

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: Human Resources

NUMBER: 02.C.01

AREA: Fringe Benefits

SUBJECT: Employee Benefits Program

1. PURPOSE

- 1.1. The University of Houston System provides a number of standard benefits programs for eligible employees including: group insurance covering health, dental, disability, life, and pre-tax reimbursement accounts for health care and dependent care, retirement programs, paid holidays, paid and unpaid leave, staff development & training under the [State Employees Training Act](#), longevity pay, hazardous duty pay, unemployment compensation insurance, workers' compensation insurance, and Social Security. This administrative memorandum presents a general description of these programs, and references the specific administrative memorandum which contains detailed policies and guidelines on each program.
- 1.2. Each component university human resources department shall develop and provide to its employees policies and procedures that comply with this administrative memorandum, including the administrative memoranda referenced herein. Component university human resources departments should also identify any other benefits available at the respective component university, e.g., discounts at the bookstore, athletic/cultural events ticket discounts, use of exercise facilities, etc.

2. POLICY

- 2.1. Standard employee benefits programs are developed and administered in accordance with the rules and regulations of the [Employees Retirement System of Texas](#), the [Texas Higher Education Coordinating Board](#) and other applicable state and federal laws and regulations. The Office of the Executive Vice Chancellor for Administration and Finance, in conjunction with the component university human resources departments, are responsible for planning and developing these programs, subject to the approval of the Chancellor's Executive Committee and the Board of Regents. Component university human resources departments are responsible for administration of most standard benefits programs.

- 2.2. It is the policy of the System that employee eligibility, premium sharing, and other aspects of benefits programs shall be uniform and consistent throughout all component universities and shall be in accordance with provisions of the [General Appropriations Act](#), the regulations of the [Coordinating Board](#) and other applicable state and federal agencies.
- 2.3. For the purpose of this policy statement, a regular employee is defined as one who is employed to work at least 20 hours per week for a period of at least 4.5 continuous months, or a full semester or more than four (4) months, excluding students employed in positions which require student status as a condition of employment.

3. GROUP INSURANCE

- 3.1. All regular employees are eligible to receive coverage for themselves and eligible family members in the group insurance program under the [Group Benefits Program](#) (GBP), administered through the Employees Retirement System (ERS). The program provides coverage for basic health and life as well as the employee elections for dependent coverage and optional life, AD&D, dental, long and short-term disability, pre-tax premiums, and pre-tax reimbursement accounts for health care and dependent care.
- 3.2. Eligible full time employees are automatically enrolled in basic plan coverage for themselves on the first day of the month following their 90th day of employment. The State credit is applied and pays the premium cost for basic plan coverage. Eligible employees that are less than full time are required to pay the designated premium for health coverage and must complete an enrollment form within the required enrollment period according to ERS regulations. Dependent enrollment must also be completed within the required ERS enrollment period.
- 3.3. An employee may elect optional coverages to become effective on the first day of employment by completing and submitting the enrollment forms to the component university human resources department on or before the first day of employment. Otherwise, the employee may submit completed forms for optional coverage to become effective on the first day of the following month. Completed forms for enrollment in optional coverage must be received by the component university human resources department within the first 30 days of employment in order to become effective on the first day of the following month.
- 3.4. Insurance coverage requested through completed forms for enrollment for optional coverage received by the component university human resources department after the first 30 days following the effective date of employment will be subject to approval by the insurance company through the evidence of insurability process, and cannot become effective until approval is granted by the insurance company.

Booklets and brochures that contain detailed information regarding coverage and premium costs may be obtained in the component university human resources department and the ERS Web site at www.ers.state.tx.us.

4. RETIREMENT

- 4.1. A regular employee is required, as condition of employment, to be a member of the Teacher Retirement System (TRS) or the Optional Retirement System (ORP). All regular employees are eligible to participate in TRS, but only employees holding certain positions are eligible to participate in ORP. System Administrative Memorandum [02.C.05, Mandatory Retirement Programs](#), contains detailed information regarding TRS, and detailed information regarding ORP.
- 4.2. A State contribution is made through the System toward the employee's retirement plan (TRS or ORP), based on a percentage of the employee's gross salary. The employee is also required to contribute a specific percentage of his or her gross salary toward the retirement plan. The percentage rate for the State contribution and the rate for the employee contribution are set by the State Legislature. The employee's contribution is tax-deferred.
- 4.3. A regular employee may also participate in supplemental retirement plans, with no contribution from the State or System, through the State's Deferred Compensation program (457) and/or the Tax Deferred Annuity (TDA) program and/or the Roth 403 (b) program. For more detailed information on these programs, refer to System Administrative Memorandum [02.C.02, Supplemental Retirement Programs](#).

5. PAID HOLIDAYS

Regular employees are eligible for certain paid legal holidays authorized by the State Legislature. The schedule of specific holidays to be observed by employees of a component university is established by the System Board of Regents on recommendation of the Chancellor, based on recommendation by the component university presidents. System Administrative Memorandum [02.E.03, Holidays](#), contains detailed information regarding paid holidays.

6. PAID LEAVE

The System provides paid leave for regular employees in accordance with State and federal guidelines. The following listed System Administrative Memoranda contain detailed information regarding such leave:

Annual Leave (Vacation) – AM No. [02.D.01](#)
Bereavement (Emergency) – AM No. [02.D.04](#)
Expert Witness Leave – AM No. [02.D.07](#)
Extended Sick Leave – AM No. [02.D.01](#)
Foster Parent Leave – AM No. [02.D.04](#)
Jury Duty Leave – AM No. [02.D.04](#)
Leave for Certified American Red Cross Training – AM No. [02.D.04](#)
Leave for Training Program for Employees who are Blind – AM No. [02.D.04](#)
Leave for Volunteer Firefighter Training – AM No. [02.D.04](#)
Military Leave – AM No. [02.D.05](#)
National Guard Duty Leave – AM No. [02.D.04](#)
Outstanding Performance Leave – AM No. [02.D.04](#)
Sick Leave – AM No. [02.D.01](#)
Sick Leave Pool – AM No. [02.D.02](#)

7. UNPAID LEAVE

The System provides unpaid leave for regular employees in accordance with State and federal regulations. The following listed System Administrative Memoranda contain detailed information regarding such leave:

Leave Without Pay – AM No. [02.D.03](#)
Family Medical Leave – AM No. [02.D.06](#)

8. STAFF DEVELOPMENT AND TRAINING

The System provides staff development and training benefits to all regular employees under the [State Employees Training Act](#). System provisions allow regular employees to be absent from work with pay for certain pre-approved training for up to three (3) hours per calendar week. In addition, individual departments may pay for the training of regular employees for specific job-related reasons. Training may be provided by the System, its component universities or external entities. Specific guidelines must be met. For more information concerning staff development and training, refer to AM No. [02.A.26 – Employee Development and Training](#).

9. LONGEVITY PAY & HAZARDOUS DUTY PAY

The State of Texas provides longevity pay and hazardous pay for each regular full-time, non-academic employee in accordance with the [State Government Code](#). Detailed information pertaining to longevity and hazardous pay may be obtained from the component university human resources department.

10. UNEMPLOYMENT COMPENSATION

All faculty and staff are covered by the [Texas Unemployment Compensation Act](#) and may be eligible for weekly benefit payments during a period of unemployment. The [Texas Workforce Commission](#) determines if a former employee is eligible for unemployment compensation. The cost of unemployment compensation insurance is paid by the System and no deductions are made from employee pay for this purpose.

11. WORKERS' COMPENSATION

All System employees paid through the payroll system are eligible, under the provisions of the [Texas Workers' Compensation Act](#), to receive monetary compensation and medical coverage for job-related injuries or illnesses in the event of injury, illness, or death while performing services for the System. Detailed information pertaining to workers' compensation may be found in AM No. [01.C.03, Reporting Work-Related Injuries and Illnesses](#), or by contacting the component university human resources representative or safety official.

12. SOCIAL SECURITY

As an employer, the University of Houston System complies with the relevant provisions of the [Social Security Act](#). All employees are required to participate in the federal Social Security program as a condition of employment.

13. REVIEW AND RESPONSIBILITIES

Responsible Party: Associate Vice Chancellor for Finance

Review: Every five years, on or before March 1

14. APPROVAL

Approved: Carl P. Carlucci
Executive Vice Chancellor for Administration and Finance

Renu Khator
Chancellor

Date: June 9, 2009