

## **a warm welcome**

Congratulations on your new position with The University of Memphis. We welcome you as an important member of the University community.

### **Employment**

As you begin your employment, there are several items you should address as soon as possible. On or before your first day of employment, you should complete an I-9 form, a W-4 form, a direct deposit form, and sign your employment contract. In addition, you should have an identification card made, set up a computer account, and schedule a benefits orientation session. We will assist in this process.

### **Benefits**

The employee benefits you receive as an employee of The University of Memphis are a vital part of your total compensation package. It is important that you are familiar with and take advantage of the benefits that meet your needs. Health insurance is available to full-time employees scheduled to work at least 30 hours per week. The University pays 80% of your health insurance premium. The health, life, and dental programs are a part of the State of Tennessee group insurance program and are administered by Benefits Administration. Unless otherwise specified all employees will enroll in a retirement plan with The University of Memphis. The University pays all retirement contributions for you. Information regarding retirement and health and life insurance is included in this packet.

### **New Employee Orientation**

Please review this benefits packet and bring it with you to orientation. Also, be prepared to complete enrollment forms at that time. If you need to discuss insurance, retirement, or other benefits with your family or others, please do so before your scheduled orientation. ***You will need birth dates and social security numbers of eligible dependents you plan to insure. In addition, the same information will be needed for beneficiaries.***

We hope your employment with The University of Memphis will be rewarding and enjoyable. If you have any questions or need additional information, please contact Employee Benefits at 678-3573 or visit our web site at [bf.memphis.edu/hr/benefits](http://bf.memphis.edu/hr/benefits).

# Retirement

Regular, full-time employees of The University of Memphis will enroll in a state-supported, non-contributory retirement system. **The University pays all retirement contributions; you pay nothing.** Regular part-time employees are eligible for retirement membership, but membership is not mandatory. **Employees who are non-US citizens on F-1 or J-1 visas are not eligible for retirement membership.** As soon as you gain H-1 visa status or become a permanent resident, you must contact Employee Benefits to enroll.

The University of Memphis offers two retirement programs, the Tennessee Consolidated Retirement System (TCRS), a defined benefit plan, and the Optional Retirement Program (ORP), a defined contribution plan. Employees paid on an hourly or bi-weekly basis will be enrolled in the Tennessee Consolidated Retirement System (TCRS). Regular academic, executive, and administrative employees of the TBR institutions shall have the option of becoming a member of either TCRS or the ORP. **If you elect to enroll in the ORP, after 5 years of service you will have a one time opportunity to buy service and transfer to TCRS. If, upon employment, you elect to enroll in TCRS, you may transfer to the ORP anytime.** Please see the following pages for a comparison of Optional Retirement Program and the Tennessee Consolidated Retirement System.

- **TN Consolidated Retirement System** is a defined benefit plan. Higher education employees participating in TCRS are **vested after 5 years** of service. Employees who are members of TCRS are eligible to retire at age 60 with at least 5 years of service or upon completion of 30 years of service, regardless of age. A member with 5 years of service may retire at age 55 with reduced benefits. Vested members may also establish credit in TCRS for up to 4 years of eligible military service. At retirement, unused sick leave may be converted to retirement service credit at the rate of one month of service credit for each 20 days of leave.
- **Optional Retirement Program** is a defined contribution plan authorized by the State's statutes on retirement. The **member makes no contributions** to the plan. The **employer contributes 10% of gross salary up to Social Security Wage Base** and 11% of salary in excess of the Social Security Wage Base. All contributions made to the plan are **100% vested from the date of contribution.** Employees who participate in the ORP may direct employer contributions made on their behalf to one or more of the companies designated to provide annuity contracts under the State's ORP. These companies are ING, TIAA-CREF, and AIG-VALIC. Once funds are on deposit, the participant may move funds among the investment accounts offered under the company's annuity contract, subject to restrictions of the contract. An employee may request assistance from one or more ORP representative(s) listed below. Information packets for each of the ORP companies are attached to your notebook.

**AIG-VALIC (901) 755-9277 Scot Brothers or 1-800-448-2542**  
**ING (901) 496-2741 Calvin Reid or 1-800-262-3862**  
**TIAA-CREF 1-800-842-2888**

Web sites:  
TCRS: [www.treasury.state.tn.us/tcrs](http://www.treasury.state.tn.us/tcrs)  
ORP: [www.treasury.state.tn.us/orp](http://www.treasury.state.tn.us/orp)

## Comparison of Optional Retirement Program (ORP) And the Tennessee Consolidated Retirement System (TCRS)

FEATURE	TCRS	ORP
<b>Contributions</b>	The member makes no contributions to the plan. The employer pays both the employee and employer costs for funding the benefits.	The member makes no contributions to the plan. The employer contributes 10% of gross salary up to Social Security Wage Base and 11% of salary in excess of the Social Security Wage Base.
<b>Vesting</b>	Higher education employees participating in TCRS are vested after 5 years of service.	All contributions made to the plan are 100% vested from the date of contribution.
<b>Creditable Service</b>	Members may earn service credit in TCRS for service with the State of Tennessee, the public school systems in Tennessee, or over 300 political subdivisions in Tennessee, which have elected to participate. Vested members may also establish credit in TCRS for up to 4 years of eligible military service. At retirement, unused sick leave may be converted to retirement service credit at the rate of one month of service credit for each 20 days of leave.	Benefits are based on the member's account balance rather than on service. Contributions are credited to the member's account during service to a Tennessee higher education institution while a member of the ORP.
<b>Retirement Benefits</b>	TCRS retirement benefits are computed under a formula which uses the average of the member's highest five consecutive years of salary (while a member of TCRS) and the years of service credited in TCRS. Members are eligible for unreduced benefits upon attaining age 60 or 30 years of service. Reduced benefits are available upon attaining age 55 or 25 years of service.	ORP benefits are based on the member's account balance and the member's age at the time benefits begin. Members are eligible to begin drawing benefits at any age if separation from service has occurred.
<b>Disability Benefits</b>	Accidental disability retirement benefits are available immediately if a member is injured on the job. Ordinary disability retirement benefits are available to members with 5 years of creditable service, regardless of where the member is employed at the time the disability occurs.	Upon disability retirement or upon termination of employment for any reason, the member may request an annuity settlement or lifetime distribution payout. Members receiving social security disability benefits may also elect a partial lump-sum payment from their account of up to \$16,000 per year (as indexed).
<b>Cost of Living Adjustment</b>	TCRS retirement benefits are payable in the form of a fixed annuity. Compounded adjustments in benefits to reflect increases in the Consumer Price Index (CPI) of up to 3% are made annually.	There are no automatic cost-of-living adjustments in most ORP payment options; however, the benefit payable under a variable annuity may fluctuate up or down depending on market conditions.

FEATURE	TCRS	ORP
<b>Payout Methods</b>	<b>Vested members are eligible to select a single life annuity or one of several joint and survivor annuities at retirement.</b> No refunds of contributions are provided for members who joined after July 1, 1981.	Members are eligible to select a single life annuity, a joint and survivor annuity, periodic payments for their life expectancy, or a minimum distribution payout beginning at age 70 1/2, subject to the offerings of the product provider the member selects. <b>Members whose Tennessee ORP accounts total less than \$13,000 for 2009 may file a Lifetime Distribution Exception form to qualify for a lump-sum payment.</b> In addition, any member who is beginning a lifetime payment plan may elect to receive a partial lump-sum payment of up to 50 percent of the account balance at the time the lifetime payout or annuity payment begins.
<b>Death Benefits Before Retirement</b>	The beneficiary of a TCRS member who dies before retirement may be eligible for one of the following benefits: (1) if the member is eligible to retire, TCRS will provide a survivor annuity to a surviving beneficiary upon the member's death before retirement; or (2) if the member has at least 10 years creditable service, the surviving spouse is eligible for a 100% joint and survivor annuity if the spouse is named as beneficiary; or (3) if the member has made contributions to TCRS, the beneficiary or estate may receive a lump-sum payment equal to twice the value of the member's accumulation.	The value of the total accumulation is payable to the named beneficiary or the estate. If the value of the accumulation is sufficiently large, the beneficiary may be eligible to elect an annuity payout.
<b>Transfers Between TCRS and ORP</b>	Employees who are eligible to participate in the ORP, but who elected to participate in TCRS, <b>may make a one-time election to transfer membership from TCRS to the ORP.</b> Members are advised to obtain a TCRS benefit estimate before making a decision to transfer.	<b>Employees who participate in the ORP generally may not transfer membership to TCRS; however, ORP members with 5 years of service will have a one-time transfer option to TCRS.</b>
<b>Transfers Outside Tennessee's Plans</b>	Employees who joined TCRS after July 1, 1981 may not transfer their TCRS account to another employer's plan or to an Individual Retirement Account (IRA).	Some employees who participate in the ORP may be eligible to transfer a portion of their Tennessee ORP account balance to another employer's plan or to an Individual Retirement Account (IRA) if they qualify for a partial or total lump sum distribution.

# Tax Deferred Annuity and Deferred Compensation Plan

The University of Memphis offers four long-term savings plans designed to supplement income after retirement. **You may enroll at any time** in the following programs:

- 403(b) - designed for educational and nonprofit institutions
- Traditional 401(k) - designed as a deferred compensation plan
- ROTH 401(k) – designed as a post-tax deferred compensation plan
- 457 - designed as a deferred compensation plan for State government employees

## Contributions

Employees may contribute a specified amount to the plans through salary reduction. Amounts contributed do not affect retirement or social security. Contributions and earnings on the plans are not subject to federal income tax until funds are withdrawn. Generally, withdrawals are not permitted before age 59 1/2 or retirement. Early withdrawals are subject to taxes and IRS regulation, and will be subject to a federal penalty. There is a minimum monthly contribution of \$20. See table below for the annual maximum amounts that can be tax deferred under these programs.

Age	401(k) Traditional/ROTH and 403(b) combination	457
	2009	2009
<b>Less than age 50</b>	\$16,500	\$16,500
<b>Age 50 or older</b>	\$22,000	\$22,000

## Traditional 401(k), 401(k) ROTH, and 457

The Traditional 401(k), 401(k) ROTH, and 457 are administered by Great West. Each program offers the same 11 investment options. With at least the minimum contribution in the 401(k), the State of TN will also contribute a match between \$20 and \$50 per month. There is not a match in the 457. You will find a comparison chart of these programs at [www.treasury.state.tn.us/dc/comparison.pdf](http://www.treasury.state.tn.us/dc/comparison.pdf).

## 403(b)

There are currently 3 companies that are available for investment in the 403(b). Those companies are AIG-VALIC, ING, and TIAA-CREF. There is not a match in the 403(b).

Please refer to the Benefits web site at [bf.memphis.edu/hr/benefits/tda.php](http://bf.memphis.edu/hr/benefits/tda.php) for more information about Great West and the 403(b) companies.

Web sites:  
 State of TN Deferred Compensation (401(k) and 457 plan): [www.tn.gov/treasury/dc](http://www.tn.gov/treasury/dc)  
 List of 403(b) companies: [bf.memphis.edu/hr/benefits/403bcomp.php](http://bf.memphis.edu/hr/benefits/403bcomp.php)

# Flexible Benefits Plan

The Flexible Benefits Plan, often called a cafeteria plan, is a plan that allows you to pay for certain benefits on a tax-free basis. The plan, sanctioned under the Internal Revenue Code Section 125, is administered by Fringe Benefits Management Company (FBMC). There are four benefit options to this plan.

1. **Medical Insurance Premiums** - Medical insurance premiums are *automatically* deducted on a tax-free basis. If you do not wish to have the premium sheltered from taxes, you must sign a waiver as a new employee and again each year during the Annual Enrollment Transfer Period.
2. **Dental Insurance Premiums** – Dental insurance premiums are *automatically* deducted on a tax-free basis. If you do not wish to have the premium sheltered from taxes, you must sign a waiver as a new employee and again each year during the Annual Enrollment Transfer Period.
3. **Medical Expense Flexible Spending Account** - You may elect to have an additional reduction of salary made each pay period to an account on a tax-free basis for eligible medical expenses. As eligible expenses (deductibles and co-payments are examples) are incurred, tax-free withdrawals from your account may be made to reimburse yourself. This election can be made as a new employee and then again each year during the Annual Enrollment Transfer Period.
4. **Dependent Care Expense Flexible Spending Account** - You may also elect to have an additional reduction of salary made each pay period to an account on a tax-free basis for dependent care expenses. As the expenses are incurred, tax-free withdrawals from your account may be made to reimburse yourself. This election can be made as a new employee and then again each year during the Annual Enrollment Transfer Period.

**You do not have to be enrolled in the group insurance program in order to participate in the medical reimbursement or dependent day care accounts.**

These elections are effective the same month as your health insurance through December of that calendar year. You are locked into the elections for the calendar year unless you have a family status change, such as changes in spouse's employment or acquiring a new dependent. **You must re-elect the options during each Annual Enrollment Transfer Period (October 15 – November 15) for the next calendar year.**

The Flexible Benefits Plan Booklet is included in your notebook. Please refer to it for more detailed information about your options with this plan.

Web site:  
FBMC: [www.myfbmc.com](http://www.myfbmc.com)

# Educational Assistance Programs

The University of Memphis offers two programs, Staff Scholarship and PC-191 Fee Waiver, to assist employees in their educational pursuits. Also offered is a tuition discount program for eligible spouse and/or dependents.

- **Staff Scholarship** – Regular full and part-time employees with at least 6 months of service as of the first day of class are eligible. The program pays for up to six hours per semester for full-time employees and up to three hours per semester for part-time employees. **Faculty may only audit or take non-credit job related courses.**
- **PC-191** – Regular full-time employees are eligible immediately upon employment as of the first day of class. The program will pay for one course per semester. Classes may be graduate or undergraduate and may be taken at any Tennessee Board of Regents (TBR) or University of TN (UT) institution on a **space available basis.**

For both programs, classes must be outside normal working hours unless department head approves altered work schedule for only one course per semester.

- **Spouse/Dependent Tuition Discount** – Regular full time employees' dependents and/or spouse receive a 50% discount on **undergraduate** maintenance fees at any TBR or UT institution. Dependents and spouses of part-time employees with at least one year of service receive a prorated 50% discount on undergraduate maintenance fees at any TBR or UT institution. Dependent children are eligible through age 26.

If you have any questions or wish to obtain enrollment forms, please contact Human Resources at (901) 678-3571 or visit our web site at [bf.memphis.edu/hr/benefits](http://bf.memphis.edu/hr/benefits).

Web sites:

Application Process: [bf.memphis.edu/hr/benefits/process.php](http://bf.memphis.edu/hr/benefits/process.php)

Staff Scholarship/PC191 form: [bf.memphis.edu/hr/benefits/sspc.pdf](http://bf.memphis.edu/hr/benefits/sspc.pdf)

Spouse/Dependent Discount form: [bf.memphis.edu/hr/benefits/discount.pdf](http://bf.memphis.edu/hr/benefits/discount.pdf)

# Blood Assurance Plan

If you donate at least one unit of blood per year, blood will be furnished without charge for you and your immediate family. There is no monetary cost for this plan. You may donate at any LifeBlood location anytime and/or the mobile unit on campus during the year. If you cannot donate blood, an acceptable donor may donate for you.

# Employee Assistance Program

The Employee Assistance Program (EAP) is available to all full-time employees and their eligible dependents. You do not have to be enrolled in a health insurance plan to take advantage of this program. It is provided through the State of Tennessee Employee Assistance Program and administered by Magellan Health Services.

The EAP can assist with many work-related and personal issues, from advice about financial questions to dealing with a stressful work situation, to overcoming a serious emotional problem. All services are kept confidential in strict accordance with federal and state laws. For mental health/substance abuse situations, you will receive up to six free visits with a Magellan approved counselor.

Any time you plan to use a provider for mental health and/or substance abuse, you must first contact Magellan at 1-877-308-4934 to obtain the benefit paid at the highest level. The Magellan specialist will help you in identifying the best resources to assist with your personal situation.

Web sites:  
LifeBlood: [www.lifeblood.org](http://www.lifeblood.org)  
Employee Assistance Program: [www.magellanhealth.com](http://www.magellanhealth.com)

# **Workers' Compensation**

Any job-related injury should be reported immediately to your supervisor. In a non-emergency situation, contact Human Resources to select a provider from the Workers' Compensation network. In an emergency, you should go to the nearest emergency room and contact Human Resources as soon as possible. Please call (901) 678-3257 for more information. The State of Tennessee Workers' Compensation program is administered through Sedgwick Claims Management Services.

## **Sick Leave Banks**

The Non-Faculty and Faculty Sick Leave Banks provide sick leave to members of the bank for personal illness or injury after leave is exhausted. All regular full and part-time employees are eligible. After joining, you will be assessed 22.5\* hours of sick leave. To use the bank hours, you must have been a member for 30 days and your initial request may not exceed 20 days. Pre-existing conditions will not be covered during the first 12 months of membership. Members of the non-faculty sick bank must be off the payroll for 5 days before using the bank hours. The Sick Leave Bank Trustees must review your request to be approved for sick bank leave. You will be given an opportunity to enroll during your orientation, but may also enroll any time of the year. Please call (901) 678-3257 for more information.

\*Prorated for part-time employees

# Family Medical Leave Act

In compliance with the Family Medical Leave Act of 1993 (FMLA), it is the policy of The University of Memphis to provide eligible employees up to twelve workweeks (450 hours) of job-protected leave during a twelve month period for specified family and medical reasons.

For eligibility purposes, an employee must have worked for at least twelve months for the State of Tennessee and must have worked 1250 hours for The University of Memphis during the year preceding the beginning of the leave. Human Resources (HR) is responsible for determining these criteria at the beginning of the leave. The FMLA policy includes both regular and temporary employees of the University.

In all circumstances, the employee and/or supervisor are responsible for notifying the Leave Specialist in HR of any employee who has been off or plans to be off more than five (5) consecutive work days due to family and medical reasons. This guideline applies whether or not the employee actually has sick leave or annual leave or is on leave without pay. TBR Policy 5:01:01:14 stipulates that any employee who has accumulated sick and annual leave must use this leave during a period of FMLA before going on leave without pay; FMLA shall run concurrently with the paid leave.

The HR office will provide the employee with the necessary paperwork, and all forms must be completed and returned to the HR office within 15 calendar days. Information concerning medical leaves is maintained in a confidential file separate from the employee's Human Resources file.

FMLA qualifying events include: birth or adoption of a child; to care for the employee's spouse, son or daughter under age 18, or parent with a serious health condition; or the employee's own serious health condition.

For additional information please contact the HR Leave Specialist at 678-3257.