



**TEXAS SOUTHERN UNIVERSITY**  
**MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES**

**SECTION: Human Resources**  
**AREA: Benefits**

**Policy 02.03.01**

<b>SUBJECT: Benefits Summary Guidelines</b>
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**I. PURPOSE AND SCOPE**

As part of its total compensation program, the University provides a number of employee benefits for both faculty and staff. The purpose of this summary is to define the scope of these benefits, as well as define who may be eligible to receive the benefits.

**II. GENERAL PROVISIONS**

As a State of Texas employee, many valuable benefits are available to you through the Texas Employees Group Benefits Program (GBP), administered by the Employees Retirement System of Texas (ERS). Information about all of your benefits can be found on the ERS website, [www.ers.state.tx.us](http://www.ers.state.tx.us). You may also obtain information by contacting the University Benefits Specialist in the Department of Human Resources.

The State of Texas offers all benefits-eligible employees comprehensive health and prescription drug benefits, along with \$5,000 basic term life insurance and \$5,000 Accidental Death and Dismemberment (AD&D) coverage after the required waiting period. You may enroll your eligible dependents including children under the age of 26 in health coverage without restrictions when you enroll as a new employee.

The State of Texas pays all of the health insurance premiums for full-time employees (scheduled work hours of 40 hours or more per week) and half of the premiums for their dependents. For part-time employees (scheduled work hours of 20 hours, but less than 40 hours per week), the State pays half of the premiums for the employees and 25% of their dependents' premium costs.

If you are new to state employment, you will become eligible for health insurance benefits on the first day of the month following your first ninety (90) days of employment. The initial period of eligibility for available optional coverage is during your first thirty (31) days of employment.

**The Employees Retirement System of Texas provides the following employee benefits:**

- Health
- Dental
- Term Life

- Accidental Death and Dismemberment (AD&D)
- Disability

The following information provides a brief summary of benefits available to a new state employee:

**Health coverage** is available for both you and your eligible dependents. The Employees Retirement System of Texas offers HealthSelect of Texas underwritten by United Healthcare.

**Dental** coverage is available for both you and your eligible dependents. ERS currently offers a Dental Maintenance plan and a Dental Indemnity plan.

**Term Life** helps protect those who depend on you. If you die, someone named by you (your beneficiary) will receive a payment equal to the dollar amount of the Term Life coverage you have. An equal amount of Accidental Death and Dismemberment (AD&D) coverage is included with Term Life coverage (see information on AD&D below.) There are two types of employee Term Life coverage:

- Basic Term Life includes \$5,000 of Term Life and \$5,000 of AD&D coverage. You receive Basic Term Life, at no cost you, when you enroll in a health plan.
- Optional Life is available in four coverage levels of 1, 2, 3, or 4 times your annual salary and includes an equal amount of AD&D coverage.

**Dependent Term Life** is available for a small monthly premium. It includes \$5,000 term life with \$5,000 AD&D for each family member. Your first thirty (31) days of employment are the **only** time your current dependents can enroll without having to go through Evidence of Insurability (EOI).

Dependent term life insurance will be paid to you upon the death of your covered dependents or in the event of certain accidental injuries.

**Accidental Death and Dismemberment (AD&D)**, similar to Term Life coverage, gives your beneficiary a payment if you lose your life due to an accident. A payment is made if you lose your hand, foot, or sight in an accident. AD&D coverage is available as follows:

- AD&D is included as part of Term Life coverage in the UGIP (see Term Life and above).
- Voluntary AD&D is separate coverage you may buy for yourself and your eligible dependents.

**Disability coverage** is a benefit for you (not available for dependents) if you become totally disabled and unable to work. You will receive a monthly payment based on a percentage of your salary as an employee. The length of time you receive payments depends on whether you buy “short” or “long-term” Disability coverage (or both).

**Social Security Program** – All employees are required to participate in the Federal Social Security program as a condition of employment pursuant to the Social Security Act. All employees must provide a valid social security card.

In addition to the insurance program, all non-student employees appointed for 4 ½ months and working at least half-time are required to participate in the Teacher Retirement System (TRS) as a condition of employment. Full-time faculty members, librarians, coaches, physicians and executive staff are eligible to elect the Optional Retirement Program (ORP) in lieu of TRS.

**Teacher Retirement System (TRS)** – Both the employee and the State of Texas contribute a percentage of the employee's wages to the employee's fund. Employee contributions are pre-tax. Interests are credited annually on August 31<sup>st</sup> to the member's account. Members are vested after 5 years of credible service. The formula for computing your retirement annuity can be found in the booklet "TRS Benefits Handbook". TRS is a defined benefit program, offering death, survivor, disability and retirement annuity benefits. The website for TRS is ([www.trs.state.tx.us](http://www.trs.state.tx.us)).

**Optional Retirement Program (ORP)** – ORP is an individualized defined contribution plan in which each participant selects from a variety of investments offered by several companies (authorized by the employing institution) through annuity contracts or mutual fund investments. Because participants manage their own personal investment accounts, ORP entails more individual risk and responsibility than that associated with TRS membership. Both the employee and the State of Texas contribute a percentage of the employee's wages to the employee's fund. A newly eligible employee has 90 days from their ORP eligibility date (i.e., first day as a TRS member, or 91<sup>st</sup> calendar day of employment) to decide whether to elect ORP in lieu of TRS.

**Tax-Sheltered Annuities** – All full-time employees of the University are eligible to set aside a part of their outcome in Tax-Sheltered Annuities (TSA). The same carriers, which are approved for enrollment of employees in Optional Retirement Plans, are approved for enrollment of employees in the Tax-Sheltered Annuities.

Any money you have deducted from your paycheck, which is allocated to a TSA, will not be subjected to federal income tax. This has the effect of reducing your present tax burden. This money will be taxed only when you actually receive it at some date in the future.

The Internal Revenue Service places limits on the amount of salary you can shelter from taxes. The agent for the carrier you select will help you calculate the maximum amount you can set aside.

**THE FOLLOWING ARE ADDITIONAL BENEFITS AVAILABLE FOR ELIGIBLE EMPLOYEES:**

**Employees Assistance Program (EAP)**

The Employee Assistance Program is a confidential counseling and referral program that is available to eligible employees and their families. The program is offered at no cost to employees, the University pays for this service for your benefits.

Employees may call and talk to a counselor about financial, legal, alcohol, and relationship issues; the EAP can help. The service is available 24/7. To contact the EAP, please call 713-500-3327 or 800-346-3549 (toll free), or visit them online at [www.uteap.org](http://www.uteap.org).

**Flexible Spending Accounts (FSA) – There are two types of Flexible Spending Accounts available for your use:**

**FSA-Dependent Day Care** – This account allows employees to deduct money from their salary before taxes and place the money into an account to pay for childcare or elderly care expenses.

The expenses must be necessary for you to continue working. If married, you and your spouse must both be working, or your spouse must be a full-time student or disabled.

To be considered a “dependent”, the person receiving care must be eligible to be claimed as your dependent on your federal income tax return and be either:

- Under age 13; or
- Your spouse or other dependent who is physically or mentally incapable of self-support, and who spends at least eight (8) hours per day in your home.

As a new employee, you may enroll in a dependent care account within thirty-one (31) days of your hire date in a benefits eligible position. It is irrevocable for the plan year if you remain employed, unless there is a qualifying family status change which allows you to enroll, cancel, or change the amount of your reimbursement account. A change form must be submitted within thirty (30) days of the family status change to initiate the change.

**FSA-Health Care** – This account allows employee to deduct money from their checks before taxes and put the money into an account to pay medical expenses that are not covered by the group insurance. Eligible health care expenses are expenses that are “medically necessary”. In addition, to qualify as a reimbursable health care expense, the expense must be incurred (received) during your eligible period of coverage, and not be reimbursable from any other health insurance.

As a new employee, you may enroll in a health care reimbursement account within thirty-one (31) days of your hire date in a benefits-eligible position. It is irrevocable for the plan year even if your employment terminates. Any money not used by the end of the fiscal year is forfeited.

**Value-Added Discount Programs:** - These programs are offered to participants and their covered dependents. The programs offer access to discounts on a variety of alternative and complementary health care services and products at **no extra cost**:

- **Vision** – Vision Care Discounts

Take advantage of discounts on frames and lenses or even a discount on laser vision correction surgery, please visit [www.healthselectoftexas.com](http://www.healthselectoftexas.com).

- **myNurseLine**

To get health advice from a registered nurse by phone, call 877-731-8306.

- **Wellness Resources**

A variety of disease management programs and therapies that may help to increase wellness, prevent illness and address existing symptoms and conditions.

- **Massage & Bodywork**
- **Acupuncture**
- **Nutrition counseling**
- **Exercise & movement (including yoga, Pilates, Tai Chi & personal trainers)**
- **Mind and body therapies**
- **Fitness/weight loss centers**
- **Vitamins...and more**

For additional details, please visit: [www.healthselectoftexas.com](http://www.healthselectoftexas.com) . Neither United Healthcare nor ERS guarantee the length of time that a specific value-added product will be offered in the future.

**Vacation Leave with Pay for (Staff Employees)** – Entitlement shall be earned in accordance with the following schedule based on full-time employment (proportionate to FTE):

<b>Total State Employment</b>	<b>Hours Accrued Monthly</b>	<b>May Carry Hours to Next Fiscal Year</b>
0 but less than 2 years	8	180
2 but less than 5 years	9	244
5 but less than 10 years	10	268
10 but less than 15 years	11	292
15 but less than 20 years	13	340
20 but less than 25 years	15	388
25 but less than 30 years	17	436
30 but less than 35 years	19	484
35 years and above	21	532

- A. An employee will earn vacation entitlement beginning on the first day of employment with the state and terminating on the last day of duty based upon the chart above. The net balance of unused leave, not to exceed the maximum cited above, shall be carried forward each fiscal year. All hours of unused accumulated vacation, which exceeds the maximum carryover, may be credited to the employee's sick leave balance as of the first day of the next fiscal year.
- B. Credit for one month's accrual will be given for each month or fraction of a month of employment and on the first of each succeeding month thereafter, provided that an employee who is in a leave status on the first day of the month shall not be eligible to

use leave accrued for such month until the employee returns to duty. Credit for the higher rate of accrual shall be given on the first calendar day of the month, if the employee's anniversary date falls on the first calendar day of the month; otherwise, the increase will occur on the first calendar day of the following month.

- C. Vacation with pay may not be taken until the employee has been continuously employed with the state for six (6) months, although credit will be accrued during that period. Continuous employment means that no leave without pay (i.e., for a full calendar month which does not count as state service credit) has been taken. The six month eligibility requirement means that once an employee has completed six (6) months or more of continuous state employment and then leaves state employment, that person is eligible to take vacation leave as it is earned upon re-employment, or be paid for it on termination following such re-employment. Employees are encouraged to take vacation in the fiscal year in which the entitlement is earned. Vacation leave should be scheduled in advance by the employee at a mutually agreeable time to both the employee and supervisor. Vacation leave is approved at the discretion of the supervisor.
- D. Vacation accruals will be used for absences due to illness after all accumulated sick leave and compensatory time has been exhausted.
- E. An employee who resigns, is dismissed, or separated from employment (including death) shall be entitled to be paid for all unused balance of vacation provided the employee has had continuous employment with the State of Texas for six (6) months; and is not directly transferring to another Texas state agency into a position which accrues vacation.
- F. Upon termination, an individual may with the approval of the employing agency, remain on the payroll after separation to use accrued annual leave rather than receive a lump-sum payment. No additional accruals will be made during this period. The employee may not use sick leave or accrue sick leave or annual leave while exhausting annual leave.
- G. Employees who retire on or after June 1, 2005, and return to work on or after September 1, 2005, will have vacation accruals upon state service since their rehire date. However, return to work retirees are not required to re-established the six (6) months continuous service requirement in order to take vacation with pay.

**Sick Leave With Pay** – Employees accrue eight (8) hours per month or proportionate to the FTE with unlimited accrual. A sick leave pool for catastrophic illness is available for those employees determined eligible. For additional information regarding the sick leave pool, please refer to MAPP 02.03.04, §VI.C.2.

**Paid Holidays** – For staff employees, proportionate to FT: Regular salaried, non-teaching employees are entitled to the number of holidays provided by the Legislature in the current Appropriations Bill. The University administration has the discretion to arrange holiday

schedules as it deems appropriate within the total number of days provided. Refer to the Holiday Schedule for approved days. Faculty follows the academic calendar. If the regular work schedule or duties of a department make it necessary for an employee to work on any of these holidays or scheduled off day(s), compensatory time will be given at another date.

**Longevity Pay** – Longevity pay is provided to all full-time employees who are not on leave without pay the first workday of the month and who have at least two years of lifetime service credit. Part-time employees do not receive longevity pay on a proportional basis. Those ineligible for longevity pay include members of the legislature, individuals in public office, temporary workers, or academic employees of institutions of higher education. Length of service for longevity pay is determined in the same manner as length of service for annual leave. Legislative service is included in determining lifetime service credit purposes of longevity pay. The present schedule for longevity pay is shown in the table below:

<b>Years of Employment</b>	<b>Amount Received Per Month</b>
Less than 2 years	\$0.00/month
Greater than 2 years but less than 4 years	\$20.00/month
Greater than 4 years but less than 6 years	\$40.00/month
Greater than 6 years but less than 8 years	\$60.00/month
Greater than 8 years but less than 10 years	\$80.00/month
Greater than 10 years but less than 12 years	\$100.00/month
Greater than 12 years but less than 14 years	\$120.00/month
Greater than 14 years but less than 16 years	\$140.00/month
Greater than 16 years but less than 18 years	\$160.00/month
Greater than 18 years but less than 20 years	\$180.00/month
Greater than 20 years but less than 22 years	\$200.00/month
Greater than 22 years but less than 24 years	\$220.00/month
Greater than 24 years but less than 26 years	\$240.00/month
Greater than 26 years but less than 28 years	\$260.00/month
Greater than 28 years but less than 30 years	\$280.00/month
Greater than 30 years but less than 32 years	\$300.00/month
Greater than 32 years but less than 34 years	\$320.00/month
Greater than 34 years but less than 36 years	\$340.00/month
Greater than 36 years but less than 38 years	\$360.00/month
Greater than 38 years but less than 40 years	\$380.00/month
Greater than 42 years but less than 42 years	\$400.00/month
42 years or more years	\$420.00/month

Employees should inform the Human Resources Department of any prior state service. No credit will be given until the written verification of employment is received from the agency.

**NOTE: Police Officers who are in positions that are considered hazardous duty will receive hazardous duty pay in lieu of longevity pay.**

III. REVIEW AND RESPONSIBILITY

Responsible Party: Associate Vice President of Human Resources/ CHRO

Review: Every three years on or before September 1

IV. APPROVAL:

Edward C. Ness  
\_\_\_\_\_  
Vice President for Administration and Finance

John M. Rudley  
\_\_\_\_\_  
President

Effective Date March 2016