Chapter IV
SALARIES AND BENEFITS

This section of the Handbook deals with salaries, benefits, and related programs that apply to members of the faculty. Questions about salary administration should be addressed to the Provost and Dean of the Faculty; questions about benefits should be addressed to the Office of Human Resources. The brief descriptions of the University's benefits programs are intended as summaries for informational purposes. Please refer to the Summary Plan Description for each of the programs, which provides far more information. The actual plan document for each plan is controlling under all circumstances. Moreover, the coverages; levels of faculty members' contributions; and benefits provided by the vendors, the insurance plan, or the insurance carrier or provider of the coverage and benefits, or by the University for each program may be changed at any time without prior notice, except as required by law.

Salaries

Although faculty members are employed by the University for the academic year of three terms (approximately nine months), salaries are paid over a twelve month period on a biweekly basis every other Friday. This practice applies both to all full-time faculty members and to part-time faculty members who have teaching obligations in each term. Part-time faculty members who do not teach each term receive biweekly paychecks during the term(s) of their service. New faculty appointees receive their first biweekly paycheck on the first full two-week pay date after September 1. Faculty members may arrange to have salary checks deposited directly at a local bank.

The University withholds federal and Wisconsin income taxes and FICA taxes. Withholding forms are available in the Payroll Office. The University also deducts from paychecks, where applicable in individual cases, faculty contributions to life insurance, health insurance, retirement funds, flexible spending accounts, savings bond purchases, supplemental tax-deferred retirement accounts, disability insurance, and the United Way, as well as payments for the rental of University housing, computer purchase loans, or for other obligations to the University.

The budget for faculty salaries is determined each year when the operating budget of the University is prepared by the President and approved by the Board of Trustees. This budget contains a percentage increase in the total faculty salary budget over the salary budget of the previous year. Increments to individual salaries are allocated from this percentage increase in the total salary budget.

Faculty salaries are established for the fall of each year by the President in consultation with the Provost and Dean of the Faculty. Since salaries are intended to reflect, within the constraints of institutional resources, each faculty member's contribution to the teaching, scholarly, and communal mission of the University, the President seeks information about the relative merits of all faculty members. The President reviews any materials pertinent to the activities of faculty members. The President also consults with the Provost and Dean of the Faculty and the Dean of the Conservatory about the performance of faculty members.

Moving Expense Reimbursement

Newly hired faculty may be provided with relocation assistance. The allowance for such assistance will be stated in the appointment letter. The following expenses will be considered as eligible for reimbursement and hereby applied to the moving allowance given:

- The cost of packing, transporting, storage (30 day max) and moving of standard furniture and personal effects of the employee and members of the employee's immediate family. The cost of moving more than one vehicle and non-standard items such as boats, trailers, etc. will not be covered.

- Travel costs for the employee and members of his/her household from the current location to the new location.

To submit relocation expenses for reimbursement you must use the Moving Expense Reimbursement Form, which can be found on the Lawrence website under the Human Resources office, located under Payroll forms.

Your name, Lawrence ID#, campus address, date and the moving allowance amount must be completed at the top of the form. Then enter your expenses in the applicable box sections (1, 2, 3,). If your moving cost is being directly billed to Lawrence, please indicate this on the form somewhere in the "Item Description" section. Lawrence will then pay the moving vendor directly.

IRS Publication 521 Moving Expenses explains the deductibility of certain expenses of moving to a new home.

All expenses must have receipts attached to the form to be reimbursed. The completed form with receipts attached must have the employee's supervisor signature and date before any reimbursement can be made. This form can then be submitted to Payroll to be processed for payment.

Any questions can be directed to the Payroll office.

Support from External Funding Agencies

The terms under which salary support or stipends from external funding agencies are administered vary considerably. Some grants must be administered by the University; others are provided directly to faculty members. In the case of grants formally administered by the University, the terms of the grants typically govern the payment of salary and determine contributions to fringe benefits. In the case of grants made directly to faculty members, those faculty members may, at their initiative, make arrangements with the University for withholding for income taxes and FICA and for contributions to University fringe benefits. Whatever the nature of the grant or fellowship, faculty members should consult the Vice President for Finance and Administration about the most appropriate arrangements for compensation and benefits.

Savings Bonds - United Way

Faculty members may purchase savings bonds and pay United Way pledges through payroll deductions. Arrangements should be made in the Payroll Office.

Flexible Spending Accounts

Employees may set aside pre-tax dollars every payday and use the money to pay for out-of-pocket unreimbursed medical, vision and dental expenses. Examples of eligible expenses include: vision care, orthodontia, co-pays and deductibles. In addition, monies may also be set aside for certain work-related dependent day care expenses. Most types of expenses are covered including care in your home or in a licensed day care center. The maximum contribution for the health flexible spending plan is $4,000 per plan year. The maximum contribution for the dependent care flexible plan is $5,000 per calendar year. Participation in this program is optional and open enrollment is offered annually. For more information go to http://www.ebcflex.com.

Health Insurance

The self-funded health insurance plan is administered by UMR. The health insurance plan is offered on a shared-cost basis with optional participation. There are two different deductible plans to choose from. Our health insurance program is termed a PPO (Preferred Provider Organization) plan, meaning that the insured may see providers inside or outside of the network subject to copays and/or deductibles and coinsurance. The provider network is through ThedaCare, plus the addition of other statewide healthcare providers. For more information go to the following website: http://www.luhealthplan.com

The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) ensures continuation of group health insurance coverage for up to 18 or 36 months for most faculty members, their spouses and dependents, if the faculty member is no longer eligible for coverage under the group plan. A publication explaining COBRA is available from the Office of Human Resources.

A change in a faculty member's marital status and/or a change in the number of dependents can affect insurance coverage. Any such changes must be reported to the insurance company and Human Resources within 31 days in order to arrange for proper coverages. Failure to provide timely notification may result in denial of claims.

The monthly premiums for health insurance are on a 60/40 shared-cost basis between the University and the faculty member and are withheld on a pre-tax basis. Rates are adjusted annually to coincide with the policy year. For current rates, contact the Director of Human Resources.

During a medical leave of absence, health insurance will continue through the month for which it is paid at the time the leave begins, and for two additional months at the faculty member's cost. If the leave continues beyond that time, the faculty member will be eligible to continue the coverage at full cost for up to a total of sixteen more months under the COBRA provision. If the faculty member is eventually determined to be disabled under Social Security disability regulations, the maximum coverage period could be increased to 29 months.

For a faculty member on personal leave of absence, health insurance coverage will continue through the month for which it is paid at the time the leave begins and for two additional months at the cost of the faculty member. If the leave continues beyond that time, the faculty member will be eligible to continue the coverage at full cost for up to a total of 16 more months under the COBRA provision. If health insurance is dropped during the leave, the faculty member must re-enroll immediately upon his or her return to Lawrence. Coverage will be subject to the plan's pre-existing condition provision.

Faculty members who teach half-time or more after reaching age 65 or such faculty members whose spouses reach age 65 should consult with the Office of Human Resources about health insurance options. They may continue their group coverage as the primary payer of their claims and also enroll in Medicare as their secondary payer. The University's health insurance coverage will be discontinued for such faculty members or their spouses who select Medicare as the primary payer.

Faculty members who retire at age 55 or over with ten years or more of service are eligible to participate voluntarily in the University's health insurance program. Eligible faculty members who retire prior to age 62 bear the full cost of health insurance coverage until they reach age 62. For eligible faculty members who retire at age 62 or after, the University will pay three-fifths of the health insurance premiums for the type of coverage in effect at the time of retirement (individual or family coverage) from the faculty member's 62nd birthday or the date of retirement, whichever occurs last, until age 65. Thereafter the University will pay one-half of the health insurance premiums for coverage that supplements Medicare for eligible faculty members and their eligible spouses, or $35 per month per eligible person, whichever is less.

A faculty member age 55 or over with ten years or more of service whose appointment ends due to total disability may continue her or his health insurance coverage by paying his or her share of the premiums to the age of 65. If the total disability should end prior to age 62, payment of the full premium would be required until the faculty member's 62nd birthday.

Two months before a retired faculty member covered by the University's health insurance plan (or a faculty member's spouse covered by the plan) reaches age 65, he or she should contact the Social Security Administration to apply for Medicare insurance. Since the

University's group medical insurance ceases for retired faculty members and their spouses at the age of 65, retirees should obtain Medicare supplement health insurance. If the spouse of a faculty member is not yet 65 and is covered under the University health insurance plan, he or she may continue that coverage after the retired faculty member reaches 65 by paying the applicable portion of the premium.

Dental Insurance

There are two dental plans offered on a shared-cost basis with optional participation. The Delta Premier Dental Plan through Delta Dental is a fee-for-service with benefits that include routine preventive care at 100%, and basic care (fillings, root canals) at 80%, major care (crowns, bridges) at 50%, and orthodontic care at 50% (up to a maximum lifetime of $1,000).

The other dental plan is Care-Plus Dental, which is a dental HMO plan. All care is provided through a Dental Associates location. Coverage includes 100% payment for routine preventive care, basic care at 100%, major care at 100%, and orthodontics.

Long-Term Disability Benefits Plan

The University provides a long-term disability benefits plan, participation in which is required of all faculty members who hold an appointment of two-thirds time or more. There is a twelve-month waiting period before the coverage becomes effective.

Coverage under this plan is 60% of basic monthly earnings not to exceed the maximum monthly benefit, less other income benefits. Other income benefits include, but are not limited to: Workers' Compensation, other group disability insurance plan benefits, government benefit act or law, and Social Security.

In addition to the payments of monthly benefits during the period of disability, the plan will also make payments to the University's retirement program at the level of contributions at the time the disability began.

All claims for long-term disability coverage, including statements from the faculty member, his or her physician, and the University, are filed through the Director of Human Resources. There is a ninety-day elimination period before a claim may be filed.

During a medical leave of absence, long-term disability insurance will continue through the month for which it is paid at the time the leave begins, and for two additional months at the faculty member's cost. If the leave continues beyond that time, the faculty member will be eligible to continue the coverage by paying the entire premium as long as he or she continues to be considered disabled under the provisions of the policy. In appropriate cases, a faculty member may apply for waiver of premiums under the provision of the policy regarding total disability.

For a faculty member on personal leave of absence, long-term disability insurance will continue through the month for which it is paid at the time the leave begins and for two additional months at the cost of the faculty member. If the leave continues beyond that time, the faculty member will no longer be covered by the group plan and will be eligible to convert to an individual policy. The faculty member will re-enroll in the group plan when he or she returns to Lawrence.

Coverage under this plan will cease when a faculty member is no longer actively employed by the University in a capacity that would normally be eligible for coverage.

Absences Due to Illness and Disability

A faculty member who must be absent because of illness or accident should immediately inform the chair of the department to arrange to notify students in classes and, when necessary, to arrange that classes can be covered by members of the department. Should the faculty member's absence be prolonged, the Provost and Dean of the Faculty should be notified so that arrangements for extended coverage of the absent faculty member's responsibilities can be made.

Life and Accidental Death and Dismemberment Insurance

All faculty members, except those employed less than half-time, participate in the University's Group Life/Accidental Death and Dismemberment Insurance Program. Faculty members age 50 and older have the option to discontinue their participation. Details of the plan are available from the Office of Human Resources.

The University's life insurance program provides coverage equal to 217% of the faculty member's annual salary rounded to the next highest $1,000 (to a maximum of $400,000). This is term insurance which has no cash surrender value. Amounts of coverage will be automatically increased with a change in salary.

The costs of monthly premiums are shared 50/50 by the faculty member and the University. For current rates, contact the Director of Human Resources.

Federal law requires that individuals incur tax obligations on premiums paid by their employers for life insurance in excess of $50,000. Where applicable, the amount of this premium is added to faculty members' taxable wages and the appropriate withholding is taken.

During a medical leave of absence, life insurance will continue through the month in which it is paid at the time the leave begins, and for two additional months at the faculty member's cost. If the leave continues beyond that time, the faculty member will be eligible to continue coverage by paying the entire premium as long as he or she continues to be considered disabled under the provisions of the policy. When applicable, application for waiver of premium will be made under the total disability provision of the policy.

During a personal leave of absence, life insurance will continue through the month for which it is paid at the time the leave begins and for two additional months at the faculty member's cost. If the leave continues beyond that time, the faculty member will no longer be covered under the group plan but may convert her or his coverage to an individual policy. The faculty member will re-enroll in the group plan when he or she returns to Lawrence.

Life insurance coverage will be reduced for faculty members who continue to teach past the age of 65. Further reductions are made at the ages of 70, 75, and 80.

A faculty member who retires at the age of 55 or older and has been employed by Lawrence for 10 years or more may opt to continue $3,000 in group life insurance coverage upon payment of the required annual premium. The difference between the faculty member's previous coverage and $3,000 may be converted to an individual policy. Additional information on this provision is available from the Office of Human Resources.

Coverage under this program ceases upon retirement or termination of active employment in a capacity that would normally be eligible for coverage. Information about conversion rights is available from the Director of Human Resources.

Health Advisories, Travel Advisories, and Travel Warnings

Lawrence strongly recommends that all faculty and staff members avail themselves of the travel information available at the U.S. State Department, Centers for Disease Control (CDC), and World Health Organization (WHO) web sites. In particular, they should carefully consider the information included in State Department travel advisories for any countries to which they are planning to travel during their time abroad. Lawrence reserves the right to cancel a Lawrence-sponsored program if a State Department travel warning or a CDC or WHO travel advisory is in place for the host country at the start of the program.

If a faculty or staff member chooses to travel on personal business to a location with a CDC or WHO travel advisory, she or he *must* report this travel to the Lawrence Health Services Department *prior* to returning to campus. Health Services will then consult and, as necessary, implement quarantine guidelines posted on the CDC and/or WHO websites. It is important to note that quarantine guidelines may include barring a faculty or staff member from returning to campus for a specific period of time.

Health Insurance for International Travel

Every faculty or staff member participating on a Lawrence-sponsored off-campus program is required to carry the Lawrence University international medical and evacuation insurance policy administered by Cultural Insurance Services International (CISI). The fee for this coverage is usually born by the program budget, but this may not always be the case.

As the CISI coverage is valid only outside the United States, all faculty and staff members are strongly encouraged to maintain their health insurance coverage in the United States in the event of their unexpected return due to a medical emergency.

Travel Accident Insurance

All faculty members who travel on behalf of the University are covered by the University's group travel accident insurance. There is no enrollment procedure and there is no cost to faculty members. The policy provides for a schedule of coverage both for accidental death and dismemberment. Benefits are paid to the insured if living and to the beneficiary that is named and in effect for the group life insurance policy in the event of the insured's death.

Workers' Compensation

Faculty members are eligible for benefits under the Workers' Compensation program. Faculty members have an obligation to report promptly any work-related injury or illness so that appropriate action, including administration of medical treatment and proper reporting of all related action, can be taken.

Any faculty member who sustains an injury at work should report that fact to the Director of Human Resources as soon as possible. This notification is needed even if the injury does not appear serious enough to warrant medical care. Normally, an Accident Report form should be filed by the faculty member with the Director of Human Resources within two (2) working days.

If treatment is required, the faculty member will be transported to the most appropriate facility -- clinic or hospital -- or the faculty member may select a physician from those licensed in the local community.

The Director of Human Resources is responsible for filing and maintaining the applicable government forms required for all Worker's Compensation claims as well as serving as the University's representative in communications with the Worker's Compensation insurance carrier. The filing of a Worker's Compensation claim with the insurance carrier does not guarantee acceptance of the claim.

Benefits for Faculty Members on Sabbaticals or Leaves of Absence

Questions about benefits during sabbaticals or leaves of absence should be directed to the Office of Human Resources. Faculty members should consult earlier sections of this chapter for explanations of health, life, and disability insurance while on unpaid leave.

A faculty member's and the University's contributions to a University retirement program will be based on the level of salary provided by the University during the faculty member's sabbatical leave. In the case of a leave of absence without pay, the University will make no contribution to the retirement program; but a faculty member may voluntarily contribute to the program during a leave of absence.

In those cases where faculty members hold appointments to ACM programs or receive grants in support of their leaves, benefits will be administered according to the terms established by the ACM or the granting agency. The University will make no payments for benefits on that portion of a faculty member's leave-year compensation that exceeds the faculty member's annual, full-time salary.

Family Leave and Medical Leaves of Absence

In compliance with federal law and Wisconsin law, members of the faculty are entitled to leaves of absence for the birth or adoption of a child, their own serious illness, or the serious illness of members of their immediate families.

Full-time faculty members may elect to take up to two courses, or the equivalent, off during the academic year at full pay and benefits for a Medical Leave of Absence for pregnancy, childbirth, or heart attack or other serious illness. For a personal medical condition extending beyond ninety days, faculty members will be covered by long-term disability benefits. Additional, unpaid leaves for medical reasons may be granted after consultation with the Provost and Dean of the Faculty and the faculty member's department. This paid medical leave benefit may be used no more than twice in any seven-year period.

Medical leaves of absence for part-time faculty will be unpaid leaves.

A member of the faculty who is aware of a medical condition that will necessitate her or his taking a leave of absence should notify the Provost and Dean of the Faculty as soon as possible. If treatment of the medical condition can be scheduled in advance (for example, non-emergency surgery), the faculty member should make every effort to see that his or her leave of absence will not unduly disrupt the business of the University.

Untenured tenure-track faculty members who take a medical leave of absence may elect to defer their review for tenure for one year. If they do so, they must notify the Provost and Dean of the Faculty of that decision as soon as possible, and no less than one term before the originally scheduled time of the tenure review.

Full-time faculty members may elect to take up to one course, or the equivalent, off during the academic year at full pay and benefits for a Family Leave of Absence to care for a newborn or newly adopted child, or for a seriously ill child, spouse, or parent. Full-time faculty members who give birth may elect to substitute a Medical Leave of Absence for a Family Leave of Absence. Additional, unpaid family leave may be granted after consultation with the Provost and Dean of the Faculty and the faculty member's department. This paid Family Leave benefit may be used no more than twice in a seven-year period.

Family leave for part-time faculty will be unpaid leave.

Faculty members should notify the Provost and Dean of the Faculty as soon as possible of their need for family leave. If the leave of absence can be scheduled in advance, the faculty member should make every effort to see that his or her absence does not unduly disrupt the business of the University.

Untenured tenure-track faculty members who take a family leave of absence may elect to defer their review for tenure for one year. If they do so, they must notify the Provost and Dean of the Faculty of that decision as soon as possible, and no less than one term before the originally scheduled time of the tenure review.

Retirement Program

Faculty members with a half-time or greater appointment, who have completed one year of service, and who have attained the age of 26 may elect to participate in the University's retirement program. Open enrollment for the program will continue until participation becomes mandatory. Participation is mandatory for faculty members who have completed five years of service, including at least one year at a half-time appointment or greater, and have attained the age of 30.

An eligible faculty member who is age 26 or older and has completed one year of service (roughly equivalent to teaching ten semester credits) at an eligible institution [defined as one that is tax exempt under Section 501(a)(3) of the Internal Revenue Code and meets the criteria to offer a tax-exempt retirement plan to its employees] during the five-year period immediately prior to the date of his or her employment by the University, may begin participation in this plan immediately upon employment at Lawrence and submission of verification of past employment and participation.

Once a faculty member becomes a participant in the plan, he or she will remain a participant until employment in an eligible class terminates or his or her plan is terminated, whichever occurs first.

Throughout the year, faculty members are made aware of their eligibility and are invited to attend group or individual meetings designed to explain the program and its benefits.

Faculty members make pre-tax contributions of 4% to the plan, and the University contributes an additional 8%. "Regular salary" is defined as the amount of salary paid by the University to a participant which is required to be reported as wages including supplemental pay and grants but excluding taxable benefits such as excess life insurance, tuition assistance (not remission), moving expenses, and auto leases. "Regular salary" will include compensation that is not includable currently in the participant's gross income by reason of the application of Code 125 or 403(b) -- flexible spending account and supplemental retirement account deductions.

During a paid leave of absence, the University will continue its contributions to the retirement annuities on the basis of the salary being paid at that time, provided the faculty member continues his or contributions.

Faculty members are fully and immediately vested in the benefits arising from contributions to their retirement accounts.

Faculty members who leave the employ of the University other than for retirement will be eligible to close out their retirement accounts in accordance with provisions of the plan. Such faculty members should consult their tax advisers on the implications of withdrawing their benefits prior to the age of 59½.

University contributions to a faculty member's retirement plan end upon the faculty member's retirement.

Faculty members may elect to begin collecting retirement benefits any time after they retire or otherwise leave the University's employ. There are a variety of retirement income options available.

Voluntary Tax-Deferred Savings Plan

Faculty members may participate in a Voluntary Tax-Deferred Savings Plan designed to provide another tax-sheltered vehicle for retirement savings. Contributions are made via payroll deductions and faculty members may select any of the investment options offered through the regular retirement plan.

Phased Employment Option

The Phased Employment Option (PEO) is a plan designed to help senior faculty make a smooth transition from full-time teaching status into retirement. Tenured faculty between the ages of 59 and 69 with 15 years of service to Lawrence are eligible to apply for the program. Faculty with previous tenured service at another institution may count 5 years of that service toward this eligibility requirement.

In order to allow time for appropriate institutional planning, eligible faculty must apply 24 months in advance of their proposed starting date for the program. The Provost and Dean of the Faculty may waive this requirement at his or her discretion. Faculty can apply to participate in the program for 1, 2, or 3 years, but must conclude their participation no later than the academic year in which they turn 70 years of age. Faculty who finish a three-year PEO prior to reaching age 70 may apply for an extension of the agreement. Faculty approved for participation in the PEO will relinquish their tenured positions upon entering into the program, and their employment at Lawrence will terminate at the conclusion of the program period.

The PEO carries a 50% employment expectation; compensation will be based on the number of years the faculty member elects to remain in the program. Faculty approved for one year in the PEO will receive 60% of their last full-time salary including the base percentage increment given to all faculty; faculty approved for two years will receive 55% of their last full-time salary including the base percentage increments given to all faculty;

faculty approved for three years will receive 50% of their last full-time salary including the base percentage increments given to all faculty. Faculty may take any earned sabbatical leave immediately prior to entering the PEO; teaching during the PEO will not count toward future sabbatical leaves.

The specific nature of the employment responsibilities for faculty in the PEO will be determined by the Provost and Dean of the Faculty in consultation with the individual faculty member and the faculty member's department. These responsibilities may include (but will not be limited to) regular teaching, supervision of tutorials or independent studies, or administrative assignments.

Faculty in the PEO will remain eligible for all benefits that come with at least 1/2 time employment. The college's contributions to retirement accounts will be based on the reduced salary level.

Applications for the Phased Employment Option will be reviewed by the Provost and Dean of the Faculty and the President and may be denied if they are determined not to be in the best interest of the institution. The Phased Employment Option will be reviewed regularly by the Board of Trustees, and it may, at any time, be discontinued or modified for future potential participants.

Effect of Retirement on Benefits

While faculty members may choose to terminate their employment and begin drawing retirement benefits at any age, the University recognizes official retirement at age 55 or older with ten (10) years of continuous service. By meeting these requirements, retiring faculty members will be eligible to continue certain of their benefits. This section repeats some information provided above and consolidates it here for ready reference.

Health Insurance

A faculty member may continue his or her coverage by payment of the full premium from retirement to age 62. Thereafter, by payment of his or her share of the premium (employee cost), he or she may continue the same coverage to age 65. Two months before a covered retired faculty member who meets the above qualifications (or his or her covered spouse) reaches age 65, he or she should contact the Social Security Office and apply for Medicare insurance. In addition, Lawrence will provide sources for information on supplemental coverage options which, if selected, will become the secondary payer in combination with Medicare Parts A and B.

When a retired faculty member reaches age 65, all of her or his group medical coverage ceases and she or he is encouraged to obtain a Medicare supplement policy and participate in the Lawrence retiree health insurance subsidy program. If the retired faculty member's spouse is under 65 at the time the retiree reaches age 65, she or he may continue under the Lawrence medical plan by paying the applicable portion of the premium. (The faculty member's share of the premium is the difference between the full premium for his or her chosen coverage and Lawrence's contribution. Once terminated, coverage cannot be reinstated.)

Faculty members who are at retirement age but do not qualify for the program because they do not meet the years of service requirement are eligible for COBRA continuation rights.

Life Insurance

Faculty members may continue a $3,000 group term life insurance policy upon payment of annual premiums. The difference between what the faculty member previously had for coverage and the $3,000 may be converted to an individual policy.

Retirement Benefits

Retirement benefits will begin upon retirement after the faculty member completes the appropriate forms.

Dependent Tuition Remission benefits

Dependent tuition remission benefits (see below) continue to be available for both the Lawrence program and the ACM tuition remission program for retired faculty members with at least twenty years of service who are at least 62 years old.

Use of University Facilities

Retired faculty members and their spouses continue to have access to University facilities, including the library and the Recreation Center. A University identification card is required.

Tuition Remission for Dependent Children

Faculty members on full-time appointments who have completed two full years of employment have potential eligibility for one of three tuition benefits programs for their college-age dependent children. The three programs are Lawrence Tuition Remission, the ACM Tuition Remission Exchange Program, and The Tuition Exchange program. Students enrolling at Lawrence or at one of the participating ACM colleges will have 90% of their tuition covered under one of the two tuition remission programs. In the Tuition Exchange program, the benefit ranges from full-tuition at lower-cost institutions, to a prescribed amount (less than full tuition) at higher-cost institutions. Under the Tuition Exchange program, even if the dependent student is admitted, the tuition benefit is not guaranteed, because either Lawrence or the other institution may need to limit the number of students in the program in order to maintain an appropriate balance of imported students vs. exported students.

The application form for participation, an explanation of deadlines and procedures, and additional information regarding the program (including the names of the colleges currently participating in the ACM Tuition Remission Program and in The Tuition Exchange Program) can be obtained from the Office of Human Resources.

Tuition remission benefits in any of these programs will be continued (at the same level as those for a current employee) upon death or disability for those faculty members on full-time appointments with more than six years of employment at Lawrence, and after retirement for those who have been employed at Lawrence for at least twenty years and who are at least 62 years of age

University support for eligible dependent children is limited to a total of 216 units and/or twelve terms. This support includes any combination of Lawrence University Tuition Remission, ACM Tuition Remission, or National Tuition Exchange.

Tuition Waivers for Faculty Members and Spouses/Partners

Full-time faculty members and their spouses/partners may take up to two courses for credit per year without charge. Part-time faculty members and their spouses may take one course for credit per year without charge. All faculty members and their spouses taking courses will, however, be assessed charges as set by the Business Office for enrollment in practice-teaching courses, private lessons in the Conservatory of Music, off-campus programs, or any other course involving a direct outlay of money on the part of the University for each student. Spouses/partners of faculty members may enroll as candidates for degrees at no charge except for the payment of a one-time matriculation fee.

Eligible faculty members or spouses/partners must be admitted to the university through the Admissions Office and pay a one-time matriculation fee before attending classes. Previously admitted students may be reinstated as non-degree students through the Registrar's Office. Contact the Admissions or Registrar's office for more information and the necessary forms. Participants in the tuition remission program are subject to the regular academic regulations and procedures of the university, including registration procedures, grading procedures, and requirements for academic progress and continuing enrollment. When courses are over-subscribed, degree seeking students will have priority.

Domestic Partner Benefits

Benefits will be available to only one domestic partner at a time per employee.

For the purposes of this policy, the University defines the "domestic partner" of an employee as the only adult individual (i.e., age 18 or older) who

- lives with the employee, has done so for at least six consecutive months (unless constraints due to employment have prevented them from sharing a common residence), and intends to do so indefinitely, and

- is not married under the applicable laws of the state of Wisconsin, and
- is not related to the employee to a degree of closeness which would prohibit legal marriage in the state of Wisconsin, and
- is mentally competent to consent to a contract, and
- is jointly responsible with the employee for their common welfare and shares financial obligations with the employee (normally, this joint responsibility will be demonstrated by joint mortgage, joint ownership, joint lease, or joint rental agreement for the primary place of their residence), and meets at least one of the following requirements:

    - designation as a primary beneficiary for the employee's life insurance and retirement benefits, or
    - designation as a primary beneficiary in the employee's will, or
    - designation of employee to act for the domestic partner under durable property and health care power of attorney, or
    - ownership of a joint bank account or credit card account for substantial assets.

The University will require a Statement of Domestic Partnership signed by both domestic partners applying for benefits, and may at its sole discretion require additional proof that they meet the specified requirements. Denial of eligibility for these benefits may be appealed to a committee comprised of the Provost and Dean of the Faculty, the Vice President for Development and Alumni Relations, and the Vice President for Enrollment and Dean of Admissions and Financial Aid, those being the senior officers of the university with administrative responsibilities for faculty and staff members who do not have direct administrative responsibility for employee benefits. A decision by this committee may be appealed to the President, whose ruling will be final.

Employees with domestic partners receiving benefits under this program are required to notify the University in writing if those requirements by which they certified the existence of a domestic partnership are no longer met. As part of that notification, the employee must complete and submit to the University a "Termination of Domestic Partnership" notification form as soon as reasonably possible upon the termination of the domestic partnership and must also send a copy of that form to the former domestic partner. Failure to so notify, or falsely certifying eligibility, may result in disciplinary action including termination of employment and reimbursement to the University for any cost involved in providing benefit coverage.

Under certain circumstances, the University may also provide benefits for the child of a domestic partner. To be eligible for such benefits all of the following conditions must apply:

- the child is primarily dependent upon the employee and domestic partner for financial support, including debts incurred by the child, or the domestic partner is mandated by contract or legal ruling to provide financial support, and

- the child is unmarried, resides in the same household as the employee and domestic partner, and is nineteen (19) years of age or less or a full-time student and twenty-four (24) years of age or less, and
- the employee and domestic partner assume parental responsibility for the child, including debts incurred by the child, and
- the child was claimed by the employee as a dependent on the employee's federal income tax return for the prior year and the employee intends to claim the child as a dependent for the current year and any subsequent years in which the child meets the above qualifications.

Conditions and Exclusions

This program is intended to benefit active employees of Lawrence University who elect and qualify for participation. The University has no direct obligation to the domestic partner of a University employee or to his or her dependents. Eligibility for active employees ends upon termination of employment, regardless of the reason for termination.

Domestic partner benefits are not available to an employee with a legal spouse who is eligible to be covered under any of these benefit plans.

Any tax liability on domestic partner benefits or on cash reimbursements made in lieu of benefits is the responsibility of the employee. The University will comply with applicable federal and state withholding and reporting requirements.

While this program is intended to continue indefinitely, the University reserves the right to modify or discontinue it at any time.

Covered Benefits

Domestic partners and qualified dependents are provided the following benefits to the extent feasible and allowable by law, so long as the domestic partnership is in force or, with respect to dependents, so long as the dependent relationship as defined above exists:

<u>Life Insurance, Long-Term Disability, and Retirement Benefits</u>

Long-term disability insurance is paid directly to employees of Lawrence University; a domestic partner has no right to, or claim against Lawrence University for these benefits. Employees have complete discretion to identify the beneficiaries to receive death benefits under the University's life insurance coverage. The employee has the right to designate anyone as beneficiary of death benefits, or as a joint survivor (second annuitant) under Lawrence University's retirement benefits. [*N.B.: Because this plan is subject to the Employment Retirement Income Security Act of 1974 (ERISA), former spouses of employees or retirees who were previously married and are living with a domestic partner may have the right to benefits under a pension plan to the extent required by a qualified domestic relations order.*]

Medical and Dental Insurance

Lawrence University insurers for group health insurance and group dental insurance are not required to provide benefits to domestic partners by Wisconsin law and do not do so. Domestic partners of Lawrence University employees are therefore not eligible for coverage as dependents under the current benefit plans. The University will therefore provide a cash reimbursement to employees with qualifying domestic partners (and dependents if applicable), equal to the University's contribution toward that benefit for employees' spouses (and dependents if applicable). The University will normally require documentation of the application of such reimbursements toward the purchase of equivalent separate coverage. Such reimbursements will not be paid to assist domestic partners in participating in other group insurance programs provided by their own employers. Cash reimbursements in lieu of insurance coverage may be taxable, as more fully described below. [*N.B.: Federal COBRA provisions for continuation of medical insurance coverage after termination of employment do not apply to domestic partners.*]

Campus Facilities

Domestic partners of Lawrence University employees are entitled to the same access to the Buchanan-Kiewit Recreation Center and the same user privileges in the Mudd Library available to spouses of University employees.

Family and Bereavement Leave

A domestic partner will be considered a member of the employee's immediate family for purposes of determining the employee's eligibility for family or bereavement leave under University policies.

Tuition Remission and Tuition Waiver

Domestic partners of Lawrence University employees are eligible for the same tuition waiver benefits available to spouses of Lawrence University employees. The dependent children of Lawrence University employees and their domestic partners who meet the qualifications under "Definitions and Inclusions," above, are eligible for the same tuition remission and tuition waiver benefits available to dependents of Lawrence University employees.

Tax Information

Reimbursements for medical and dental insurance in lieu of coverage for domestic partners may be taxable unless the domestic partner is a dependent of the employee as defined in the Internal Revenue Code. To receive a tax exemption for such payments, an employee must provide the college with a tax certification of dependency and a copy of the employee's federal tax return for the preceding year. The University urges employees to consult their tax advisors to determine whether they may claim domestic partners or the children of domestic partners as dependents for tax purposes.

Employee Assistance Program

Lawrence University provides confidential and voluntary assistance to employees and their family members who may be faced with the dynamic challenges of stress overload, grief, job related challenges, relationship or marital problems, alcohol, drug abuse, parenting issues and other concerns. For more information go to http://www.erc-eap.com.

Housing

The Dean of the Faculty office manages a few University owned houses and apartments. Housing is often provided as part of an employment contract to adjunct faculty and sometimes coaches and staff members in need of short-term housing. The Provost and Dean of the Faculty will determine if housing is appropriate based on salary and length of appointment. In the case of coaches and staff members, housing will be determined based on availability and length of stay. In some cases, a small rental fee may be charged. Housing provided as part of compensation may affect your income taxes. Any concerns should be discussed with a Lawrence Payroll Specialist or your own tax accountant. New tenants must sign a rental agreement that is maintained by the Administrative Assistant for Facilities Services. Facilities Services also provides the building maintenance, upkeep of the grounds, parking information, initial cleaning, and the keys.

Loans to Assist in Computer Purchase

A limited revolving fund allows the University to assist faculty members to purchase personal computers and related hardware and software. Faculty members may apply to the Payroll Office for a no-interest loan of up to $3,000, to be repaid in no more than three calendar years. Monthly payments on the loan will be deducted from salary until the loan is repaid, and the faculty member may decide whether those payments should be large enough to repay the loan before the expiration of the three-year limit. Payments will be deducted from salary for faculty members on sabbatical leave. Faculty members on leave without pay should arrange with the Payroll Office a means to continue payment on the loan while they are on leave. If a faculty member leaves the University’s employ before the complete repayment of such a loan, the University will deduct the outstanding balance from the final salary payment or will require the departing faculty member to repay the loan in full. The authority to grant these loans and to determine the size of such loans rests with the Vice President for Finance and Administration. Approval of such loans is subject to the availability of funds. Faculty members who wish to explore possible University discounts for the purchase of personal computers should consult with Information Technology Services.