

**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: retirement programs, paid holidays, paid and unpaid leave, staff development & training under the State Employees Training Act, longevity pay, unemployment compensation insurance, workers' compensation insurance, and group insurance covering health, dental, disability, life, and pre-tax reimbursement accounts for health care and dependent care. 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 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 Human Resources Departments should also identify any other benefits available at the respective component, 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 Texas Higher Education Coordinating Board and other applicable State and federal laws and regulations. The Office of the Vice Chancellor for Administration and Finance, in conjunction with the Systemwide Fringe Benefits Committee, is responsible for planning and developing these programs, subject to the approval of the Chancellor's Executive Committee and the Board of Regents. The Systemwide Fringe Benefits Committee is comprised of representatives from all components who are appointed by the chief executive officer of each component. The Chancellor appoints the retiree representative on the committee. Component human resource departments are responsible for administration of most standard benefits programs.

- 2.2. It is the policy of the University of Houston System that employee eligibility, premium sharing, and other aspects of benefits programs shall be uniform and consistent throughout all components of the University of Houston System and shall be in accordance with provisions of the Appropriations Act, and 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. RETIREMENT

- 3.1. 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 the ORP. Administrative Memorandum No. 02.C.07 contains detailed information regarding TRS, and Administrative Memorandum No. 02.C.05 contains detailed information regarding ORP.
- 3.2. A State contribution is made through the University 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.
- 3.3. A regular employee may also participate in supplemental retirement plans, with no contribution from the State or University, through the State's Deferred Compensation Program and/or the University's Tax Deferred Annuity (TDA) Program. For more detailed information on these programs, refer to Administrative Memorandum No. 02.C.06, Deferred Compensation Program and Administrative Memorandum No. 02.C.04, Tax Deferred Annuity Program.

4. PAID HOLIDAYS

- 4.1. 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 of the System is established by the UHS Board of Regents on recommendation of the Chancellor, based on recommendation by the component Presidents. Administrative Memorandum No. 02.E.03 contains detailed information regarding paid holidays.

5. PAID LEAVE

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

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

6. UNPAID LEAVE

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

Leave Without Pay – A.M. No. 02.D.03
Family Medical Leave – A.M. No. 02.D.06

7. STAFF DEVELOPMENT AND TRAINING

- 7.1. The UHS provides staff development and training benefits to all regular employees under the State Employees Training Act. UHS 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 University or external entities. Specific guidelines must be met. For more information concerning staff development and training, refer to A.M. No. 02.A.26 – Employee Development and Training.

8. LONGEVITY PAY

8.1. The State of Texas provides longevity pay for each regular full-time, non-academic employee, beginning after five (5) years of State service, in the maximum amount of \$4 per month for each year of service as an employee of the State up to and including 25 years of service (\$20 per month after five years, and an additional \$20 per month for each additional increment of 5 years through 25 years). Detailed information pertaining to longevity pay may be obtained from the component Human Resources Department.

9. UNEMPLOYMENT COMPENSATION

9.1. 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 Employment Commission determines if a former employee is eligible for unemployment compensation. The cost of unemployment compensation insurance is paid by the University and no deductions are made from employee pay for this purpose.

10. WORKERS' COMPENSATION

10.1. All UHS employees paid through the UHS 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 A.M. No. 01.C.03, Reporting Workers' Compensation Accidents, or by contacting the component Human Resources Representative or safety official.

11. GROUP INSURANCE

11.1. All regular employees are eligible to receive coverage for themselves and eligible family members in the group insurance program under the Texas Uniform Group Insurance Program (UGIP), administered through the Employees Retirement System (ERS). The program provides coverage for basic and optional health and life/AD&D benefits, as well as optional dental, long and short-term disability, pre-tax premiums, and pre-tax reimbursement accounts for health care and dependent care. Administrative Memorandum No. 02.C.03 contains detailed information regarding group insurance.

12. REVIEW AND RESPONSIBILITIES

Responsible Party: Vice Chancellor for Administration and Finance

Review: Odd numbered years on or before August 31

13. APPROVAL

Approved: William P. Hobby
Chancellor

Date: January 25, 1996

14. INDEXING TERMS

Benefits