

FACULTY BENEFITS SUMMARY

Updated October 2006

Faculty members receive a comprehensive fringe benefits package consistent with the terms of their labor agreement. The following summarizes all of the benefits provided to full-time faculty employees, except those benefits that are mandated by law. This document is a summary only, and is not intended to describe each benefit in detail. In the event there is a conflict between this summary and the insurance plan or the collective bargaining agreement (CBA) itself, the contents of the plan/CBA shall prevail.

Sick and Emergency Leave

Faculty members accrue 10 days of sick and emergency leave at the beginning of each academic year, which may be used for personal illness or other certain “emergencies” (such as illness of an immediate family member) as defined in the CBA. This leave may accumulate from year to year, up to a maximum of 200 days. A pro-rated number of days will be provided to new hires whose start date is on or after the beginning of the academic year. Upon retirement, an employee will receive payment for any unused sick days, based on the formula contained within the CBA.

Personal Business

Faculty members receive two (2) personal business days per year. Time is granted the beginning of each academic year and must be utilized during the academic year. Unused time is converted to sick and emergency leave time at the end of each academic year. A pro-rated number of days will be provided to new hires whose start date is on or after the beginning of the academic year.

Health Insurance

Faculty may choose one of the following three health plan options:

- MESSA Choices 2 (PPO)
- HealthPlus of Michigan (HMO) or
- MESSA Supercare (indemnity)

If an employee selects the MESSA Choices 2 (PPO) plan or the HealthPlus (HMO) plan, his/her premium is fully paid by the College for him/her and his/her eligible dependents. An employee selecting the MESSA Supercare (indemnity) plan will be required to pay the difference between the premium for the MESSA Supercare (indemnity) plan and the premium for the MESSA Choices 2 (PPO) plan.

For detailed benefits explanation documents and information on the differences between these plans, please contact Human Resources.

Cash in Lieu of Health Insurance

Employees eligible to receive health insurance benefits fully paid for by the College may elect to waive health insurance coverage and receive a minimum of \$100 and up to a maximum of \$300 per month for every month they are considered eligible for medical insurance. The actual number of participants on April 30th of each year will determine the amount of the monthly benefit beginning July 1st of each year. The higher the number of faculty who opt out of health coverage, the higher the cash in lieu amount will be. The cash in lieu of health insurance payments are considered taxable income unless tax sheltered through the College's supplemental retirement plans or flexible spending accounts.

Flexible Spending Accounts

Employees are eligible to participate in the College's Flexible Spending Accounts. The Medical Spending Account allows an employee to use pretax dollars up to \$3,000 annually to pay for allowable health expenses not covered by another source, as defined by the IRS. The Dependent Care Spending Account allows an employee to tax shelter up to \$5,000 annually to pay for dependent care expenses, such as child day care.

Dental

The College provides dental coverage through SET-SEG for employees and their eligible dependents (up to age twenty-five [25]) as defined by the Internal Revenue Code of the United States. The plan provides 100% coverage for preventative services and 80% coverage for other specified services, up to a maximum of \$1,000 per year. Orthodontic benefits are provided for dependents age 19 and under, up to a \$1,300 lifetime maximum. The premium is fully paid by the College for employees and their eligible dependents.

Vision

Coverage for employees and their eligible dependents is provided by the VSP 3 Vision Care Plan and includes lenses, frames and an examination every 12 months up to a specified amount in each category. The premium is fully paid by the College for employees and their eligible dependents.

Life Insurance

Employees are provided with a \$50,000 life and \$100,000 accidental death and dismemberment insurance policy.

Disability Insurance

The College provides employees with Long Term Disability Insurance. The plan has a 90 consecutive calendar day waiting period and benefits are paid at 2/3 of the employee's monthly gross salary while the employee is unable to work due to a covered disability.

Retirement

Upon hire, Faculty members make an irrevocable decision between participating in a defined benefit retirement plan or a defined contribution retirement plan.

- The defined benefit plan, administered by the Michigan Public School Employees Retirement System (MPSERS), contains a ten-year vesting requirement and provides a retiree benefit payable until death based on a formula using salary, a multiplier of 1.5% and total years of service credit. A health insurance subsidy is also currently available through MPSERS for retiree medical insurance.
- The defined contribution plan, administered by TIAA-CREF, is also known as the Optional Retirement Plan (ORP). This plan has immediate vesting. The amount contributed to the ORP by the College is 10% of allowable earnings for **employees hired on or after January 1, 2003**. The College contribution rate to the ORP for **employees hired prior to January 1, 2003** will adhere to the schedule below.

Effective Date	Employer Contribution Rate
October 1, 2007	15.64%
October 1, 2008	14.94%
October 1, 2009	14.24%
October 1, 2010	13.54%
Future Years	13.54%

Employer paid retiree health insurance is not available through the Optional Retirement Plan, however the College is committed to offering, by 12/31/2007, options for employees to purchase retiree health insurance at their own expense.

Deferred Compensation

Faculty members may defer a portion of their salary into tax-sheltered long-term savings plans (403(b) and/or 457(b) programs). The College has several investment options available.

Educational Grant Waiver

Employees, their spouse, and dependent children (up to age twenty-five [25] as defined by the Internal Revenue Code of the United States) may enroll in Mott Community College's credit and non-credit courses at no cost.

New Hire Eligibility Criteria

Medical, vision, dental, life and LTD insurance will begin the first of the month following the date of hire. (This is not specified in the labor agreement, but is the college-wide standard.)

The College prorates sick leave and personal business days for new hires by providing 1/12th of the annual allocation for each remaining full month of the fiscal year. In addition, credit will be given for the first month of employment provided the employee begins work on or before the 15th of the month. For example, an employee hired on August 15 would receive eleven-twelfths

of the annual allocation whereas an employee hired on August 16 would receive ten-twelfths of the annual allocation.

Employee Assistance Program (EAP)

Employees have an Employee Assistance Program available to them, operated by Help Net. The Employee Assistance Program provides free counseling to employees and their household members for a variety of personal issues.

For additional information, contact the Office of Human Resources.