



INDIANA UNIVERSITY



BENEFITS PROGRAMS

FOR FULL-TIME ACADEMIC AND STAFF EMPLOYEES

Welcome

Thank you for your interest in Indiana University. The university's leadership and advances in medical research, life sciences, and information technology—and new frontiers in the arts, humanities, and social sciences—make Indiana University one of the most diverse public research institutions in the United States today.

IU employees take pride in this standing. They know their work enriches students, residents of Indiana, and the nation, thus creating a spirit of collaboration and collegiality that inspires many employees to make a lifetime commitment to IU.

In addition to employee's pay, university-sponsored benefit plans are a significant part of IU's total compensation package. These plans help sustain and build the academic and staff strength and vitality essential for the university to carry out its mission. Indiana University is committed to providing benefits that help protect employees' health and welfare, strengthen their financial well-being, and provide paid time away from work.

Take a look at what IU has to offer by reading this publication. Then, visit www.indiana.edu/~uhrs/benefits/ to learn more about the resources, services, and other benefits available to Indiana University employees.



IU's COMMITMENT

Indiana University is committed to offering benefits that deliver the highest quality and value, while containing costs for both employees and the university. IU takes advantage of preferential tax treatment laws and its size to enhance benefit coverages at attractive group rates.

All full-time academic and staff employees are eligible for the plans below.

Plans Funded by IU

- ◆ Medical and dental care
- ◆ Employee Assistance Program (EAP)
- ◆ Basic Life Insurance
- ◆ Basic Accidental Death and Dismemberment Insurance
- ◆ Retirement plan
- ◆ Social Security and Medicare (FICA)
- ◆ Paid holidays and time off
- ◆ Fee Courtesy (tuition assistance)

Voluntary Plans Funded by Employee

- ◆ Supplemental life insurance
- ◆ Personal Accident Insurance (PAI)
- ◆ Long-term Disability (LTD)
- ◆ IU Tax Deferred Annuity Plan
- ◆ IU Retirement Savings Plan
- ◆ Tax Saver Benefit (TSB)
 - ◆ Pretax health care reimbursement account
 - ◆ Pretax dependent care reimbursement account

HEALTH CARE COVERAGE

The university offers employees comprehensive health care coverage, with a significant portion of plan costs paid by the university. Enrollment in these coverages is typically effective from the date of hire. Employee premiums are deducted before taxes, which results in tax savings. Coverage is available at four membership levels: employee, employee with child(ren), employee with spouse, and family.

Medical Care

Indiana University is committed to offering a variety of medical care plans (PPO, HMO, and POS plans) to employees, based on the availability of these plans near the employee's place of residence. All of these plans provide comprehensive coverages for services and medical needs, such as:

- ◆ Inpatient and outpatient treatments
- ◆ Primary care and specialist physicians
- ◆ Organ and tissue transplants
- ◆ Prescription drugs
- ◆ Mental health treatments
- ◆ Emergency room and urgent care
- ◆ Wellness, including eye exams

(Each plan has designated preferred providers, deductibles, copays and other distinguishing features.)

Dental Care

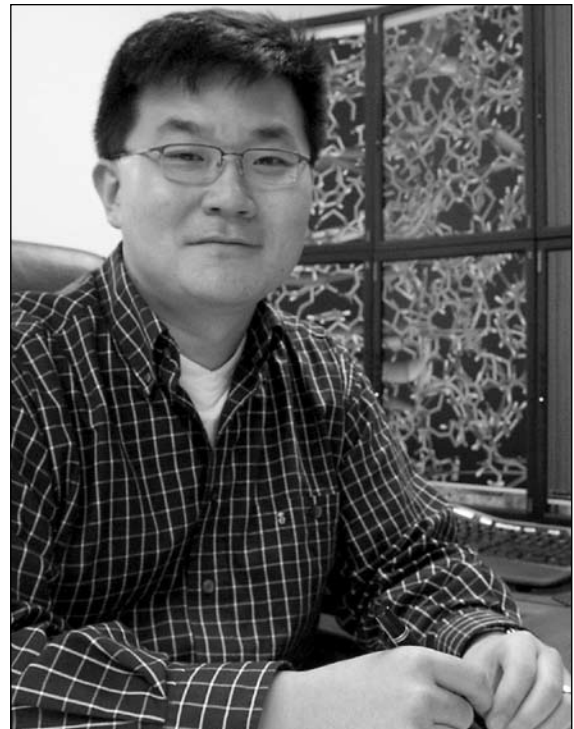
Employees may enroll in the IU Dental Plan. Members may receive dental care from any licensed dentist; however, a higher level of benefit is paid when a network dentist is used. This plan has annual maximum benefits for each enrolled member and for child orthodontia.

Medicare

Both the university and employees contribute to this federal health insurance program for seniors, which provides coverage for hospitalization and some nursing home care.

TAX SAVER BENEFIT PLAN

With IU's Tax Saver Benefit Plan (TSB), employees can reduce the amount of income tax paid each year by setting aside money from salary before taxes. Using TSB, employees can be reimbursed for (1) medical, dental, prescription, and vision expenses and (2) costs for dependent care (day care, babysitting, and elder care) with money set aside before taxes. This plan provides an optional TSB debit card to access salary reductions for health care expenses.



EMPLOYEE ASSISTANCE PROGRAM

The Employee Assistance Program (EAP) helps IU employees and members of their households deal with personal issues that may interfere with day-to-day well-being. Trained professionals are available 365 days a year to discuss services available in areas ranging from stress and workplace conflict to relationship problems, alcohol or drug concerns, and loss of a loved one. The service is confidential and 100 percent paid by IU.

INSURANCE PLANS

Basic Life Insurance

The university provides Basic Life Insurance, 100 percent of which is paid by IU. Highlights of this plan include:

- ♦ A death benefit to the designated beneficiary equal to twice the employee's base annual salary, up to a maximum benefit of \$50,000
- ♦ Coverage for eligible dependents of \$3,000 for a spouse and \$1,000 for each child
- ♦ An accelerated death benefit, which allows terminally ill employees and their dependents the opportunity to collect all or part of their life insurance prior to death

Optional Supplemental Life Insurance

A key benefit of working at IU is the number and variety of optional benefit plans that may not be affordable or available elsewhere. Supplemental life insurance is one such benefit plan. It augments the Basic Life Insurance provided by IU. The amount of supplemental coverage depends on which option an employee chooses. The options available range from one to four times the base salary up to specified maximum amounts.

Basic Accidental Death and Dismemberment Insurance

In addition to Basic Life Insurance, the university provides basic accidental death and dismemberment insurance, 100 percent of which is paid by IU. In the event of an employee's accidental death, the amount of this benefit is equal to twice the employee's base annual salary, up to a maximum benefit of \$50,000.

Optional Personal Accident Insurance

Personal Accident Insurance (PAI) pays benefits in the event of accidental loss of life or dismemberment. Employees can purchase coverage for themselves or for themselves and family members. Additional benefits are available for various situations. Eligible employees can purchase coverage from \$30,000 to \$500,000. Travel assistance services are available to plan enrollees.

Optional Long-term Disability Insurance

Long-term Disability (LTD) pays a significant percentage of an employee's salary should an enrolled employee become disabled and cannot work. This plan replaces 60 percent of one's salary, up to a maximum of \$10,000 per month, less Social Security and other individual disability benefits. Benefits are paid as long as a total disability continues, until age 65 (or to a later age if disability occurs after age 60).



RETIREMENT

Indiana University sponsors a number of retirement plans to help employees prepare financially for their retirement years. These plans include university-funded base retirement plans and several optional plans for employee contributions, along with university and employee contributions to Social Security.

Base Retirement Plans

IU Retirement Plan for Academic and Professional Staff

- ◆ The university contributes an amount equal to 10 percent of base salary to a 403(b) retirement account.
- ◆ Contributions and account earnings are tax deferred until withdrawn.
- ◆ Employees are immediately 100 percent vested in contributions and account earnings.
- ◆ Withdrawals may only begin after termination of employment with the university.
- ◆ Employees can choose from investment opportunities at TIAA-CREF and Fidelity Investments.

PERF Retirement Plan for Support and Service Staff

Public Employees' Retirement Fund (PERF) consists of two separate benefit provisions: a pension benefit and an annuity savings account benefit.

- ◆ The pension benefit is an annual benefit payable for life and based on: years of PERF service (x) final average salary (x) a stated percentage. Participants must have at least 10 years of PERF service to have a vested right to this pension benefit.
- ◆ The annuity savings account benefit is based on university contributions equal to three percent of total salary plus any account earnings. Employees are immediately 100 percent vested in contributions and account earnings, which are tax deferred until withdrawn, and the participant has a variety of income and equity investment options.
- ◆ PERF also includes disability benefits after five years of PERF service and survivor benefits after 15 years of PERF service.

Social Security

Both the university and employees contribute to this federal retirement plan, which provides retirement income, disability, and survivor benefits.

Supplemental Retirement Plans

Employees can participate in either or both of these plans.

IU Tax Deferred Annuity Plan, a voluntary 403(b) plan

- ◆ Employees may make voluntary salary deferral contributions up to IRS-allowed maximums.
- ◆ Contributions and account earnings are tax deferred until withdrawn.
- ◆ Withdrawals may only begin after age 59½ or after termination of employment with the university.
- ◆ Employees can choose from investment opportunities at TIAA-CREF, Fidelity Investments, AUL, and AIG VALIC.

IU Retirement Savings Plan, a voluntary 457(b) plan

- ◆ Employees may make voluntary salary deferral contributions up to IRS-allowed maximums.
- ◆ Contributions and account earnings are tax deferred until withdrawn.
- ◆ Withdrawals may only begin after termination of employment with the university.
- ◆ Employees can choose from investment opportunities at TIAA-CREF and Fidelity Investments.



PAID HOLIDAYS AND TIME OFF

IU's generous Paid Time Off plans help employees balance work and personal life. Staff employees enjoy nine paid holidays per calendar year and additional paid time off listed below.

- ◆ Professional Staff employees earn 30 days of paid time off a year, accrued on a monthly basis. This rate increases after five years of service.
- ◆ Support and Service Staff employees earn 14 vacation days and 12 sick days each year, accrued on a biweekly basis, along with other paid time off for bereavement of a family member. The vacation rate increases after six years of service.

Indiana University understands the need for employees to take time off for responsibilities outside the workplace; therefore, the university also provides paid time off for military, voting, and court duty.

Note: Academic employees should consult their Academic Affairs office for specific information about holidays and time off.

DOMESTIC PARTNER COVERAGES

Registered domestic partners of IU employees are treated as spouses for the purposes of the following benefit plans: medical and dental coverages, Fee Courtesy benefit, Basic Life Insurance, and Personal Accident Insurance.

FEE COURTESY AND EDUCATIONAL OPPORTUNITIES

Indiana University's Fee Courtesy benefit supports the educational mission of IU and reduces the cost of IU courses. Dollar maximums for each campus can be found at www.indiana.edu/~uhrs/benefits/ and are adjusted from time to time (or each year).

- ◆ Employees—Covered tuition is paid up to a dollar limit each semester based on the Indiana resident per-credit-hour rates at each campus, and in the case of some employees, on class standing (undergraduate, graduate, or professional).

Example: For an employee taking courses at Bloomington in the fall of 2007, the benefit covers tuition costs up to a maximum amount of \$983.39 per semester, excluding mandatory fees.

- ◆ Spouses of employees—Covered tuition is paid up to a dollar limit each semester based on the Indiana resident per-credit-hour rates at each campus, and in the case of some employees, on class standing (undergraduate, graduate, or professional).

Example: For the spouse of an employee taking courses at South Bend in the fall of 2007, the benefit covers tuition costs up to a maximum amount of \$254.78 per semester, excluding mandatory fees.

- ◆ Children of employees—Fee Courtesy value is 50 percent of the Indiana resident undergraduate rate for up to 140 credit hours or the first baccalaureate degree, whichever comes first.



INDIANA UNIVERSITY

UNIVERSITY HUMAN RESOURCE SERVICES

Indiana University is an Affirmative Action/Equal Opportunity employer. We value diversity and encourage applications from women, members of minority groups, and persons with disabilities.

The benefit plans described are primarily for full-time Academic and Staff employees. The content of this document is a summary and not intended as a contract between IU and the employee. If there is a difference between the summary and the official documents, then the official documents will govern. IU reserves the right to amend or terminate all or any part of these benefit plans.

For additional information:

Contact a campus Human Resources office or visit www.indiana.edu/~uhrs.

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