UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES
4301 JONES BRIDGE ROAD
BETHESDA, MARYLAND 20814-4799
www.usuhs.edu

SUBJECT: Civilian Administratively Determined Benefits Plan

Instruction 1418

NOV 16 2020

(CHR)

ABSTRACT

This Instruction establishes Uniformed Services University of the Health Sciences (USU) policy and guidance on the retirement plans and other related benefits for faculty and staff who are covered by the Administratively Determined (AD) pay plan.

A. Reissuance and Purpose. This Instruction reissues USU Instruction 1418 (*Reference (a)*) and sets forth the benefits plan for the civilian AD faculty, administrators, and staff of the USU as directed by 10 USC 2113 *(Reference (b))* and USU Instruction 1412 (*Reference (c)*).

B. References. *See Enclosure 1.*

C. Applicability. The provisions of this Instruction apply as specified to all AD employees of USU. This includes Professors, Associate Professors, Assistant Professors, Instructors, the President, USU, Deans, Associate Deans, Assistant Deans, Vice Presidents, Assistant Vice Presidents, Department Chairs, Special Assistants to the President, Deans, and Vice Presidents, Postdoctoral Fellows, Research Associates, Senior Research Associates, and Visiting Scientists.

D. Policy.

1. 10 USC 2113 *(Reference (b))* provides that the civilian members of the AD faculty and staff will be employed under salary schedules and granted retirement and other related benefits prescribed by the Secretary of Defense (SECDEF) in order to place the faculty of the USU on a comparable basis with faculty members of other fully accredited schools of the health professions identified by the SECDEF.

2. An annual compensation comparability study is conducted by the Defense Civilian Personnel Advisory Service (DCPAS) to accomplish D.1.

3. Provisions (excluding those regulated by the Office of Personnel Management) within this document are subject to change based upon the findings of the annual comparability study.

E. Responsibilities.

1. The Board of Regents (BOR) shall review and make recommendations to the President, USU concerning approval or disapproval of major changes in the USU AD benefits program.

2. The President, USU shall:

a. Ensure the administration of the provisions of this Instruction.

b. Receive recommendations for major changes to the USU AD benefits program from appropriate Deans of USU schools and colleges, and, if he/she concurs, forward them to the BOR for review and recommendations.

c. Make a final determination on program changes.

3. Deans of USU Schools and Colleges shall:

a. Receive and review recommendations from the Director, Civilian Human Resources (CHR) Directorate, for changes to the AD benefits program.

b. Recommend viable changes to the President, USU.

4. The Director, CHR, shall:

a. Ensure that employees who are covered by this Instruction are informed about all benefits for which they are eligible.

b. Coordinate and oversee the completion of the annual benefits survey with DCPAS.

c. Review and administer the USU AD benefits program.

d. Make recommendations to the President, USU to ensure comparability of USU AD benefits with those offered in other accredited schools of the health professions designated by the Secretary of Defense (SECDEF).

F. Benefit Plans. Provisions of these plans are described in *Enclosures 2-7*.

G. <u>Effective Date</u>. This Instruction is effective immediately.

Richard W. Thomas, M.D, DDS, FACS
President

Enclosures:
1. References
2. USU Faculty Retirement Plans
3. Retirement Procedures
4. Long Term Disability Insurance
5. Life Insurance Coverage
6. Health Insurance
7. Leave Administration

REFERENCES

(a) USU Instruction 1418, "Civilian Faculty Salary and Benefits Plan," dated September 13, 2006 (hereby cancelled).

(b) Section 2113 of title 10, United States Code, dated June 24, 2020.

(c) USU Instruction 1412, "USU Pay Policy for Administrative Determined (AD) Employees," dated August 3, 2018.

(d) USU Instruction 1410, "Civilian Leave Administration," dated September 17, 2009, or as amended.

USU FACULTY RETIREMENT PLANS

NOTE: Provisions of this Enclosure do not supersede IRS rules and regulations, are subject to changes in law or regulation, and do not constitute tax or financial advice.

1. Plan Offerings. Prospectuses for the following may be obtained directly from each plan.

a. Teachers Insurance Annuity Association/College Retirement Equities Fund (TIAA/CREF). This is a tax-deferred investment program through which an employee can enroll in available investment funds that can viewed online at www.TIAA.org. The returns on these funds vary with the amount of risk in the various investments.

b. Fidelity Investments. This is a tax-deferred investment program through which an employee can enroll in any of 120 available funds. The returns on these funds vary with the amount of risk in the various investments.

2. Eligibility.

a. All AD full-time faculty and staff as stated in paragraph C. of this Instruction are eligible to participate in one of the USU AD retirement plans upon employment with USU. Part-time employees, visiting foreign employees who carry H-1 and J-1 visas, faculty whose titles have the prefix "Visiting", Visiting Scientists, and Postdoctoral Fellows are not eligible to participate in one of the USU AD retirement plans upon employment with USU. Employees who transfer from another Federal agency that are appointed under the AD pay plan and who have coverage under the Civil Service Retirement System (CSRS) or Federal Employees Retirement System (FERS) may elect to participate in one of the USU AD retirement plans if they have had a break in Federal service of least four days. Otherwise, the employee will remain under CSRS or FERS.

b. Postdoctoral Fellows, Visiting Scientists, faculty with the pre-fix Visiting, part-time AD employees, and resident aliens with appointments for more than 365 days who are not covered by another retirement system will be covered by the FERS.

c. Visiting foreign employees on H-1 and J-1 visas are not eligible to participate in FERS.

d. AD employees who change their work schedule from full-time to part-time will lose their eligibility to participate in the AD retirement plan TIAA or Fidelity and will be covered by FERS unless a waiver is obtained to continue the participation in the plan from the President, USU, or the appropriate USU School or College Dean for those employees covered under a USU school.

3. Plan Contributions

a. Both employee and employer contributions will be made to the selected retirement plan on a biweekly basis during the period of participation, except for months in which no salary is paid. A total of 15% of the employee's base salary will be contributed to the employee's selected plan with 10% contributed by USU (up to the Internal Revenue Service (IRS) annual compensation limit for employer contributions) and 5% mandatorily contributed by the employee. Plan contributions by participants will be deducted from salary payments by payroll and forwarded, along with the USU contribution, to the respective retirement company to be applied as premiums on regular retirement annuity or investment contracts owned by the individual participants. Contributions will be allocated among the various funds in the proportions selected by the employee. However, premium allocations must be in whole percentages and must total 100%. Since employee contributions are tax deferred, the employee's base salary is adjusted for Federal withholding purposes. Note: The USU employer matching contributions that are made to an employee' account which exceeds the IRS annual compensation limit for employer contributions will be deducted from the employee's TIAA or Fidelity account as applicable and reimbursed to USU at the end of the calendar year.

b. Eligible employees must select the plan of choice within the pay period of their entering on duty. Employees who fail to make a selection within this timeframe will have both the employee and employer contributions default automatically to TIAA.

4. Salary Reduction Agreement (SRA)

a. In addition to the mandatory contribution to the selected retirement plan fund, employees may make additional voluntary contributions to their retirement or investment accounts. Calculations on the additional amounts that may be tax deferred through SRA's will be made by either TIAA or Fidelity. These voluntary contributions are not matched by the USU. An employee who chooses to make a voluntary contribution must sign a formal SRA showing the amount that he/she elects to tax defer and provide it to CHR for processing.

b. Enrollees in the TIAA plan must complete an additional application if they choose to establish a SRA. Enrollees in Fidelity may include an SRA election on the initial application form (Fidelity does not have a separate SRA form). If the Fidelity participant subsequently elects to have an SRA, a second application form must be completed showing the allocations for the SRA account.

c. Calculations for SRA's must be recomputed annually. Employees must initiate a Tax Deferred Annuity (TDA) request with the respective investment plan each year. Upon receipt of the recomputed TDA, the employee should consult with the Workforce Relations Division, CHR, for a revised contract.

d. A contract must be signed annually by each employee who elects to have an SRA. The contract for the calendar year may be signed at any time after the first pay period in January. The total amount that the employee elects to have withheld from his/her salary will be divided by the number of pay periods that are remaining in the calendar year. This will ensure that the maximum amount that the employee wishes to have tax deferred will be withheld. The amount elected by the employee for an SRA may only be changed once a year. Cancellation of a contract constitutes a change and the employee may not sign a new contract until the beginning of the following calendar year.

e. There are specific limitations on the amount of money an employee may set aside in any one calendar year. The maximum before-tax amount that may be contributed is determined by an IRS formula.

f. To avoid having an established SRA stop, employees must sign and forward contracts to the Civilian Payroll Office via CHR no later than the first day of the second pay period of each calendar year for processing.

5. Social Security Benefits. Social Security coverage is required of all AD employees of the USU, in addition to any coverage they have under one of the USU retirement plans. The employee's social security contribution is matched by an equal employer contribution from USU. Non-U.S. citizens who are on non-immigrant visas are exempt from Social Security.

6. Taking Required Minimum Distributions (RMDs). Although retirement is not mandatory, employee participants in one of the USU retirement plans are required to take RMDs as specified below. This applies to both pretax retirement plan accounts and Individual Retirement Accounts (IRAs). Employees who don't take the RMD by the age specified below will be subject to IRS penalties. The process is as follows:

a. Employed Participants (age 72 or older). If still employed by USU may take an RMD but are not required to do so as long as the employee remains employed.

b. Retired Participants

1) Must begin taking RMD payments from employer-sponsored plans by April 1st following the year they turn 72.

2) Are eligible to begin taking RMD payments as early as January 1 of the year they turn 72 or when they retire.

3) For more detailed information on this matter, contact TIAA's National Contact Center at 1-800-842-2252.

7. Separation. Employees participating in the Fidelity plan must contact Fidelity directly to determine their available options upon separation from USU. In the event that an employee who is enrolled in TIAA terminates employment for reasons other than retirement or disability, he/she may request:

a. A repurchase of his/her annuity;

b. A transfer of holdings to another approved retirement program; or

c. A cash withdrawal of his/her account.

d. The TIAA separation options are described in further detail in subparagraphs 8-10 below.

8. Repurchase. Employees who are enrolled in TIAA, whose annuity accounts are not yet vested, i.e., have less than five years of contributions may upon termination from the USU, request a repurchase of their annuities. A repurchase is an extra-contractual administrative procedure whereby TIAA buys back annuity contracts in a single sum from a participant who terminates employment. Repurchases are approved provided that the repurchase request meets the conditions under which TIAA will repurchase annuities. The employee will receive the total of both the employee and the employer contributions. Current IRS regulations require a 10% penalty on monies withdrawn if the recipient is younger than age 59½ unless he/she enters retired status (begin receiving life time annuity) at age 55 or after.

9. Transfer.

a. Employees who are enrolled in TIAA, while still employed at USU, may transfer the accumulations they have in the CREF portion of their accounts to another approved retirement plan.

b. Transfer of CREF holdings to retirement plans other than Fidelity will be reviewed and approved on a case-by-case basis by TIAA.

c. Transfer Payout Annuity (TPA). A TPA is used to move money from a TIAA Traditional Annuity in a payment stream of 10 payments over the course of 9 years. Participants can move their TIAA Traditional accumulations in annual payments over a nine-year and one day period in one of the ways cited below. **Note**: TPA contracts are irrevocable; however, conversion options may be available. Contact TIAA for more information:

1) Withdrawing accumulations as cash.

2) Transferring accumulations to any CREF variable account, also known as a reinvestment.

3) Transferring accumulations to a custodial account at another company.

d. Retirement Transition Benefit (RTB). A participant can elect to receive a partial cash payment through an RTB at the time they begin a full or partial lifetime annuity. An RTB allows participants to receive anywhere from 1% to a maximum of 10% percent of the accumulation being annuitized as a lump sum payment (to the extent of the cash policy described in plan rules). The RTB provides the participant with additional cash when they begin annuity income. Since the RTB is a lump sum payment, it is eligible to be rolled over to an IRA or retirement plan. If the participant elects the RTB option, it will decrease their annuity payments by the percentage elected. In other words, if a participant elects a 10 percent RTB, the annuity income will decrease by 10 percent.

e. Requests for transfer of funds between retirement plans, and between fund options within a retirement plan are made directly to the employee's retirement plan by the employee.

f. Transfers incur no IRS penalties provided that they are made between 403(b) and/or 403(b) (7) plans and provided that the funds are transferred directly from plan to plan without the employee receiving the funds.

10. Cashability

a. Employees, who are terminating employment with the USU and who will not be employed in an institution at which they must enroll in TIAA, may request that they be allowed to cash-in their CREF holdings. Participants may receive all or some of their CREF accumulations in a single payment any time after they leave employment. Cash is available for TIAA Retirement Annuities under the same provision but subject to distributions over a 10 year period through a Transfer Payout Annuity. A contractual provision for TIAA SRAs allows the participant to withdraw some or all of an accumulation. For amounts credited prior to January 1, 1989, cash surrenders are unrestricted by the Internal Revenue Code (IRC) but subject to both current federal income tax and possible early-distribution penalties. To withdraw amounts credited in 1989 and after, IRC rules require that the participant demonstrate termination of employment. Such requests are made directly to TIAA.

b. Employees who are under age 55 when they leave employment and under 59½ when they take the withdrawal are usually subject to an additional tax equal to 10 percent of the amount withdrawn. Lifetime income options taken at any age are not subject to this additional tax.

c. Departing employees may cash-in their TIAA holdings over a 10 year period as described in paragraph 10. a, above.

RETIREMENT PROCEDURES

1. General Procedures

a. Employees who decide to retire must:

1) Complete and sign (with the retirement effective date) a Request for Personnel Action (SF-52) for retirement and submit it to CHR, Work Force Relations Division, for processing. Employees covered by TIAA are to submit the retirement SF-52 to the CHR at least 60 days before their retirement date. Employees covered by Fidelity are to submit their retirement SF-52 to the CHR at least 90 days before their retirement date. (Note: Employees are recommended to consult with the CHR Benefits Specialist prior to initiating the retirement documents).

2) Complete and sign the designated TIAA retirement application and submit it to TIAA. Employees covered by TIAA are to submit their retirement application to TIAA at least 60 days before their retirement date. Employees covered by Fidelity are to submit their retirement application to TIAA at least 90 days before their retirement date.

3) Consult with the appropriate TIAA representative and complete all necessary documents to carry their health and/or life insurance benefits into retirement if they chose to do so. For retirees to carry and to pay their health and/or life insurance premiums in retirement, it is USU policy that the retiree must establish a proper annuity in the amount to cover the entire cost of the retiree's share of the health and life insurance premiums for the duration of their life. TIAA will provide an illustration estimate of the appropriate amount required to annuitize to cover the entire cost of the employee's health and/or life insurance premiums in retirement. The employee will have the option to either accept the TIAA calculation and execute the annuity or decline the annuity calculation and not carry their health and/or life insurance benefits into retirement. TIAA will not pay the cost of any USU retiree's health and/or life insurance premiums to the OPM or to the insurance company to continue their benefits when there are a lack of funds in the retiree's personal annuity account. For the purpose of retirement, it is required that all health and/or life insurance premiums be paid on behalf of government retirees by the OPM authorized Federal retirement system. Retirees are not permitted to make direct premium payments to OPM or to the insurance company for the continuation of their health and/or life insurance benefits in retirement.

4) For Fidelity employee participants who decide to retire and want to carry their FEHB and/or FEGLI into retirement, the employee, prior to retiring, must establish a TIAA annuity account in the proper amount to cover the entire cost of their share of the FEHB and/or FEGLI premiums for the duration of their life. If the employee decides not to

establish the TIAA account, he or she will not be able to carry their FEHB and/or FEGLI into retirement.

b. FEHB Continuation. FEHB enrollment may be continued into retirement without change in benefit or cost if the employee retires in accordance with the following:

1) Under an OPM authorized retirement system for Federal civilian employees;

2) On an immediate annuity; and

3) While continuously enrolled in a plan under the FEHB Program (or covered as a family member) during the five years of service immediately preceding retirement (if fewer than five years, all service since the employee's first opportunity to enroll.

c. FEGLI Continuation.

1) FEGLI may be continued into retirement provided that the employee retires on an immediate annuity and was covered under FEGLI for the entire period of eligibility or for the last five years of service before retirement.

2) Retirees under age 65 must continue to pay the same premium rate as active Federal employees for FEGLI coverage. At age 65, premiums will reduce in accordance with the level of coverage (e.g., 50% reduction or no reduction) for the basic life insurance that was chosen upon retirement by the employee.

3) Employees will pay the full cost of optional insurance until age 65. After age 65, no further withholdings will be required; however, the optional coverage will be reduced over time.

LONG TERM DISABILITY INSURANCE

1. Eligibility.

a. All civilian full-time salaried employees serving under AD appointments who are not covered under the CSRS or FERS will be mandatorily covered under the USU Disability Insurance Program, which is currently underwritten by Standard Insurance Company. Employees serving under appointments of less than one year, part-time employees, visiting foreign employees who carry H-1 and J-1 visas, faculty with the prefix "Visiting," Visiting Scientists, and Postdoctoral Fellows are excluded from coverage.

b. An AD employee who previously worked full-time and switched to a part-time work schedule and received a waiver to maintain their coverage from the President, USU or appropriate school or college Dean or Vice President may continue their disability coverage provided the employee works a minimum of 32 hours a week. Faculty who work less than 32 hours per week are ineligible for disability coverage.

2. Cost of Coverage.

a. The cost of the Disability Insurance Program is shared equally between the employee and the USU.

b. The premiums will be determined in accordance with the ages and salaries of the group and will be re-determined annually by Standard Insurance Company. Premium payments are withheld bi-weekly from employees' salaries.

c. Part-time faculty who are allowed to maintain their retirement coverage will continue to pay the full amount of the employee's share of the premium.

3. Total Disability Benefits.

a. After approval by Standard Insurance Company, disability benefits begin on the first day of the next month following 3 months of continuous disability, i.e., after faculty sick leave of 90 continuous days has been used.

b. The Monthly Income Benefit equals 60% of the monthly wage base not to exceed a benefit of $7000 per month, less the sum of benefits from other sources. (The maximum monthly benefit will increase as necessary to accommodate increases in the faculty pay and will be effective at the beginning of the plan anniversary date, November of each year.) In no event will the Monthly Income Benefit be less than $100.

c. The Monthly Annuity Premium Benefit will pay regular annuity premiums for TIAA or CREF retirement annuities. The amount of this benefit equals 15% of the employee's monthly salary. An employee who is covered by Fidelity will not receive this benefit unless he/she applies for a TIAA annuity. Monthly Annuity Premium Benefit payments will be made to the newly established TIAA retirement account. The employee can then follow the rules for transferability of retirement accounts.

d. The Monthly Income and Annuity Premium Benefits payable by TIAA during continuous disability will be increased by 3% compounded annually as long as each benefit continues to be payable. The first increase will take effect 12 months after the date TIAA benefits are first payable for a term of Total Disability. Future increases will take effect on the first day of the same month each year thereafter.

4. Effective Date of Coverage.

a. For employees assigned to USU after the first day of the month, disability insurance coverage will be effective on the first day of the following month. For employees who enter on duty on the first day of the month, the effective date for disability insurance will be the same as the date of hire.

b. In lieu of a waiting period, there is a one year exclusion for a preexisting condition.

5. Written Election.

a. A written election is required within 31 days after the date of eligibility. This written election will be made using Standard Insurance Company Enrollment and Change Form (SI 7533). Otherwise, proof of insurability will also be required by Standard Insurance Company.

6. Termination of Insurance.

a. Disability insurance coverage will terminate if active service is terminated, if contributions are discontinued, if an employee ceases to be eligible for coverage, or if the group's insurance policy is terminated. However, employees are eligible to convert to an individual direct pay policy with Standard Insurance Company.

7. Cessation of Benefits. Disability benefits will end when:

a. The employee is no longer totally disabled.

b. The employee attains one of the following age or time limits:

1) Age 65, if the employee is age 59 or younger when total disability begins.

2) Five years if the employee is age 60 to 64.

3) Age 70, if the employee is age 65 to 68.

4) One year, if the employee is age 69 or older.

c. Retirement from the USU after the disability payments begin will not affect continuation of payments for total disability.

LIFE INSURANCE COVERAGE

1. Federal Employees' Group Life Insurance (FEGLI)

a. Employee Coverage. All AD full-time and part-time salaried civilian employees of the USU serving under an appointment of more than 365 days automatically acquire Basic Life insurance coverage on their first day in a pay status unless, before the end of the first pay period, the employee files a completed SF-2817, "Election, Declination, or Waiver of Life Insurance Coverage," waiving insurance coverage, or unless such a waiver is in effect as a result of prior Federal employment. All employees who are covered under the Basic Life insurance and who have not previously declined the additional insurance coverage are eligible for the Standard, Additional, and Family options. This insurance is term insurance, has no cash value, and is unassignable.

b. Amount of Insurance

1) Basic Insurance. The amount of Basic Life insurance is based on salary and is determined by rounding up the annual base pay to the next higher thousand, plus $2000. For part-time employees, the annual base pay for life insurance purposes is the base pay applicable to the tour of duty in a 52 week work year. In addition, there is an added Extra Benefit which doubles the amount of life insurance payable if the employee is age 35 or younger. Beginning on the employee's 36th birthday, the Extra Benefit decreases 10% each year until, at age 45, there is no Extra Benefit. The amount of Basic Life insurance carried by an employee automatically changes whenever his/her annual pay is increased or decreased by an amount sufficient to raise or lower the annual salary to a different $1000 bracket. The USU pays for one-third of the cost of Basic Life insurance and the employee pays the remaining two-thirds. The cost to the employee is 15 cents biweekly for each $1000 of the Basic Insurance Amount.

2) Optional Insurance. An employee enrolled in Basic Life insurance coverage is eligible to elect three additional options. Optional insurance must be elected within 60 days of the employee's entrance on duty or of an event which allows enrollment.

a) Standard Life Insurance - Option A. The employee may enroll in this option for an additional $10,000 of life insurance. The biweekly premium is calculated based on the age of the employee. Additionally, the employee pays the full cost of this insurance.

b) Additional Life Insurance - Option B. The employee may elect Additional Life insurance in an amount equal to one, two, three, four, or five times his or her annual basic pay (after rounding to next $1000). The employee pays the full cost of this insurance.

c) Family Life Insurance - Option C. The employee may enroll in this option to cover eligible family members: $5,000 for a spouse, and $2,500 for each unmarried dependent child under 22 years of age. The employee pays the full cost of this insurance which is based on the employee's age.

c. Insurance Provisions

1) Accidental Death and Dismemberment benefits are features of the Basic Life and Standard Life Options and pay certain benefits for the loss of a hand, foot, eyesight, or for accidental death. Accidental Death and Dismemberment coverage stops at retirement and cannot be continued.

2) Terminations and Conversions

a) Leave of Absence. The FEGLI continues while an employee is on sick or annual leave. Enrollment continues without salary withholding for up to 365 days while in a non-pay status for any reason except a leave of absence for military duty of more than 30 days.

b) Separation from the Federal Government. If an employee leaves the Federal service, this insurance may be converted to an individual policy within 31 days of his/her separation date without medical examination or other evidence of good health.

c) Designation of Beneficiary. Upon the death of an employee, the FEGLI will be paid in accordance with a properly completed SF-2823, “Designation of Beneficiary” form. In the absence of a SF-2823, benefits will be paid in the following order of precedence:

(1) To the widow or widower.

(2) If neither of the above exist, to the child or children, with the share of any deceased child distributed among the descendants of that child.

(3) If none of the above exist, to the parents in equal shares or the entire amount to the surviving parent.

(4) If none of the above exist, to the authorized executor or administrator of the estate.

(5) If none of the above exist, to the other next of kin who are entitled under the laws of the state where you lived at the time of your death.

HEALTH INSURANCE

1. Coverage.

a. AD full-time and part-time salaried civilian employees serving under appointments of more than 365 days may elect coverage under the Federal Employees' Health Benefits Program (FEHB).

2. Types of Plans Available. The two basic types of health benefits plans available to employees under the FEHB Program are fee-for-service plans and prepaid plans.

a. Fee-for-Service Plans

1) These plans reimburse the employee or the health care provider for covered services. If enrolled in one of these plans, employees may choose their own physician, hospital, and other health care providers.

2) Fee-for-Service plans include the Service Benefit Plan administered by Blue Cross and Blue Shield and plans sponsored by unions and other employee organizations.

b. Prepaid Plans

1) These are the Comprehensive Medical Plans/Health Maintenance Organizations (CMP/HMOs) that provide or arrange for health care by designated plan physicians, hospitals, and other providers in particular locations. CMP/HMOs are either Group Practice Plans, Individual Practice Plans, or a combination of both. Group Practice Plans provide care through participating physicians who practice in their own offices.

2) Each CMP/HMO is open to all covered Federal employees who live within the plan's enrollment area.

3. Types of Enrollment.

a. Each plan has the following types of enrollment:

1) Self Only. This enrollment provides benefits only for the enrolled employee. An employee cannot elect self only coverage if already covered as a family member under a spouse's Federal plan.

2) Self Plus One. The enrollment provides benefits for the enrolled employee and one designated eligible family member.

3) Self and Family. The enrollment provides benefits for both the enrolled employee and his/her eligible family members.

4. Cost of Coverage. The cost of health benefits is divided between the employee and the employer, with the employee paying approximately 40% of the cost and USU paying the remainder. Employees appointed under the Federal Employees Part-time Career Act of 1978 are only entitled to an amount of Government contribution which is in direct proportion to the percentage of full-time service regularly performed, with the remainder to be paid by the employee.

5. Temporary Employees. Only temporary employees who have completed one year of current continuous employment, excluding any break in service of five days or less, are eligible to enroll in the FEHB program. There is no Government contribution. The employee must pay the full cost of FEHB coverage.

6. Registration. Every employee who becomes eligible to enroll for health benefits coverage must register their decision to enroll or not to enroll within 60 days after becoming eligible in the USU authorized benefits system. An employee who fails to enroll when eligible may not enroll until the next annual open season which occurs in November of each year.

7. Non-Pay Status. An enrollment continues for up to 12 months in a non-pay status unless the employee cancels the coverage. The employee is responsible for his/her share of the premium while in a non-pay status. Arrangements may be made with the Civilian Payroll Office for the direct remittance of payments or upon return to a pay status.

8. Termination of Employment. Upon termination of employment, an employee's coverage under the FEHB Program continues for an additional 31 days at no cost to the employee. During that period, employees have the option of continuing health insurance beyond the 31 days and shall pay the specified cost. The temporary continuation of coverage for a former employee may not exceed a date that is 18 months after the date of separation from service. The employee is responsible for paying 102% of the cost for the extended coverage.

LEAVE ADMINISTRATION

1. Annual Leave

a. Accruals

1) Annual leave for AD full-time employees accrue at the rate of 8 hours per pay period (26 days per calendar year) with the exception of Postdoctoral Fellows. Annual leave may be requested and used with the approval of the immediate supervisor. Requests for annual leave will be made through the USU authorized automated time attendance system. Annual leave for part-time employees will be prorated.

2) Annual leave for Postdoctoral Fellows is accrued at the rate of 6 hours per pay period for a maximum total of 19.5 days per calendar year.

b. Maximum Amount of Creditable Leave

1) The maximum amount of annual leave (except Postdoctoral Fellows) that a full-time employee may accumulate and carry forward from one leave year to the next is 240 hours. Any leave to the employee's credit at the end of the leave year which exceeds the maximum accumulation is forfeited.

2) Postdoctoral Fellows may not carry over any annual leave from one year to the next. Any unused annual leave to a Postdoctoral Fellow's credit at the end of the calendar year will be forfeited.

c. Separations. AD employees who separate from USU will **not** be paid for any unused annual leave nor will the annual leave transfer to another Federal agency.

d. Approval. Annual leave should be requested and approved in advance of an absence. Leave requests are to be made at least two workdays prior to the absence date. When it is not possible to obtain prior approval, the approving official may do so after the fact when the circumstances warrant. In all cases, the time and amount of annual leave granted is subject to the approval of the supervisor. There is no automatic entitlement to leave on the sole basis that an unforeseen circumstance in the employee's opinion requires his absence from duty.

e. Advanced Annual Leave

1) When circumstances warrant the use of annual leave in excess of the amount accrued, the employee may request from his or her supervisor, in writing, the advance of the amount of annual leave up to that which he or she would accumulate by the end of the current leave year. Requests for advanced leave will be coordinated by the department

supervisor and/or manager for approval by the Director, CHR, or designee. The supervisor must have reasonable assurance that the employee will be in a duty status long enough to earn and repay the advanced annual leave. Advanced annual leave which has not been repaid by the end of the leave year or the cost of the leave amount still to be repaid will be deducted from the employee's paycheck for the last pay period of the leave year.

2) In no case will annual leave be advanced in an amount that exceeds the amount of leave the employee would have accrued by the end of the leave year or would accrue during the tenure of his appointment, if less than a year.

2. Sick Leave

a. Accruals. Sick leave does not accrue for AD civilian employees. On the effective date of appointment, sick leave with pay in the amount of 720 hours (90 days) will be granted to AD full-time salaried civilian employees to use for illnesses or injuries of a short duration. Once an employee exhausts all of his or her granted sick leave and returns to or is in a duty status for greater than five consecutive days, the employee must request that the CHR restore 720 hours of sick leave to his or her account. Sick leave with pay may not exceed 90 calendar days at which time the employee may apply for disability benefits if they are still incapacitated. Sick leave for part-time employees will be prorated.

b. Transfer of Leave. Upon transfer to another Federal agency, no sick leave will be transferred since there is no sick leave earning policy for AD employees at the USU.

c. Use. Sick leave may be used for absences for the following reasons:

1) Medical, dental, or optical examination or treatment.

2) Incapacitation from the performance of duties resulting from sickness, injury, or pregnancy and confinement in connection with the pregnancy.

3) Family Care and bereavement purposes in accordance with established Federal and/or Office of Personnel Management (OPM) regulations and policies.

4) Substitution under the Family and Medical Leave Act (FMLA) in accordance with established Federal and/or OPM regulations and policies.

5) Adoption purposes in accordance with established Federal and/or OPM regulations and policies.

d. Approval. Sick leave for absences because of illness, injury, or other circumstances of incapacity, which could not be anticipated, must be requested by the employee from his or her supervisor as soon as possible after the beginning of the illness, normally within the first two hours after the start of the workday. The supervisor may determine what acceptable evidence of incapacity is.

e. Separations. AD employees who separate from USU will **not** be paid for any unused sick leave.

f. Other Leave. Other types of leave such as leave without pay, court leave, military leave, etc. are described in USU Instruction 1410, "Civilian Leave Administration," (*Reference (d)).*

g. Sabbatical Leave. Sabbatical leave is discussed in USU Instruction 1410 (*Reference (d)*).