POLICY & PROCEDURE DOCUMENT

NUMBER: 4.6002

DIVISION: Finance and Administration – Department of Human Resources

TITLE: Employee Benefits Eligibility

DATE: January 3, 2000

REVISED: January 1, 2011, September 25, 2012

Policy for: All Regular Full-Time Employees and Other Employees Meeting Specific Criteria Definitions

Authorized by: Tony Glisson, Director Human Resources

I. Purpose and Scope

The University offers a wide array of employee benefit programs to all eligible employees and eligible dependents.

II. Policy

A. General Eligibility

1. An eligible employee is defined as an individual who holds a regular full-time position, based on the standard work week of 37.5 hours.

2. Individuals employed in full-time temporary positions are eligible to participate in the University's benefit programs only if employment is expected to continue nine (9) consecutive months or longer.

3. Individuals holding part-time positions are generally not eligible to participate in the University's benefit programs, except for selected benefits (such as limited tuition waivers; please refer to HR Policy 4.6501).

B. Eligible Dependents for Benefit Programs

1. Except as may be specified in certain programs, the following individuals are eligible for coverage in benefit programs:

   a. Legal spouses as recognized under the laws of the State of Kentucky (or if outside of Kentucky, laws of the state where the employee resides).
b. Other Qualified Adult Dependent (OQD) who is financially interdependent and shares primary residence with the employee (see Human Resources web page for complete eligibility criteria).

c. Dependent children of the employee or OQD from birth up to age 26, including natural children, step children, newborn or legally adopted children and children as otherwise required by court action or law. Children may be covered under health and dental programs through the end of the calendar year of the 26th birthday.

C. Benefits Effective Date

1. Benefit program participation is effective on the first day of the month following the date of full-time employment. Retirement participation is governed by separate rules as noted in the following section.

III. Procedure

A. Mandatory and Voluntary Retirement Contributions

1. As a condition of employment, retirement participation is required (contributions by the employee and the University) for employees who hold full-time positions covered by the Kentucky Teachers’ Retirement System (KTRS). Retirement participation is also required for individuals holding part-time positions if employment averages seventy (70) percent time or more. Retirement contributions are applicable regardless of the duration of appointment and are effective on the first day of covered employment.

2. Participation rules for the Optional Retirement Plan (ORP - TIAA-CREF, VALIC, ING and Fidelity) are the same as those for KTRS.

3. As a condition of employment, retirement participation is required (contributions by the employee and the University) for employees who hold full-time positions covered by the Kentucky Employees’ Retirement System (KERS). Retirement participation is also required for individuals holding part-time positions if employment averages one hundred (100) hours or more per month. Under KERS procedures, mandatory retirement contributions only apply to individuals whose employment is expected to be six (6) months or longer. Should an appointment originally be established for less than six (6) months, but later exceed this limit, retirement contributions must be initiated at the earlier of the following: 1) at the time employment extends to six months or more, or 2) at the time it is determined that employment will exceed the six (6) month limitation, if sooner than six (6) months.

4. Student employees are ineligible for retirement participation.

B. Voluntary Retirement Plan Participation

1. Full-time employees and part-time employees, whose hours of work average 20 or more hours per week, are eligible to enroll in voluntary supplemental retirement accounts effective the first day of any given month following completion of required enrollment documents.
C. Official Leaves of Absence

1. Employees in an unpaid status or on an official leave of absence may elect to continue applicable benefits provided arrangements are made with the Department of Human Resources and the total premiums for coverage are paid by the employee. The University will continue to pay its share of employer sponsored benefits during any FMLA approved leave and/or leave for personal illness, as provided under policy. This same rule applies in situations where employees are granted unpaid leave for professional development purposes. Benefit continuation during an unpaid leave of absence may extend up to a one (1) year period (refer to plan documents for special rules applicable to certain benefit programs).

2. Vacation and sick/medical leave are not earned during an unpaid leave of absence. Service credit in KTRS or KERS, as applicable, is not earned during an unpaid leave of absence. However, employees may elect to purchase retirement credit for qualifying leaves following the rules established by the appropriate retirement system. Employees who elect to purchase such credit shall be responsible for all costs and payments to the respective retirement system.

IV. Exclusions

V. Related Policies

4.6503 Sabbatical Assignments & Retirement Participation
1.1302 Sabbatical Leave

VI. Reason for Revision

To remove the section of this policy pertaining to sabbatical assignment and retirement participation; to modify the Sabbatical Assignments and Retirement Participation Policy for compliance with revised KTRS regulations.

Appendices: