professional Leave is separate and distinct from a Faculty Sabbatical Leave. A Professional Leave may be requested, for example, by faculty who wish to pursue research supported by external funding which is available at a time other than when they are eligible for a Sabbatical Leave.

The employee will receive no salary for the duration of the leave, although the College will cooperate with the employee in the processing of external grants which may be associated with the employee's professional leave. Fringe benefits (excluding contributions to TIAA-CREF) will continue to be provided by the College for the duration of the leave, as long as the individual is not employed elsewhere and does not receive equivalent benefits. Vacation, sick, and personal leave will not accrue during the leave period. Employees on Professional Leave continue to be responsible for the portion of any insurance premiums typically paid by the employee. Time spent on a Professional Leave shall count toward College years of service and associated seniority rights and privileges, including experience credit toward eligibility for change of position (e.g., promotion or term-tenure for ranked faculty).

An approved Professional Leave typically will not extend beyond one year. The approved length of the leave will be clearly specified in the notification given by the College.

Depending on the length of the leave and the nature of the position, the College may elect to fill the position on a temporary basis, while the employee is on Professional Leave. However,

generally current employees will need to shift responsibilities to cover the vacancy created by the leave.

The Department of Human Resources will monitor the individual's continued employment status and payment of benefits during the leave, and insure the employee's return to work at the proper time.

A written report of activities and goals accomplished must be submitted to the employee's supervisor and appropriate senior administrator (i.e., Vice President, Provost or President) within six weeks of completion of the leave.

The College reserves the right to deny requests for Professional Leave.

### 3.18.06 **Administrative Leave.**

*(Revised Feb. 2007; Approved by College Council)*

Administrative employees, cocurricular educators and nonranked faculty who are regularly scheduled to work 1560 hours or more per year and have completed at least six years of employment with the College may request an administrative leave for activities which directly contribute to their administrative assignment or academic appointment. An Administrative Leave will not be approved for individuals who have received an administrative leave in the past six years. Employees receiving administrative leave will be expected to sign a continued service agreement requiring up to two years of employment with the College after the conclusion of the leave.

A letter of request for an Administrative Leave shall be submitted to the administrative employee's supervisor(s), who shall recommend to the appropriate Vice President or Provost, and the Director of Human Resources. A plan of proposed activities for the leave, and their potential benefit to the individual and the College must accompany the letter of request. The letter of request, supervisor's recommendation and the recommendation of the Director of Human Resources and Provost/Vice President will be forwarded to the President for approval. The President's decision is final. Requests will be considered in light of the following criteria: significance and professional benefit of the proposed activity, plans to cover the vacancy, length of service to the College, future benefit to the College, and number of employees requesting administrative leaves.

The employee shall receive his/her regular salary from the College for the duration of the leave. Fringe benefits will continue to be provided by the College for the duration of the leave, as long as the individual is not employed elsewhere and does not receive equivalent benefits. Employees on Administrative Leave continue to be responsible for the portion of any insurance premiums typically paid by the employee. Vacation, sick, and personal leave will not accrue during the leave period. Time spent on Administrative Leave shall count toward College years of service and associated seniority rights and privileges.

An approved Administrative Leave will be for a duration of one to six months. The approved length of the leave will be clearly specified in the notification given by the College. The College will typically not fill the employee's position for the duration of the leave; other current employees will normally need to shift responsibilities to cover the vacancy created by the leave.

Total approved Administrative Leaves generally will be limited to the equivalent of three six-month leaves or three employees in a fiscal year.

The Department of Human Resources will monitor the individual's continued employment status and payment of salary and benefits during the leave, and insure the employee's return to work at the proper time.

A written report of activities and goals accomplished must be submitted to the employee's supervisor and appropriate senior administrator (i.e., Vice President, Provost, or President) within six weeks of completion of the leave.

The College reserves the right to deny requests for Administrative Leave.

### 3.18.07 Missions/Service Leave.

*(Revised, Feb. 2007; Approved by College Council)*

Employees who are regularly scheduled to work 1560 hours or more per year and have completed at least six years of employment with the College may request to participate in **College-sponsored** off-campus missions or service projects while on short-term paid leave from the College. Ranked faculty are not eligible for leave under this policy.

- The opportunity will be available to a limited group of five employees annually (fiscal year.)
- The leave may extend no longer than ten consecutive working days.
- The College will provide the employee's regular pay during the leave and continuation of benefits. All other expenses associated with the leave are the responsibility of the employee.
- Vacation, sick, and personal leave will not accrue during the leave period.
- Employees must have prior approval from their supervisor and department director and must arrange with the supervisor for the employee's work assignment to be covered while the employee is on leave. While supervisors are encouraged to make reasonable accommodations for the employee to participate in the leave, no more than one employee at a time will be eligible for leave within the same department.
- An appropriate outline of the missions/service project must accompany the Missions/Service Leave Application Form.
- An employee who has been granted a mission/service leave will be ineligible to re-apply for a period of 5 years.
- Applications will be reviewed on an as-needed bases by a committee comprised of the following members: Director of Human Resources, one representative from the Administrative Council, one representative from the Staff Council and a representative from the Agape Center. Applicants will receive a written response to their application from the committee.
- Applications must be received at least 90 days prior to the start of the missions/service leave project. Priority will be given to those applying for positions of leadership on College-sponsored trips.

The College reserves the right to deny requests for Mission/Service Leave.

3.18.08 **Public Service Leave.** The Public Service Leave policy is established in order to provide for employees who may be called to public service.

3.18.08.01 Introduction. It is consistent with the intent of the College's Philosophy Statement and mission to assist in the preservation of human life and maintenance of law and order. The College, therefore, affirms its employees' involvement in providing voluntary safety and/or emergency services to the public sector, e.g. Emergency Medical Services personnel, fire fighters, fire police and military reservists.

3.18.08.02 Notification

3.18.08.02.01 *Prior to Reporting to Work.* Should an emergency trained employee respond to an emergency on his/her own time and the emergency extends into the beginning of his/her work shift, the employee is responsible for contacting his/her supervisor, at the earliest convenience, regarding his/her absence from work due to the emergency situation. Failure to do so will be regarded as he/she being absent from work without prior notification given to his/her supervisor. Supervisors and their employees should design a specific notification process which is best for the respective department.

3.18.08.02.02 *While at the Workplace.* Emergency trained employees who have been dispatched to respond to an emergency may be released from his/her college work site based on 1) prior supervisory

approval and 2) only if the emergency is in the geographic primary response area of Monaghan Township or Upper Allen Township. The following guidelines apply:

- a. **After supervisory approval**, an employee leaving the workplace to respond to a Public Service emergency will be treated as being on leave with pay and must be reflected on his/her time sheet.
- b. An employee leaving the workplace upon any dispatch without having first secured supervisory approval will be treated as being absent without notification given to his/her supervisor and may be subject to appropriate disciplinary action.
- c. The College's decision to grant Public Service Leave for the purpose of responding to an emergency outside Monaghan Township or Upper Allen Township will be based on the nature, degree, and severity of the emergency consistent with this policy and the work mission of the College.
- d. Normally, fire fighters and emergency medical personnel will not be released from the workplace until a second dispatch for emergency service is received. Each department, at the discretion of the supervisor, may fill out an inter-departmental emergency leave form in order to monitor these activities.
- e. An employee who has left the work site to respond to an emergency is to return to work within his/her scheduled working hours immediately upon completion of his/her emergency service.

3.18.08.03 Emergencies on Campus. The Department of Public Safety has the authority to utilize pre-identified emergency trained employees during their normal work hours and will arrange for that assistance through his/her supervisor for each emergency. An employee so utilized will be regarded as working for the College and paid in accordance with his/her normal work hours.

3.18.08.03.01 *Employees Who Are On-Call for College Emergencies.* An employee on-call for College emergencies (i.e., Physical Plant and Public Safety) has primary responsibility to the College. Employees on-call for fire/medical emergencies within the community, may respond to emergencies within the community only if prior arrangements have been made with his/her supervisor.

3.18.08.03.02 *Verification of Service.* An employee who was absent from his/her job as a result of a public service emergency is required to provide verification of the service during the hours that he/she was to be at his/her college work site. Upon verification of the employee's involvement in the emergency, he/she should be treated as if he/she has been on leave with pay. If verification is not forthcoming, the employee shall be considered as absent.

3.18.08.04 Military Service Leave. An employee may take unpaid leave to fulfill his/her annual military training obligations or if required to report for extended active duty. An employee on active or inactive duty with an Armed Forces Regular or Reserve Unit will be returned to his/her former position or to one of like status and pay to the extent required by law.

Verification of service must be submitted to the supervisor prior to any period of absence due to military service.

Complete guidelines describing Military Service Leave may be obtained in the Department of Human Resources.

### 3.19 **EARLY RETIREMENT BENEFIT OPTION.**

**The Early Retirement Benefit Option was discontinued as of October 14, 2003. Employees enrolled in the program as of that date were not affected. The program is now closed to enrollment.**

### 3.20 **EDUCATIONAL ASSISTANCE PROGRAMS**

#### 3.20.01 **Employee Dependent/Spouse Educational Assistance.**

3.20.01.01 Introduction. The College sponsors a three-tiered educational assistance benefit program which is

available to employees to support the undergraduate education of their dependents. The program provides financial support for (a) students attending Messiah College, (b) students attending other Christian colleges, and (c) students attending any other two- and four-year accredited colleges and universities. The specific benefits for each tier are outlined below.

### 3.20.01.02 Basic Eligibility.

Full-time employees (employees who are regularly scheduled to work at least 1560 hours per year) who have been employed by the College for six\* or more years are entitled to full benefits of each tier. Employees who have been employed for less than six\* years are eligible for a percentage of the benefit, as outlined in the description of each tier.

**\* Employees hired before July 1, 2004 are only required to have five or more years of service in order to be entitled to full benefits of each tier.**

Part-time employees are eligible if they work an assignment for the year of at least one-half time. For staff or administrative employees, this is a work assignment of at least 1040 hours per year. For faculty positions, this is a work assignment of at least six load units of instruction per semester for two consecutive semesters.

Additionally, part-time employees are eligible only for benefits in Tier One which supports dependents attending Messiah College.

Part-time employees must have been employed for at least five (or six) years to be eligible for full benefits, as listed below.

The educational assistance benefit is available to benefits-eligible employees to support the undergraduate education of their unmarried dependents under age 24 (as of the first day of classes for the academic year of the educational assistance benefit) and/or up to a Bachelor's Degree or a total of 135 credits, whichever comes first, and where the student is in good academic standing. The rights to this benefit are forfeited and cannot be reclaimed when these conditions are no longer met. The benefit in Tier One is also available to an employee's spouse. Dependents must be admitted to an accredited two-year or four-year college or university as candidates for the associate's or bachelor's degree.

An employee new to Messiah College who is eligible for an educational assistance program at another institution will be placed on the Messiah schedule according to the years of experience at the former institution. However, the five (or six) year experience requirement will need to be met combining the years with the former employer and those at Messiah before becoming eligible for 100 percent of the available benefit.

### **Benefit Parameters**

The level of payment for educational assistance is determined inclusive of institutional financial aid (grants offered through the student's host institution) such that institutional aid plus educational assistance funds do not exceed 100% of the host institution's tuition. Specifically, Messiah will:

1. Encourage annual submission of a FAFSA for all dependent students enrolled at Messiah College and require annual submission of a FAFSA as a pre-requisite for dependent students at any other institution to receive educational assistance; and
2. Require annual submission of the host institution's financial aid award statement as a pre-requisite for receiving educational assistance; and
3. Award educational assistance up to the levels designated below within a parameter that limits total grant aid (institutional financial aid from the Host College or university plus educational assistance from Messiah College) to not more than the lesser of the cost of tuition at the host institution or the cost of tuition at Messiah. The specified levels of educational assistance are as follows:
  - i. Tier One  
(Messiah College) 100% of tuition

- ii. Tier Two (CCCU Institution) 90% of the lesser of MC or host school institution
- iii. Tier Three (all other institutions) 75% of the lesser of MC or host school institution

3.20.01.02.01 *Tier One — for Students Attending Messiah College.* Employees whose dependents attend Messiah College are eligible to receive an educational assistance benefit equal to 100 percent of tuition. The benefit is awarded for the education of an employee's spouse and biological or legally adopted children or step-children. To be eligible for this plan, the employee's spouse or child must be admitted to Messiah College in accordance with the same regulations as those applied to other applicants. The benefit for full-time employees is defined as a percentage discount of the College's tuition, based on number of years of service.

<b>Completion of Year of Service</b> (for employees hired before 7/1/04)	<b>Percent</b>
1	20%
2	40%
3	60%
4	80%
5	100%
<b>Completion of Year of Service</b> (for employees hired after 7/1/04)	<b>Percent</b>
1	0%
2	0%
3	25%
4	50%
5	75%
6	100%

The benefit for half-time employees, as designated above, is defined as a percentage discount of the College's tuition, based on number of years of service.

<b>Completion of Year of Service</b> (for employees hired before 7/1/04)	<b>Percent</b>
1	10%
2	20%
3	30%
4	40%
5	50%
<b>Completion of Year of Service</b> (for employees hired after 7/1/04)	<b>Percent</b>
1	0%
2	0%
3	12.5%
4	25%
5	37.5%
6	50%

3.20.01.02.02 *Tier Two — for Students Attending a Member College of the Council for Christian Colleges and Universities.* Employees whose dependents attend a member college of the Council for Christian Colleges and Universities ([www.cccu.org](http://www.cccu.org)) are eligible to receive an educational assistance benefit equal to the **lesser** of (a) the appropriate percentage of the host college's tuition as listed below,

OR (b) the appropriate percentage of Messiah College's tuition, as listed below:

<b>Completion of Year of Service</b> (for employees hired before 7/1/04)	<b>Percent</b>
1	18%
2	36%
3	54%
4	72%
5	90%
<b>Completion of Year of Service</b> (for employees hired after 7/1/04)	<b>Percent</b>
1	0%
2	0%
3	18%
4	42%
5	66%
6	90%

The benefit is awarded for the education of an employee's biological or legally adopted children or step-children. To be eligible for this plan, the employee's dependent must be admitted to an associate's or bachelor's degree program. The benefit applies only to full-time employees of Messiah College.

3.20.01.02.03 *Tier Three — for Students Attending Other Colleges.*

Employees whose dependents attend another college are eligible to receive an educational assistance benefit equal to the **lesser** of (a) the appropriate percentage of the host college's tuition as listed below, OR (b) the appropriate percentage of Messiah College's tuition, as listed below:

<b>Completion of Year of Service</b> (for employees hired before 7/1/04)	<b>Percent</b>
1	15%
2	30%
3	45%
4	60%
5	75%
<b>Completion of Year of Service</b> (for employees hired after 7/1/04)	<b>Percent</b>
1	0%
2	0%
3	18.75%
4	37.5%
5	56.25%
6	75%

The benefit is awarded for the education of an employee's biological or legally adopted children or step-children. To be eligible for this plan, the employee's dependent must be admitted to an associate's or bachelor's degree program at an accredited two-year or four-year college or university. The benefit applies only to full-time employees of Messiah College.

3.20.01.03 Transitional Implementation (2004-2009):.

Because the policy as outlined above (specifically that the amount awarded for educational assistance is inclusive of grant-based financial aid offered by the host institution) is modified from the policy in effect prior to July 1, 2004, the new policy presented herein will be implemented on a transitional basis as outlined below.

**2004-2005** – the combined total of educational assistance from Messiah College plus grant aid from the host college or university may not exceed the lesser of the cost of tuition at the host institution plus \$4000 or the cost of tuition at Messiah plus \$4000.

**2005-2006** – the combined total of educational assistance from Messiah College plus grant aid from the host college or university may not exceed the lesser of the cost of tuition at the host institution plus \$3000 or the cost of tuition at Messiah plus \$3000.

**2006-2007** – the combined total of educational assistance from Messiah College plus grant aid from the host college or university may not exceed the lesser of the cost of tuition at the host institution plus \$2000 or the cost of tuition at Messiah plus \$2000.

**2007-2008** – the combined total of educational assistance from Messiah College plus grant aid from the host college or university may not exceed the lesser of the cost of tuition at the host institution plus \$1000 or the cost of tuition at Messiah plus \$1000.

**2008-2009** – the combined total of educational assistance from Messiah College plus grant aid from the host college or university may not exceed the lesser of the cost of tuition at the host institution or the cost of tuition at Messiah.

Part-time Employees: (eligible for Tier One only)

For part-time employees, the combined total of educational assistance plus grant aid from Messiah College may not exceed:

**2004-2005** – the percentage of earned tuition remission (10% or 12.5% to maximum of 50%) of the cost of tuition at Messiah plus \$4000,

**2005-2006** – the percentage of earned tuition remission (10% or 12.5% to maximum of 50%) of the cost of tuition at Messiah plus \$3000,

**2006-2007** – the percentage of earned tuition remission (10% or 12.5% to maximum of 50%) of the cost of tuition at Messiah plus \$2000,

**2007-2008** – the percentage of earned tuition remission (10% or 12.5% to maximum of 50%) of the cost of tuition at Messiah plus \$1000,

**2008-2009** – the percentage of earned tuition remission (10% or 12.5% to maximum of 50%) of the cost of tuition at Messiah.

**Merit Awards Subject to the “Inclusion” Clause** : Employee dependents enrolled at Messiah College (Tier One) are eligible to receive the honor of two merit awards, the Provost’s Scholarship and President’s Scholarship, for eligible students. However, these awards are subject to the “inclusion clause” and thus bestow only the honor of being selected and no extra monetary benefit. The President’s Scholarship does allow the recipient to be a member of the College Honors Program.

**Merit Awards Not Subject to the “Inclusion” Clause** : Dependent children who enroll at Messiah College and who are otherwise eligible may apply for a Trustees’ Scholarship. If selected for this scholarship, dependent children will receive an award of \$4000 (rather than the full-tuition scholarship normally awarded to Trustees’ Scholars) in addition to the educational assistance benefit. This Trustees’ Scholarship as well the Brethren in Christ Quizzing Scholarship and the National Merit Scholarship will be awarded outside the limitations imposed for institutional aid and the educational award; that is, these three scholarships will NOT be subject to the “inclusion” clause.

**Waiving Educational Assistance and Employees Not Yet Eligible**: A few cases may arise when an employee may decide to waive involvement with the educational assistance program. Employees who are just beginning eligibility in the program may want to do so. In such cases and in the case of employees with dependents enrolled at Messiah College who are not yet eligible for educational assistance, students will be packaged according to normal college awarding policy and as such be eligible for any need-based or merit-based scholarship or grants the college awards. Upon becoming eligible for educational assistance, the employee and their dependent may decide on a yearly basis whether to continue with financial aid packaging as originally awarded and updated annually based on FAFSA information or to transition to a financial aid package based on educational assistance policy whichever is more beneficial. It is the responsibility of the employee to work with the Department of Human Resources and the Financial Aid Office to determine which packaging strategy yields the greater benefit.

**Federal Tax Credits**: Current federal tax law provides an opportunity for families of college students to receive selective tax credits based on the payment of tuition and required fees. Where eligible, employees should take advantage of these provisions in the federal tax code.

**Employee Couples**: Total aid awarded through the educational assistance benefit toward the education of an individual dependent whose parents are both employed by the College may not exceed 100% of the lesser of Messiah College's tuition or the host college's tuition.

- 3.20.01.04 **Change of Status**. When an employee goes from part-time to full-time status, the educational assistance benefit will be based on the employee's past part-time status or continuing full-time status, whichever yields the greater benefit.

The spouse and dependent children of an employee who goes from full-time to part-time (at least 1040 hours per year) status and who has served at least 15 years of continuous full-time service, shall continue to be eligible for the employee dependent educational assistance benefit. Eligibility shall be for a period equal to half the number of years the employee served the College on a full-time basis. Subsequent to this, eligibility will be based on the benefit policy for half-time employees.

The spouse and dependent children of an employee who is disabled or has died while an employee of the College and who has had at least five years (or six) of continuous service shall continue to be eligible for the employee dependent educational assistance benefit. Eligibility for these persons will remain in effect as if the deceased continued to be employed by the College.

- 3.20.01.05 **Claims for Benefits**. Applications for benefits of the educational assistance benefit must be submitted to the Department of Human Resources. Payment of benefits is authorized and coordinated by the Department of Human Resources. Specific procedures for claiming the educational assistance benefit are set by the Department of Human Resources. In general, these procedures will adhere to the following guidelines.

Applicants for the educational assistance benefit at Messiah College (Tier One) are encouraged to complete the Free Application for Student Aid [FAFSA] in order to take advantage of additional aid awards for which the student may be eligible. Applicants for the educational assistance benefit at Tier Two colleges and Tier Three colleges are required to complete the FAFSA.

Applications for the educational assistance benefit for students enrolled at Messiah College should be submitted in conjunction with submission of the dependent's application for financial aid.

Students attending other colleges who are applying for educational assistance are required to include with the application submitted to the Department of Human Resources a copy of their financial aid award notice, a copy of the host institution's refund policy, and a copy of the current billing statement from the host college. Benefits are payable according to procedures and guidelines articulated for this benefit, which are subject to change. Payments will generally be directly payable to the host college or an off-campus program. At the end of each academic term a transcript and a finalized copy of the student's financial statement are required.

The educational assistance benefit may be applied to all course work taken by the dependent at the host college, or to participation in an off-campus program, up to a maximum of 18 credits per semester.

The educational assistance benefit may also be applied to courses taken during the summer, as approved by the host college.

3.20.01.06 Exceptions to the Above Policy. Decisions regarding eligibility when eligibility may be in doubt are referred to the Personnel Subcommittee of the College Council. Decisions for extended eligibility are to be made only in rare cases, and are not to exceed the equivalent of one semester of study.

3.20.01.07 Tax Considerations. The state of Pennsylvania views educational assistance payments as taxable compensation to the employee and subject to withholding. Employees are responsible for all tax payments required under federal, state, and local law. This tax will be withheld from your last pay of the quarter in which you receive educational assistance monies. For Tier One educational assistance (dependents attending Messiah College), we will interpret this to require no tax withholding. For Tier Two and Tier Three educational assistance, we will interpret this to require withholding for state and local taxes only.

3.20.02 **Staff and Administrative Employee Development.** Messiah College recognizes the mutual benefits employees derive from personal growth and career growth. Therefore, it shall be the policy of Messiah College to provide assistance to its staff and administrative employees interested in furthering their formal education or training.

While completion of a course, seminar, or degree program provides for improved educational background, the accomplishment does not obligate the College to reward such completion through promotion, transfer, reassignment, wage or salary increases. Additionally, all courses will require approval from the employee's supervisor and the Director of Human Resources.

3.20.02.01 Eligibility. All full-time staff and administrative employees who work at least 1560 hours per year are eligible to take part in employee development programs upon successful completion of the employee's evaluative period.

3.20.02.02 Seminars and Workshops. Staff and administrative employees wanting to attend job-related seminars, workshops of brief duration, and technical skill related courses are eligible to attend with supervisory approval and under the department's allotted development budget or training budget. Employees will be compensated for attendance at such seminars and workshops within the guidelines of the Fair Labor Standards Act.

3.20.02.03 Educational Credits. Employees will have the choice of one of two options:

3.20.02.03.01 *Four Free Credits at Messiah College.*

Employees and spouses will be allowed four free credits per semester at Messiah College for any undergraduate courses in which the employee and/or spouse wishes to enroll (subject to space availability). Exceptions include directed studies, independent studies, honors research, and private instruction. Employees/spouses receiving educational assistance under Tier One are not eligible for the four free credits. Auditing courses will also be acceptable. Courses are to be taken on the employee's own time unless other arrangements have been made by the employee's supervisor.

If an employee withdraws/drops the course after the deadline to receive a full refund, the Employee Development benefit will be pro-rated and the employee will be responsible for any outstanding costs.

For every semester (academic term), the employee must complete an Employee Development Training Form and have it approved by his/her supervisor. The form should then be forwarded to the Registrar's Office for processing.

3.20.02.03.02 *Four Free Credits at Other Institutions.*

Employees will be allowed four free credits per semester at any other institution for **job-related\* courses only**, taken at the undergraduate or post-baccalaureate level. A total of seven (7) employees may participate in this program at one time. Tuition is not to exceed Messiah College's tuition per credit hour. Any remaining tuition balance will be the responsibility of the employee. An employee will be allowed to take a course at another institution as long as the course is not offered at Messiah College. All courses for educational credit taken at any other institution must be taken on the employee's own time. For every academic term, the employee must complete an Employee

Development Training Form and have it approved by his/her supervisor. The form should then be forwarded to Human Resources for processing. Employees enrolled in the Graduate Aid Program will not be eligible for this section of the Employee Development Training Program.

*\* Job-related courses shall be defined as courses directly related to enhance an employee in his/her current position. The Director of Human Resources in conjunction with an employee's supervisor will make decisions as to courses being job-related.*

3.20.02.04 Tax Considerations. Employees will be responsible for all tax payments required under federal, state, and local law.

3.20.02.05 Other. Employee Development Forms are available through the Department of Human Resources. Employees may forward training certificates or a copy of their degree/diploma to the Department of Human Resources for inclusion in the employee's personnel file.

3.20.03 **Graduate Aid Program.** Messiah College recognizes the mutual benefits employees derive from personal growth and career growth. This program has been designed to financially assist employees who show potential for expanded responsibilities or advancement and wish to enroll into a post baccalaureate program of study. At total of 15 employees may participate in the graduate aid program at one time. Approval of applications for graduate aid will be based on the following:

- Must be a regular, full-time employee.
- Serious consideration will be based on an employee's overall performance, potential for advancement, and long-term commitment to Messiah College mission.
- Employees must have prior supervisory and Vice President/Provost approval.
- Employees must complete a Graduate Aid Application. According to the agreement, an employee will receive 50 PERCENT graduate aid up to a maximum of \$5,000. The remaining 50 PERCENT will be the responsibility of the employee.
- Final decisions as to the participants in the program will be made by the Director of Human Resources in conjunction with the Vice Presidents/Provost.
- This program applies to only post baccalaureate programs of study.
- Programs of study must be taken at an accredited college or university.
- A copy of the program outline must accompany the Graduate Aid Program Application.

3.20.03.01 Excluded Costs. Excluded costs from graduate aid are all late fees and interest for delayed payment plans, meals, transportation, hotel costs, books, supplies, drawing instruments, calculators, electronic equipment, computer software and hardware, or other course materials.

3.20.03.02 Tax Considerations. Employees are responsible for all tax payments required under, state, and local law.

3.20.03.03 Other. While completion of a program provides for improved educational background, the accomplishment does not obligate Messiah College to reward such completion through promotion, transfer, reassignment, or salary increases.

A cap of \$5,000 for tuition expenses will be set for each individual enrolled in the program with a maximum of five years enrollment. The remaining tuition as well as any other fees/charges will be the responsibility of the employee.

The Director of Human Resources will be responsible for administering the Graduate Aid Program.

Employees may forward training certificates or a copy of their degree to the Department of Human Resources for inclusion in the employee's personnel file.

Faculty/administrative employees already participating in a graduate aid program under the College's previous graduate aid agreement, are not eligible for this program.

- 3.20.03.04 Application Deadlines for Graduate Aid. The deadline for submission of applications for spring and summer semesters is **October 1**. The deadline for submission of applications for the fall semester is **February 1**. Graduate Aid forms are available in the Department of Human Resources. All completed Graduate Aid forms should be forwarded to the Department of Human Resources.
- 3.20.03.05 Dissertation Aid Policy. Full-time employees of the College who are ABD are eligible to apply for dissertation aid. The College will pay up to 50 percent of the actual dissertation costs and up to 50 percent of other expenditures related to dissertation research and completion to a total maximum of \$2,000 for the College's share. Employees participating in the College's Graduate Aid Program are NOT eligible for additional funding through Dissertation Aid. Consideration for receiving dissertation aid will include:
- a. Full-time and long-term commitment to Messiah College.
  - b. An approved dissertation proposal by the granting institution.
  - c. Approval by both the appropriate Senior Administrator and the Director of Human Resources.

### 3.21 MISCELLANEOUS BENEFITS

#### 3.21.01 Employee Referral Bonus Program.

The Employee Referral Bonus Program provides a cash incentive of \$300 for employees (except those excluded as detailed below) who provide referral assistance that leads to the successful hiring of qualified staff, administration or faculty. The guidelines for this program are detailed below.

#### Guidelines

1. All full-time, part-time and limited-hour Messiah College employees are eligible to refer candidates for specific, open positions, with the exception of:
  - o Human Resources employees
  - o Directors, managers and supervisors hiring for the position to which the candidate is referred
  - o Vice Presidents, the Provost, and the President
2. There is no limit on the number of referral awards an employee may receive.
3. Referral awards will be processed after the new hire successfully reaches the end of his/her 90-day New Hire Probation Period.
4. The employee providing the referral must be actively employed at the end of the successful New Hire Probation Period to be eligible to receive the referral bonus.
5. Referrals need to be for a specific position currently posted.
6. Referral awards will not be granted when the referral is a current or former Messiah College employee, adjunct, consultant or temporary hire.
7. In order for a candidate referral to qualify for the referral bonus, the Candidate Referral Form must be completed, signed, dated, attached to a copy of the candidate's resume and submitted to Human Resources prior to the candidate's hire.
8. If more than one referral is submitted for the same candidate, Human Resources will attribute the bonus to the first referral received for that particular candidate.

- 3.21.02 **Bookstore Discount.** All Messiah College employees receive a 10 percent discount on purchase from in-stock inventory in the College Bookstore. No discount will be given on computers, software, newspapers, textbooks or sale items. Employees may purchase special order books at cost plus handling fees.

3.21.03 **Employee Discount Purchasing Program.** A number of local businesses offer various discounts for personal use. An employee discount purchasing program has been developed and the details may be viewed on the Messiah College website at <http://www.messiah.edu/discount>. To receive each discount you must show your Messiah College employee photo identification card at the point-of-purchase. Please note that each business has different discounts and restrictions. The employee discount purchasing program is maintained by the purchasing department.

3.21.04 **Relocation Policy.**

*(Revised Jan. 2009)*

Payment or reimbursement—by the College—of moving-related expenses to the employee and/or a third party, as well as the determination of qualified vs. non-qualified expenses related to federal tax withholding, are calculated based on IRS regulations outlined in IRS Publication 521—Moving Expenses. Expenses that are categorized as non-qualified expenses (house-hunting expenses, for example), whether reimbursed to the employee or paid to a third party, are considered taxable benefits and must be reported as such through payroll. This will result in applicable tax withholding based on the employee's individual W-4 form elections. The W-2 received at year end will include any taxable gross wages and withholdings related to moving expenses. Additionally, qualified expenses that are reimbursed to the employee will be recorded on an employee's W-2 to aid in any itemizing of qualified expenses on an employee's individual tax filing. The College will review moving expenses on a quarterly basis and will report any non-qualified expenses as taxable benefits at the end of that quarter.

When first joining the College, Messiah will pay the actual cost of the transportation of household goods (up to an annually determined maximum amount) for new full-time faculty and administrative employees when the employee meets the IRS time and distance tests. Per IRS Publication 521, the distance test is met when the distance from an employee's former home to the Messiah campus is at least 50 miles farther than the distance from an employee's former home to the employee's former main job location. Generally speaking, this move should occur within a year of starting employment. The time test is met if an employee will be working full time for at least 39 weeks during the first 12 months of employment. Therefore, the College typically does not provide relocation benefits for employees who are part-time, temporary, or one-year appointments.

If using a commercial carrier, the employee must submit a minimum of two estimates to the Department of Human Resources of the College for review and approval. The Department of Human Resources will not authorize the use of Internet-only moving agencies. The College will notify the employee of the accepted bid and will issue a purchase order to be sent to the moving agency authorizing the move. Messiah College will pay the entire moving expense to the authorized company. If the cost of the move exceeds the maximum amount the new employee will reimburse the College for the balance.

College policy covers the cost of transportation of household goods and furnishings as well as professional resources directly related to employment (e.g., books and artistic supplies/equipment), but does not cover motor vehicles, recreational equipment or large animals. The College does not pay for costs related to temporary storage.

The College is not responsible for personal travel expenses incurred during the new employee's relocation. The cost of mileage, hotels and meals are the employee's responsibility unless the employee's department chooses to reimburse them. In the case of reimbursement, receipts detailing expenses must be provided to the department.

The College will cover the cost of travel expenses for full-time faculty and administrative employees (and spouse, if applicable) for one trip to search for housing (i.e., house-hunting expenses) subsequent to accepting a job offer. Meals and lodging will be provided on campus whenever possible for up to three days during the search. Weekend stays are required whenever possible in order to reduce airfare expense. These expenses are covered by the new employee's department.

In the event that two members of the household are accepting employment at the College, the relocation allocation will be 150 percent of the benefit described above.

Exceptions to the standard policy need to be approved by the appropriate Vice President or Provost.

- 3.21.05 **Workers' Compensation.** All employees of Messiah College are covered by workers' compensation insurance as required by state law. The cost of this insurance is paid by the College.

Workers' compensation insurance is a type of no-fault insurance which makes payment to workers who are disabled by occupational injuries or diseases or to dependent survivors in cases of death. It also provides immunity for employers from court suits for damages.

- 3.21.05.01 Benefits. The program provides a tax-free weekly compensation equal to two-thirds of an employee's average weekly wage up to a set maximum amount. Payments continue as long as the disability continues with partial payments payable in some cases involving continuing partial disability. An employee cannot receive sick leave pay and workmen's compensation concurrently.

No compensation is paid for the first seven days of disability unless the disability exceeds 13 days, in which case payment will be made retroactive to the first day of the disability.

Specific loss indemnity is paid in cases involving dismemberment. Payments are also made to dependents in cases of death caused by work-related injuries or diseases.

Besides weekly compensation, all reasonable medical expenses are paid by the insurance carrier. Checks are issued on a biweekly basis.

- 3.21.05.02 Claims for Benefits. All on-the-job injuries, regardless of severity, must be reported immediately to the supervisor on duty. Failure to report an injury may jeopardize an employee's ability to successfully pursue a Workers Compensation claim should complications emerge at a later date. The supervisor, within 24 hours of the occurrence, must secure and complete a report form available in the Department of Human Resources. The completed form should be returned promptly to the Department of Human Resources for reporting to the insurance carrier.

Questions regarding the operation of workers' compensation insurance may be forwarded to the Department of Human Resources, Messiah College, PO Box 3015, One College Avenue, Grantham, Pennsylvania 17027.

Anyone who has questions or problems concerning workers' compensation can also call the bureau office at the toll-free number 800-934-0850.

Claimants who wish to appeal a denial of compensation should file a petition with the Bureau of Occupational Injury and Disease Compensation in Harrisburg, Pennsylvania.