

2009 Carleton College Benefit Program Summary For Exempt Staff

Carleton College offers a comprehensive program of benefits designed to provide a variety of protections for you and your family. The College contributes significantly to the cost of most of these benefits, and you may be required to contribute a portion of your pay to some. Benefits mandated by law, Social Security and Medicare, require significant contributions by both you and the College. Following is an outline of benefits available to you and a brief description of the coverage offered by each.

Group Health Insurance - The College offers a plan provided by Blue Cross and Blue Shield of Minnesota. Participants select one of three different plan options; a change in options may be made once per year unless you experience a qualifying event.

Options Blue – This is a high deductible option offering preventative and catastrophic coverage with an employer funded health reimbursement account (HRA). This plan also offers a large network of providers. Preventive care is covered at 100% to a maximum of \$500. Routine cancer screenings are covered at 100%. Prescription drugs require a \$15 co-pay for generic drugs, a \$35 co-pay for brand name formulary drugs, or a \$55 co-pay for non-formulary brand name drugs. You may also receive coverage with non-network providers but can expect higher out-of-pocket costs and other restrictions.

AWARE Preferred Provider Organization (PPO) - This option offers preventative and catastrophic coverage through a large network of health care providers. The plan covers eligible services at 80% through a large network of health care providers. Office visits require a \$35 co-pay. Preventive care is covered at 100%. Prescription drugs require at \$15 co-pay for generic drugs, a \$35 co-pay for brand name formulary drugs, or a \$55 co-pay for non-formulary brand name drugs. You may also receive coverage with non-network providers but can expect higher out-of-pocket costs and other restrictions.

AWARE Gold - This option offers coverage for preventative and catastrophic coverage through a large network of health care providers. You pay a part of the cost of some services such as office calls which require a \$35 co-pay and pharmaceuticals which require a \$15 co-pay for generic drugs, a \$35 co-pay for brand name formulary drugs, or a \$55 co-pay for non-formulary brand name drugs. You may also receive coverage with non-network providers but can expect higher out-of-pocket costs and other restrictions.

The 2009 employee cost per month for Options Blue is \$223.88 (family) and \$148.24 (single + one) and \$72.74 (single). AWARE PPO is \$349.52 (family) and \$221.38 (single + one) and \$104.82 (single). Aware Gold is \$498.40 (family) and \$318.65 (single + one) and \$151.65 (single). The cost associated with health coverage is not prorated for less than full-time employees. Participation in the group health insurance is optional. New employees may enroll the first of the month following date of hire, or coincident with the first of the month. Open enrollment is offered on an annual basis.

Group Dental Insurance - Eligible staff members are able to enroll in the College-sponsored voluntary group dental program provided by Delta Dental. The College does not contribute to the plan but the group design allows you to purchase dental insurance at group premium rates. A variety of coverage and cost options are available. New employees may enroll the first of the month following date of hire. Open enrollment is offered every year. Monthly premiums are listed below for the two plan options that are available.

| <u>Value Plan</u> | | <u>Comprehensive Premier Plan</u> | |
|------------------------|---------|-----------------------------------|----------|
| Employee only | \$28.75 | Employee only | \$36.50 |
| Employee plus spouse | \$57.70 | Employee plus spouse | \$73.35 |
| Employee plus children | \$54.30 | Employee plus children | \$69.00 |
| Family | \$93.35 | Family | \$118.50 |

Retirement Plan - Individual annuities are purchased by you and the College from TIAA-CREF. Participating staff members contribute a percentage of their salary to the plan and the College contributes a percentage. The college will determine the percentages each year. Participation in the plan is mandatory.

All contributions are immediately vested. Contributions are required and are made on a tax-deferred basis. Accumulations compound on a tax-deferred basis. If you wish, you may contribute more than 2% to the Retirement Plan. You may make tax-deferred contributions to a Supplemental Retirement Account (SRA) through TIAA-CREF. Like the Regular Retirement Plan, the accumulations compound on a tax-deferred basis. The College does not contribute to SRAs but you benefit

through tax-deferred savings. Since there are limits to the amount that individuals may defer, anyone interested in contributing to an SRA account should contact TIAA-CREF in order to determine the maximum amount of deferral allowed. Participation in the Regular Retirement Plan is mandatory. Participation in the supplemental Retirement Account is optional.

Group Life Insurance - The College provides Group Term Life Insurance coverage to all eligible employees through the Hartford Insurance Company. The amount provided is based on a combination of factors that include your age and annual base pay. You are covered by this plan when you become eligible for employee benefits at Carleton and are not required to contribute toward its cost. Coverage begins the first of the month following date of hire.

Voluntary Group Term Life Insurance – This plan allows employees the opportunity to purchase additional life insurance to supplement the College provided life benefit through the Hartford Insurance Company. The cost is based on age and the benefit amount chosen. Participation is optional. New employees may enroll the first of the month following date of hire.

Long Term Disability - If you become disabled, you receive benefits equal to approximately 60% of your current monthly salary and continued deposits to your retirement plan. Benefit payments begin after a three-month waiting period from the date of total disability. You become eligible to participate in the Long Term Disability Plan the first of the month following date of hire, or coincident with the first of the month. You and the College share in the cost of Long Term Disability Coverage. Your cost is equal to 0.520% of your annual salary. Participation in this plan is optional.

Paid Parental Leave – Any regular exempt staff member with one or more years of continuous service who becomes either a birth or adoptive parent and who is designated as the primary caregiver may receive 12 weeks of paid parental leave. The amount of paid leave is calculated based on the budgeted FTE.

Flexible Spending Accounts - Tax-sheltered Flexible Spending Accounts (FSAs) allow you to pay for certain expenses related to medical, dental, and dependent care costs with pre-tax salary dollars. To participate, you estimate what your annual minimum out-of-pocket costs will be and arrange to contribute that amount of your pay to build your account. Then, as you incur eligible expenses you file a request for reimbursement from your account. Reimbursements may not exceed your estimated expenses (account balance). Claims processing and administration is outsourced with ARC (Administration Resources Corporation). You forfeit money remaining in your account if you cannot claim it for the plan year. Therefore, you might want to predict your expenses conservatively. Participation in the Flexible Spending Account Program is voluntary and although the College does not contribute monetarily to these accounts, the tax-sheltering feature can result in significant savings for you. You may, of course, want to review the impact of participation in the Flexible Spending Account Program with your tax advisor.

Employee Assistance Program - All Carleton employees and their families have access to the Employee Assistance Program (EAP). The EAP is a confidential professional assessment and referral service. The College pays the cost of this service. The service provides assistance with, and is not limited to, problems such as drug and alcohol abuse, emotional stress, legal concerns or financial difficulties. You or anyone in your family can call anytime for professional help.

Toll-free: 1-888-371-1125

Dependent Tuition Benefit - Tuition benefits are available to exempt staff with six or more years of continuous employment. The benefit is prorated for those who work part-time. The benefit will not exceed four regular academic years per dependent and a maximum of 12 academic years per eligible exempt staff member's family.

At Carleton the benefit is one-half of Carleton's tuition. At fully accredited colleges and universities other than Carleton the benefit is either:

- 50% of tuition up to a maximum of 33% of Carleton's tuition or
- Payment of guarantee fee and loan interest on a loan equal to 70% of Carleton's tuition while the child is a full-time, undergraduate student. The subsidy would continue whenever eligible siblings are full-time, undergraduate students.

Financial Planning Reimbursement - A reimbursement is available to defray the costs associated with long-term financial planning advice provided by a certified financial planner, accountant, attorney or other financial planning professional.

Eligible employees are regular employees who work half-time or more for six continuous years. After this time, \$150.00 will be available. When the employee has reached age 50, an additional \$150.00 is available for a total reimbursement of \$300.00. For those employees 50 years or older with one year of service, the total of \$300.00 is immediately available.

Reimbursement amounts are considered taxable income, will be paid through payroll, and will be shown as "supplemental pay" on the employee's earnings statement.

Domestic Partners - The College provides a domestic partner program for faculty and staff members who are part of committed, non-traditional relationships. Program details that include a description of benefits, program eligibility criteria, and application forms may be obtained from Human Resources.

Paid Vacation Days – As an exempt employee, twenty (20) days per year of vacation time is allotted each year. Vacation time is pro-rated for those working less than full-time, less than twelve months, or a new hire with less than one year of employment.

Paid Sick Leave – Exempt employees earn one sick day per month. The amount of sick leave is pro-rated for those working less than full-time, less than twelve months, or a new hire with less than one year of employment.

Paid Holidays - New Year's Day, July 4th, Labor Day, Thanksgiving Day, Christmas Eve Day, Christmas Day, and a College designated floating holiday (usually the day after Thanksgiving) are observed. You are also entitled to three floating holidays. Holidays are prorated if you work part-time.

Paid Floating Holidays – As an exempt employee, three floating holidays are allotted each year. Floating holidays are pro-rated for those working less than full-time, less than twelve months, or a new hire with less than one year of employment.

Social Security and Medicare - Social Security and Medicare benefits are designed to help provide financial stability during retirement or periods of permanent disability. The College is required to match your tax contributions to these programs. In 2009 your tax rates equals 6.2% (Social Security) and 1.45% (Medicare) and was matched in full by the College. The amount of tax paid by both the College and you equals more than 15% of your salary. Benefit levels are set by Congress and may not be directly related to the taxes you paid during your years of employment. Participation in the programs by you and the College is required.

Credit Union - Carleton Faculty and Staff may elect to participate in services offered by the Oak Trust Credit Union. The College does not contribute to the services provided by the credit union. Please contact Oak Trust Credit Union at (800) 232-6728 or (630) 792-0100 or visit www.oaktrust.com for membership details.

In the event of any differences between these summary statements and official information on benefit plans in the College's files, the latter will apply and govern in all cases.

Additional information on all benefit programs is available from the College's Human Resources Office, (507) 222-5989.
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