New Paid Time-Off Program for Nonexempt Staff

A university-wide committee of representatives from Human Resources and Payroll offices, along with union and employee groups, has been working for more than a year to update a variety of paid time-off plans for nonexempt staff (clerical, technical, support, service maintenance, food service, nurses, etc.). The primary objective of this initiative was to simplify time-off provisions for employees, supervisors, and the university’s administrative systems. Two principles for this review were emphasized: the new program must not reduce time off for employees and it must not increase cost for the university.

Following the systematic analysis of several alternatives, university administration approved a time-off program consisting of three categories of paid time-off: Vacation Time, Income Protection Time (Sick Time), and Special Events.

The new paid time-off program, which will become effective with the pay period that begins on May 12, 2002, will be described in detail for employees and supervisors through a variety of booklets and instructions to be distributed over the next eight to ten weeks.

Following is a summary of the plan provisions for each category of paid time-off.

Vacation Time—This plan combines current vacation, bonus holidays, and honorary vacation accruals into one plan; the total amount accrued will remain the same.

<table>
<thead>
<tr>
<th>IU Service</th>
<th>Annual Accrual*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Through 6th year</td>
<td>112 hours (14 days)</td>
</tr>
<tr>
<td>7th year through 13th year</td>
<td>152 hours (19 days)</td>
</tr>
<tr>
<td>14th year through 29th year</td>
<td>192 hours (24 days)</td>
</tr>
<tr>
<td>30th year and beyond</td>
<td>232 hours (29 days)</td>
</tr>
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</table>

Income Protection Time (Sick Time)—This is the same as the current Sick Time plan, with the same accrual amount.

<table>
<thead>
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<th>Annual Accrual*</th>
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<td>96.2 hours (12 days)</td>
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*Annual accrals are divided by the number of pay periods in one year (26) to get biweekly accrual rates; accruals are prorated for part-time employees.

Benefits for Domestic Partners

On September 14, 2001, the Trustees of Indiana University passed a resolution approving “benefits to same-sex domestic partners of Indiana University employees and students who demonstrate that they are in a verifiable committed relationship.”

The university will implement the benefits listed below for qualified domestic partners and qualified children of domestic partners, effective April 1, 2002.

Benefit plans for academic and staff employees

- Medical and dental coverages
- IU Fee Courtesy (tuition subsidy)
- Basic Life Insurance (dependency coverage)
- Personal Accident Insurance (family coverage)

Benefits include:

- Domestic Partner Coverage
- Dependent Coverage
- Medical and Dental Coverage
- Basic Life Insurance
- Personal Accident Insurance

Personnel policies for staff employees

- Funeral time-off provisions
- Sick time-off provisions
- Family and Medical Leave Act (FMLA) provisions

In order for an employee to engage these domestic partner benefits, he or she will need to register the domestic partner and any related children by completing an Affidavit of Domestic Partnership form and submitting the required supporting documentation. After completing this process, the employee would follow the normal benefit plan enrollment provisions for the domestic partnership.

In March, details and special Open Enrollment instructions for employees to enroll a qualified same-sex domestic partner and any associated qualified children in IU-sponsored health care coverage will be distributed to all full-time employees.

(continued on page 2)
New Paid Time-Off Program

Special Events — This category consists of a variety of paid time-off plans, unchanged from current policies, including holidays, funeral time, military leave, jury duty, voting time, and adverse weather.

Miscellaneous Provisions
• Use of Vacation Time and Income Protection Time will require a waiting period of one month for new employees. This provision will be consistent across all campuses.
• The maximum annual usage of Vacation Time will be the sum total of the amounts in current provisions for vacation, bonus holidays, and honorary vacation. This amount will be consistent across all campuses, with increasing amounts based on years of service.
• Provisions related to the payment of accrued time at termination remain the same.
• Income Protection Time may be used for a personal emergency, such as short-term care of an ill family member and non-health personal issues.

Implementation Activities
• All current accumulations of vacation, bonus holidays, and honorary vacation will be combined into the new Vacation Time plan. No accumulations will be reduced.
• Current accumulations of Sick Time will be preserved in the new Income Protection Time plan. No accumulations will be reduced.
• The new combined accumulation rate for Vacation Time will become effective with the pay period that begins on May 12, 2002.

In summary, this is a much more straightforward paid time-off program. All nonexempt staff and associated supervisors will receive details regarding the provisions of this paid time-off program, and orientations sessions will be scheduled at each campus. No employee will experience a reduction in overall paid-time-off benefits.

The Fair Labor Standards Act (FLSA)

This article is a follow-up to “The Fair Labor Standards Act (FLSA),” published in The Informed Employee, No. 25 (October 2001).

The FLSA, a federal employee protection law, establishes employers’ minimum wage and overtime obligations to employees covered by this act. Employees not covered by these FLSA provisions are considered exempt. For Staff at Indiana University, these employees are classified as professional.

Exempt employees, under the FLSA
• are paid a salary for the work they perform—not the hours they work;
• must exercise substantial discretion and independent judgment;
• perform work with minimal direction and under general supervision;
• perform nonmanual work; and
• spend the majority of their time performing exempt work, and the exempt work is the primary duty.

FLSA exemptions applicable to IU fall into three categories: executive, administrative, or professional. Determining whether an employee is exempt under these FLSA categories occurs on a case-by-case basis and requires a thorough analysis of the work performed, as well as extensive knowledge of the provisions of the FLSA, Department of Labor opinion letters, and class law.

Following are abbreviated descriptions of the FLSA’s exemption categories:

**Executive**—Persons whose primary duty is managing a recognized business department or unit and who have full supervisory responsibility for associated employees.

**Administrative**—Persons whose primary duty is 1) of substantial importance to the management and operation of the business of the employer (advising, managing, planning, negotiating), or 2) directly related to academic instruction or training (administrating curriculum, measuring and testing the learning potential and achievement of students).

**Professional**—Persons in professions that require the use of professional knowledge acquired through long study (physicians, lawyers) and persons in artistic professions (musicians, writers, actors).

**Military Leave and Reemployment Rights**

Over the next several months, many of the IU employees who have been called or volunteered for military service will be released from that service. The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) provides certain rights and benefits to a person who has been released from military service and is ready to return to work. These include:

• Reinstatement to the employee’s former position if the military service was for 90 days or less.
• Reinstatement to the same or similar position if the military service was for more than 90 days.
• Reinstatement of university and occupational unit seniority as if no break in university employment had occurred.
• Credit for the military service time towards length of service requirements for PERF benefits and IU Retiree status.
• Pay at the same level that it would have been if no military service leave had occurred.
• Accumulation of all time-off benefits for the period of absence due to military leave.
• Contributions to either PERF or the IU Retirement Plan at the same amount as if the employee had been on regular pay status during the length of the leave.
• Protection from discharge without cause for one year after return to work if the military service was for more than 180 days; such protection applies for 6 months if the military service was between 30 and 180 days.
• Protection against employment discrimination for military service or exercising rights under USERRA.

An employee must meet all five of the following criteria in order to receive these reemployment rights:

1. Must have been an employee immediately before the military service.
2. Must have given advance notice (written or oral) that he or she was leaving for military service, unless able to show that such notice was impossible or precluded by military necessity.
3. The period of military service must not have exceeded five years.
4. Must have received an honorable discharge from the military.
5. Must apply to return to work within the time limits listed below, following release from military service based upon the length of that service:
   - Less than 30 days: Apply for reemployment at the beginning of the first regularly scheduled workday, after a reasonable time to travel home, followed by at least 8 hours of rest.
   - 31 to 180 days: Apply for reemployment no later than 14 days following release from military service.
   - Over 180 days: Apply for reemployment no later than 90 days following release from military service.

If an employee or department management has any questions about applying these provisions, please contact Human Resources or Academic Affairs.
Legal Compliance Training

This article is a follow-up to “Legal Compliance Training,” published in The Informed Employee, No. 25 (October 2001).

EEO, ADA, FMLA and FLSA are more than just regulatory acronyms—they are the law. Supervisors across Indiana University are learning about these employee protection laws when they attend Legal Compliance Training. They are learning why the laws are important, what and who the laws cover, and how to apply the laws in the IU workplace.

Following the law and avoiding liability are not the only reasons to attend Legal Compliance Training. The regulations are inextricably linked to good business and management practices and day-to-day communications. Legal Compliance Training offers answers to questions such as “Are employers required to accommodate their employees’ religious practices?” “Can telling ‘blonde jokes’ be considered sexual harassment?” “Is it okay to ask applicants if they have children, as long as we ask all applicants?”

All campuses are presently offering Legal Compliance Training, and to date, over 1,000 supervisors have participated. All supervisors and managers are responsible for completing this training. Knowledge and application of these laws can help supervisors provide all employees with a work environment that promotes respect, trust, and good working relations.

Legal Compliance Training will continue to be made available to supervisors on all university campuses. For more information, call your campus Human Resources office or Affirmative Action office.

Employee Assistance Program (EAP)

It can be difficult to balance the needs of work, home, and family relationships. Often times, the stress of day-to-day life is temporary. But occasionally, stress can become a major problem that interferes with an employee’s well-being.

The university’s Employee Assistance Program (EAP) provides full-time appointed employees and their household members with counseling services. These services are available by telephone (for assessment or referral) or face-to-face, and are provided by qualified EAP counselors who can be reached 24 hours a day, 365 days a year. All contacts with the EAP are kept confidential, in accordance with federal and state laws.

The following are examples of issues for which EAP counselors may be of assistance:

- Stress or anxiety
- Divorce or separation
- Alcohol or drug concerns
- Loss of spouse or loved one
- Workplace conflict
- Relationship problems
- Child or elderly parent issues

Services provided by EAP include initial assessment, problem-solving and support. If appropriate, the EAP can assist employees or their household members by making a referral to a qualified counselor through the caller’s health care plan.

For more information, go to www.indiana.edu/~ubenefit/. Call toll free: 888-234-8327

Women’s Health and Cancer Rights Act (WHCRA)

All of the university’s employee health care plans comply with WHCRA. These plans cover the following services related to a mastectomy patient:

- Reconstruction of the breast on which the mastectomy has been performed
- Surgery and reconstruction of the other breast to provide a symmetrical appearance
- Prosthesis and physical complications related to all stages of mastectomy, including lymphedemas

Refer to respective health care plan documents for any preferred provider and utilization management requirements.

Opportunity to Increase TDA Plan Contributions

On June 7, 2001, President Bush signed into law the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA). This law provides significant opportunities for participants in the IU TDA Plan to increase their retirement savings contributions.

Beginning in 2002, EGTRRA:

- Increases the annual contribution limit from $10,500 to $11,000 (a few highly paid employees may be limited to less than $11,000); also increases this annual limit to $15,000 in 2006.
- Allows participants age 50 or older an additional $1,000 catch-up contribution, and increases this annual catch-up amount to $5,000 in 2006.
- Eliminates the complex Maximum Exclusion Allowance (MEA) calculations and the Special Alternatives: A, B, and C.
- Provides a tax credit for lower and middle income taxpayers. Single employees with an Adjusted Gross Income (AGI) of less than $25,000, and joint filers with an AGI of less than $50,000 can take a percentage of their contributions as a credit against their taxes owed.
- Increases limits for IRA savings, lowers income tax rates, phases out estate taxes, and provides new opportunities for education savings plans.

Consider the following advantages of participating in the IU TDA Plan:

**Easy enrollment.** Participants complete a Salary Reduction Agreement (SRA) telling IU how much they want to contribute to and which investment company their funds should be sent. Participants then select an investment company and investment option and complete an account application. Forms are available from the campus Human Resources office.

**Automatic payroll reduction.** Contributions will be deducted from the participant’s regular pay on a pre-tax basis.

**Tax deferral.** Income taxes are postponed until funds are withdrawn from the plan, at age 59 or after termination of IU employment.

**Start, stop, or change the amount of TDA Plan savings at any time.** Changes are not associated with the annual November Open Enrollment period, and may be initiated at any time.

For more information on the IU TDA Plan contact a campus Human Resources office or go to www.indiana.edu/~ubenefit/tda.

**2002 Open Enrollment Results**

<table>
<thead>
<tr>
<th>Health Care Plans</th>
<th>2002 Employee Enrollments</th>
<th>Change from 2001</th>
<th>% of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>IU PPO-Plus</td>
<td>1,693</td>
<td>820</td>
<td>93.9%</td>
</tr>
<tr>
<td>IU PPO $900 Deductible</td>
<td>3,561</td>
<td>-279</td>
<td>-7.3%</td>
</tr>
<tr>
<td>IU Precision POS</td>
<td>4,225</td>
<td>-364</td>
<td>-7.9%</td>
</tr>
<tr>
<td>IU Health Plan POS</td>
<td>2,097</td>
<td>57</td>
<td>2.8%</td>
</tr>
<tr>
<td>M-Plan HMO</td>
<td>1,700</td>
<td>198</td>
<td>13.2%</td>
</tr>
<tr>
<td>Partners HMO</td>
<td>366</td>
<td>12</td>
<td>3.4%</td>
</tr>
<tr>
<td>Blue Preferred Primary POS</td>
<td>333</td>
<td>187</td>
<td>128.1%</td>
</tr>
<tr>
<td>IU PPO Choice</td>
<td>41</td>
<td>41</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>14,016</strong></td>
<td><strong>581</strong></td>
<td><strong>4.3%</strong></td>
</tr>
</tbody>
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**Tax Saver Benefit Plan**

| Medical Reimbursement Account (Part B) | 4,294*               | 440           | 11.4%       |
| Dependent Care Reimbursement Account (Part C) | 657*               | 65            | 11.0%       |

* Total eligible population equals 15,422 full-time employees.
Tobacco Use and Health

It’s never too soon to quit!

Every smoker who has quit or who has attempted to quit knows that it is not an easy thing to do. The smoker has heard about, or has experienced, symptoms of withdrawal: intense cravings, headaches, anxiety and depression. But perhaps not every smoker realizes how quickly the benefits of quitting can be noticed. Once a smoker quits, the body begins to undergo a process of healing and restoration.

- **After 1 hour:** Heart rate and blood pressure decrease.
- **After 8 hours:** Carbon monoxide level in blood drops to normal and oxygen level in blood increases to normal.
- **After 24 hours:** Circulation improves, lung function increases and walking becomes easier.
- **After 48 hours:** Nerve endings begin regrowing and smell and taste senses are enhanced.
- **After 2 weeks:** Circulation improves, lung function increases and walking becomes easier.
- **After 1 month:** Coughing, sinus congestion, fatigue, and shortness of breath decrease.
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