



SOUTHWESTERN ADVENTIST UNIVERSITY

Knowledge. Faith. Service

FINANCIAL INFORMATION (E-1) Effective July 1, 2017 – June 30, 2018

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SECTION VIII
FINANCIAL INFORMATION
E-1 EMPLOYEE BENEFITS/POLICIES (Full Time Salaried)

Effective July 1, 2017-2018

Employee Classification

Full-time salaried employee with full benefits.

Address Changes/Name Changes/Family Status Changes

Employees shall notify the Human Resource Office of any address changes, phone # updates, or other family status changes within 30 days of the change. It is preferable for changes to be submitted as soon the change occurs, or prior to occurrence, if applicable. Employee benefits and coverages may be suspended or dropped by some of our carriers until Southwestern gives notice of the change/update.

Adoption Expense

Medical and legal expense incurred in the adoption of children by employees may be shared by Southwestern Adventist University at a rate of 80% of medical and legal expenses up to a maximum adoption allowance per child equivalent to the current monthly North American Division of Seventh-day Adventists Remuneration Factor upon completion of the adoption process. (2017-18 = \$4433)

Auto Insurance Requirement Levels

Employees or volunteers who are asked to drive their personal automobile on behalf of the University shall carry a minimum of \$250,000 per person/\$500,000 per occurrence limits of liability.

Background Check

A background check, including a credit check, is completed on all new employees.

Cafeteria Benefits

All faculty/staff members and their immediate families may purchase meals in the cafeteria and have the charges deducted from the employee's paycheck. (Per meal cost for the 2016-2017 school year is \$5.50 (M-F) B/L/S, discounted rate applies during the fall and spring terms only).

Conferences/Workshops/Professional Development

Requests to attend conferences, workshops, or other professional development should be requested and pre-approved by submitting a request online through: forms.swau.edu/hr/leave. Please see "Travel Expense Reports" sections of this document for reimbursement rates and details.

Direct Deposit

Payroll is received through direct deposit only. The Human Resources Office has forms available to update or change direct deposit accounts.

Employer Provided Basic Life

A. Southwestern provides active full time employees a survivor benefit, paid to the survivors of full-time denominational employees. The total amount is determined upon employee election. Plans include:

1. \$100,000 employee, \$50,000 spouse, \$10,000 per child*
2. \$50,000 employee, \$50,000 spouse, \$2,000 per child*
3. \$50,000 employee, \$2,000 spouse, \$2,000 per child

*Employee is responsible for tax on the premium for life insurance in excess of IRS allowed rates.

B. *One Benefit Per Death* - If the spouse or dependents are also serving as employees of the SDA denomination, only one benefit per death will be made. (Spouse and dependents are not “doubly” insured).

Family Medical Leave Act (FMLA)

FMLA leave is paid or unpaid job protected leave for specified medical and family reasons. FMLA is required for employee scheduled/unscheduled surgeries that require hospital stays, and outpatient surgeries that require/may require more than 1 day recovery time out of the workplace.

To be eligible for Family and Medical Leave, an employee must have:

- been employed by the University for at least a total of 12 months; and
- worked at least 1,250 hours in the 12 months immediately preceding the start of the leave. (For employees granted military leave, all hours that would have been worked had the employee not been ordered to military duty are included for the purpose of calculating the 1,250 hours of actual work.)

An eligible employee may take unpaid Family and Medical Leave of up to a total of twelve (12) workweeks in a calendar year (or, for Military Caregiver Leaves, for a period of up to twenty-six (26) workweeks in a single 12-month period)

Employees use of FMLA may include the employee’s serious health condition, or the care for, by the employee, an immediate family member’s serious health condition.

Please notify the Human Resource office for any medical leave/FMLA. This notice may be made verbally or may be emailed at least 30 days prior to scheduled medical leave. If not possible to provide 30 days’ notice, then “as soon as practicable” prior to any leave that may constitute FMLA leave (this includes pregnancies, surgeries, other medical complications that necessitate

more than 2 days out of office). If employee is unable to make notice to the HR office, please have a designated person contact the HR office to give notice as soon as possible.

Funeral/Bereavement Leave

In the event of a death in an employee's immediate family (parents, parent-in laws, spouse, child, siblings), full-time employees will be paid up to three work days for the purpose of attending the funeral and the handling of personal affairs. Any additional funeral leave may be without pay or may be deducted from vacation time.

Health Care Assistance Plan Eligibility

A. Who is eligible*?

1. Employees who are classified as regular, full-time employees.
2. Unemployed spouse of a regular, full-time employee.
3. An employed spouse of an eligible employee who meets both the following criteria:
 - a. Is not eligible for health care assistance through their employer*, and
 - b. Has current employment income which, for any given twelve-month period, would be less than \$38,000.

*Eligibility may be granted for spousal coverage if employed spouse is part-time, annual compensation is less than \$38,000, and employer insurance being offered is only partial coverage, please see HR Director for more details.

4. A child who was born to or legally adopted by the regular, full-time employee and:
 - a. Is less than 26 years of age, *and*
 - b. does not have access to health care coverage through his/her own employer or the employer of his/her spouse if married.

*If the spouse is employed by an employer who is covered by the HCAP, the birthday rule applies for dependent coverage, please see the HR Director for more details.

B. Who is *not* eligible?

1. A spouse who earns \$38,000 or more.
2. A full-time employed spouse who is eligible to receive health care benefits through his/her employer.
3. A child who turns 26 years of age.

C. Definition - Spouse Annualized Remuneration

The spouse annualized remuneration is the current remuneration status of the spouse, as demonstrated by the amount received for past services and/or the amount expected to be received for future services. The calculation is based on the twelve-month period that best illustrates the normal employment situation of the spouse. However, the spouse earnings test does not apply in the following cases:

1. A spouse who has terminated employment with no intention of taking new employment for at least one year.
2. An employee's spouse who, because the employee accepted a transfer that requires a move, has discontinued employment and is no longer eligible for health care assistance from the former employer. (This spouse shall continue to be eligible until taking up new employment at the new place of residence and earns more, on an annualized basis, than \$38,000.)

D. Waiting period

A waiting period of 90 (ninety) days is required for new employees who were not previously employed by an NAD denominational institution and covered by the NAD HCAP immediately prior to taking up employment at Southwestern Adventist University. The 90 days waiting period also applies to employees who were not previously eligible for healthcare benefits.

E. Employee Medical Premiums (effective Jan 1, 2017*)

Employee:	\$30/pay period
Employee & Child	\$55/pay period
Employee & Spouse:	\$90/pay period
Employee & Children:	\$90/pay period
Employee & Family:	\$116/pay period

*subject to change with notification

Holidays

The following days are granted as holidays for the 2017-2018 year:

July 4, 2017	Independence Day (1)
September 4, 2017	Labor Day (1)
October 13, 2017	Fall Holiday (.5)
Nov. 23 & 24, 2017	Thanksgiving/Friday (1.5)
Dec 22 & Dec. 25&26, 2017	Christmas (2.5)
Jan. 1, 2018	New Year's Day (observed) (1)
January 15, 2018	Martin Luther King, Jr. Day (1)
May 28, 2018	Memorial Day (1)
Plus one day of choice	

If school is in session during any of the above listed days, this does not apply to instructors.

Jury Duty

Regular full-time employees who are called to serve on jury duty will notify the director of their department and HR. Employees may retain the standard jury fee even though they are paid their regular wages by Southwestern.

Long-term Disability (LTD)

All regular full time employees of Southwestern Adventist University (an NAD higher-ed institution) are covered under an employer provided LTD plan. In the event you become disabled* and remain so throughout the 90-day elimination period, LTD will replace your lost income at 66.67% to a maximum of \$6,000 per month. Your benefit may be reduced by any deductible sources of income and some disabilities may not be covered or have limited coverage under the policy. *Plan Document may be found at:*

http://www.adventistrisk.org/SiteMedia/SiteResources/pdfs/b13813_noncola.pdf

*As determined by VOYA disability requirements. Please contact your Human Resources Office for disability requirements and maximum period of payment restrictions and guidelines.

Moving Allowance

Southwestern Adventist University may offer moving assistance to new employees who are moving from another location.

- A. Employees who wish to move their own belongings may do so with a flat rate moving allowance. This amount is predetermined by the VP for Financial Administration and the Human Resources Director. This flat rate covers all moving expenses (mileage, per diems, lodging, etc., taxable income may apply).
- B. Employees who wish to use a moving service may contact Southwestern to obtain moving service quotes and Southwestern may grant an amount to cover freight or van charges and insurance up to a maximum established by the employer as follows:
 - 10,000 lbs - Employee
 - 7,000 lbs - Spouse
 - 1,200 lbs - Each child

Anything above these amounts will be the expense of the employee.

- C. In addition, a flat amount to cover packing, telephone installation charges, and other moving costs may be allowed as follows:
 - \$400.00 - Employee
 - \$600.00 - If spouse is also employed by Southwestern Adventist University on a full-time basis
- D. Travel expense in connection with moving will be reimbursed as follows:
 - 1. Actual hotel or motel expense for the employee and his/her immediate family (travel time for meal and motel allowance based on an average of 500 miles travel per day).

- 2.* Actual fare on public transportation or the current mileage rate as set by the University per direct mile to the University for the first car and 60% of the full mileage rate for the second car. Additional cars would receive no reimbursement.
3. A per diem allowance will be given at the current rate:

Two or more meals	-	Full per diem (\$50.00)
One meal	-	Half per diem (\$25.00)
Employee & spouse	-	One-and-one-half times single per diem (\$72.00)
Each dependent child	-	Half per diem (\$25.00)

*See "Travel Reports" for rates.

- E. Any Seventh-day Adventist organization calling an employee who has rendered less than two full years of service to Southwestern Adventist University shall make 100% reimbursement to the University for the employee's move. If the employee has rendered more than two, but less than three, full years of service, the reimbursement shall be 50%, and for less than four years, 25%. Any exception to this may be worked out on the administrative level.

The same policy applies if an employee chooses to withdraw from Southwestern Adventist University employment.

Retirement Plan

The Retirement Plans (403b) are administered by the North American Division of Seventh-day Adventists. For more information, refer to the *Adventist Retirement Summary Plan Description*. Southwestern contributes 5% (in addition) of an employee's salary and provides an equal match up to an additional 3% with the employee's contribution up to 3%. After September 1, 2017, all new employees are defaulted to a 3% employee contribution. Changes may be made to this 3% defaulted rate by the employee on the Empower website. <https://participant.empower-retirement.com/participant/#/login>

Salary

The first fiscal year payroll will be issued on July 7, 2017. Salaries for academic appointees are determined in accordance with and endorsed by Southwestern Adventist University Board of Trustees. The basic salary rate of instructional personnel depends upon academic rank, education, years of service in the teaching profession, and other experience.

Checks for salaried personnel amounting to 1/26th of their annual salary are issued every other Friday. The payroll period of each check is the two-week period ending on the Saturday following the Friday that they receive their checks.

Payroll direct deposit will include the regular salary and reimbursable travel expense/s. Items deducted each pay period will be FICA and Withholding Tax (if applicable), voluntary retirement contributions, advances for travel, supplemental insurance premiums, cafeteria charges, etc.

All travel expense reports **must** be turned in to the Human Resources office no later than Monday, prior to 5 pm, preceding each pay day.

Sick Leave Policy

Sick Leave reporting for 2017-18 should be made online at forms.swau.edu/hr/leave.

A. Basis for Sick Leave

Sick leave time credit will be accrued for each full-time employee at a rate of one day for each month of full pay while an employee of Southwestern Adventist University, and may be accumulated up to a maximum of three months/90 days. A waiting period of 90 (ninety) days is required to use sick leave, accrual begins with employment start date.

B. Granting of Sick Leave

Sick leave time which stands to an employee's credit may be granted when the employee:

1. Is incapacitated for performance of duties by sickness, injury, or pregnancy and confinement.
2. Receives medical, dental, or optical examination or treatment.
3. Would jeopardize the health of others by his/her presence at his/her post of duty because of exposure to a highly contagious disease as defined by public health regulations.

When an employee needs to use time from their accrued sick leave the employee must contact their direct supervisor, and for record keeping purposes, submit notification via the online form at forms.swau.edu/hr/leave.

C. Transferability of Sick Leave

If an employee is transferred to Southwestern Adventist University from another Seventh-day Adventist institution, the cumulative sick leave is not brought to Southwestern Adventist University unless the institution the employee is leaving makes financial arrangements with Southwestern. This should be negotiated at the time of employment.

D. Not Convertible to Paid Leave

Unused sick leave shall not be convertible to paid leave or considered as credit payable at the termination of employment.

Travel Expense Reports

Requests to attend conferences, workshops, or other professional development should be requested and pre-approved by submitting a request through forms.swau.edu/hr/leave.

Expense reports may be obtained from the HR/Business Office or may be found online at silk.swau.edu.

Travel expenses incurred by faculty and staff members are to be authorized by the department chairman or supervisor of the department and will be reimbursed on the following basis:

- A. Actual cost of public transportation and/or the current mileage rate (whichever is less) as set by the University for automobile travel, plus road tolls and parking expense. Approval for any travel must be made well in advance with the appropriate administrator.
- B. Actual cost of lodging (please arrange for economical accommodations)
- C. Per diems may be submitted *after* travel has occurred. Per diem allowance and mileage is paid at the following rates. **Please note that per diem is only paid if an overnight stay is involved in the travel. (Receipts required for actual meal expenses when travel does not include an overnight stay)**

Full per diem (two or more meals)	\$50.00 per day
Half per diem (one meal)	\$25.00 per day
Fully entertained (all 3 meals)	\$17.00 per day
(If all meals are provided, i.e. by conference or other)	
Employee & spouse (prior authorization)	\$75.00 per day
Employee & spouse - fully entertained	\$25.00 per day
Mileage rate	\$.42 per mile

- D. Registration fees.

An itemized report, with receipted bills for lodging, registration fees, and transportation tickets, is required before reimbursement will be made. The department chairperson must sign the travel expense report. This report should be submitted to the HR office before Tuesday, noon, preceding each pay day.

Travel advances for approved travel may be given when necessary. These expenses should be for advance amounts of over \$200 and check requests must be made at least 24 hours in advance. Please contact the HR or VP for Finance office for approval.

All travel expense reports must be turned in to the Human Resources office no later than Monday, prior to 5 pm, preceding each pay day.

All travel related expenses should be requested on the travel expense report.

Tuition (Southwestern) Allowance

A full-time faculty/staff member may enroll at Southwestern for one (1) free course up to four (4) hours per semester (fall, spring, and summer). Employee's free course may be "gifted" to employee's spouse or dependent* (dependent's use of this course may be used in lieu of tuition assistance) Approval should be obtained from employee's department chairperson and the financial vice president. This allowance may apply to a class taken through the Adult Degree Program, but the employee must pay the teacher stipend.

*See definition of dependent under Section D on next page.

Tuition Assistance for Dependent Children

- A. Employees are encouraged to support the Church's philosophy of Christian education by enrolling their children in Seventh-day Adventist schools for the purpose of perpetuating the practice of Seventh-day Adventist beliefs and teachings, enlarging the reservoir of future church employees and lay church leaders, providing a positive example and reducing the possibility that the children adopt a lifestyle that is not in harmony with the teachings of the Church.
- B. Because employees are encouraged to send their children to Seventh-day Adventist schools, employing organizations provide assistance on the tuition expense for dependent children, of permanent full-time salaried denominational employees, who are enrolled on the elementary, secondary/academy, or liberal arts university levels, or technical or professional schools on the undergraduate level.

Tuition assistance is reimbursed at 70% for dorm students and 35% for non-dorm students of tuition and registration fees*.

Tuition assistance for academy students will be granted only to those students who attend Seventh-day Adventist academies within the Southwestern Union.

- C. Higher education tuition assistance for dependent children who attend Southwestern Adventist University is granted for up to 4 years of undergraduate study. Additional semesters may also be granted up to an additional two semesters or three quarters for valid undergraduate programs that require a fifth year for graduation.

*Higher Education tuition assistance for dependent children who choose to participate in the Adventist College Abroad program or attend a North America Division college or University *other than Southwestern, will be granted a **combined total of two years from the following:***

1. Adventist Colleges Abroad (ACA) - paid at 70% of the lower of Southwestern's tuition rate or the ACA institution's rate (includes ACA institution's registration, tuition rate) **for a maximum of one year.**
2. Any North American Division SDA College or University paid at 35% (70% if dorm) of tuition and registration fees at the lower of Southwestern's tuition rate or the other NAD SDA College or University. Additional years may be approved

if the major is not offered at Southwestern Adventist University. (Prior approval is required.)

- D. To be eligible for dependent, tuition assistance, the student must:
1. Be an unmarried IRS dependent of the employee and reside with employee.
 2. Be less than 24 years of age.
 3. Have completed less than four years of full-time undergraduate study or the equivalent thereof.
 4. Be a full-time undergraduate student.
 5. Have been born to, or legally adopted by, the regular, full-time employee.

Vacation

Vacation requests for 2017-18 year should be made online at: forms.swau.edu/hr/leave.
Vacation time is granted on the following basis per year of full-time denominational service:

During the first five years of denominational service.....	10 days per year
During the next five-year period (to 10 years).....	15 days per year
After ten years of denominational service	20 days per year

Employee must have worked 90 days before any accrued vacation time may be taken. Vacation time **may not be deferred into the next fiscal year**. All salaried employees must take vacation time in the fiscal year it is earned.

Workmen's Compensation

All employees are covered by Workmen's Compensation Insurance. Any injury which is suffered in connection with assigned work should be reported to the department head immediately and to the assistant financial vice president within a 24-hour period where the proper claim forms can be completed. The Workmen's Comp insurance covers medical bills related to the injury and may also cover a portion of the salary if the employee is unable to work.