

## OTHER CORE BENEFITS

### FLEXIBLE SPENDING ACCOUNTS

Flexible Spending Accounts (FSA) provide an opportunity to participate in special accounts, which allow you to pay certain health care and dependent care expenses with pre-tax dollars. The FSA benefit saves you money by reducing your taxable income. This way you save money in taxes and actually pay less for these expenses!

Annual FSA enrollment is held in April. Before you enroll, you will need to decide how much (if any) you want to contribute to the spending accounts during the year. Your decision should be based on your anticipated health care and/or dependent child-care expenses for the coming year. If you do not use your full account balance by the end of the plan year, IRS rules require that you forfeit the remaining money in your account. IRS rules also prohibit carrying funds over from one year to the next. Each year, you may contribute these amounts to each account: (a) \$120 - \$2,400 to the Health Care Spending Account; and (b) \$300 - \$5,000 to the Dependent /Child Care Spending Account.

Although both accounts have similar guidelines and claim procedures, they are separate accounts and are used for different expenses. For example, if you have amounts left in your Health Care Spending Account at the end of the year, you cannot make a claim against those funds for Dependent Care expenses.

### **IMPORTANT NOTE TO FSA PARTICIPANTS**

**In order to be reimbursed through the FSA, claims must be incurred during the plan year (June 1 - May 31). However, you have until August 30 to submit claims for expenses incurred during the prior plan year. Claims received after August 30 will not be approved and, pursuant to IRS guidelines, any amounts remaining in your spending accounts will be forfeited.**

### **Filing A Claim**

You may submit a claim for reimbursement for health care and dependent/child care expenses incurred June 1 through May 31 up to August 30 of the next plan year. The procedure for filing a claim is the same for both accounts. Direct Deposit is also available as an option for FSA participants. Direct Deposit forms are available at Human Resources.

The IRS requires that you submit documentation with your spending account claim forms. A description of acceptable documents is listed on your Principal claim form. Please review this information carefully and contact Principal Life Insurance Company with any questions about acceptable documentation.

## **LIFE INSURANCE**

Drake provides a group term life insurance plan. You are eligible to participate the first of the month following your date of hire. The University pays the premium coverage. Coverage is twice your annual salary until age 65. There is an age reduction schedule at age 65, 70 and 75. It is important to periodically review your beneficiary designation. As part of the life insurance benefit, beneficiaries are provided, at no additional cost, five (5) sessions with either (a) a grief counselor; or (b) a financial planner.

Drake University also offers a voluntary term life insurance plan for new or additional coverage for an employee (up to \$500,000); spouse (up to \$100,000); and/or child (up to \$10,000). Premiums are the responsibility of the employee and are paid through payroll deduction. An enrollment form is available from Human Resources for participation in the voluntary life insurance plan.

## **ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE**

Accidental Death and Dismemberment coverage is purchased by the University for all regular full-time employees. In the event of an accidental death, the benefit is two (2) times the base annual salary times the reduction factor for those age 65 and above. Dismemberment benefits vary according to the insured's loss. You are eligible for the insurance on the first day of the month following your date of hire or completion of a waiting period.

## **DEATH BENEFITS**

In the event of the death of a regular full-time employee in active work status, the employee's estate will be paid a death benefit equal to the amount of compensation that would have otherwise been payable through the next regular pay day following the 30<sup>th</sup> day from the date of the employee's death.

## **LONG TERM DISABILITY BENEFITS**

Drake provides long term disability benefits to regular full-time employees of Drake University. Long term disability protection begins after completion of a defined waiting period of ninety (90) calendar days.

The plan is a fully insured plan, which extends protection for the loss of earnings due to disability, as defined by the plan. This insurance provides an income benefit of sixty (60) percent of your monthly base salary to a maximum of \$10,000 per month, effective ninety (90) days after disability occurs and upon approval by Union Central. If Drake contributes to your retirement plan, contributions will continue to be made to your retirement account while on long term disability.

Faculty participating in the Transitional Leave and Half-Time Teaching Programs may also be eligible for Long Term Disability Benefits for up to 24 months.

### **BUSINESS TRAVEL LIFE INSURANCE**

Business travel life insurance is purchased by the University for regular full-time employees. While traveling on university business, you are covered under a blanket policy for injury and loss of life up to \$250,000. You are eligible for the insurance on the first day of full-time, regular employment or upon completion of a waiting period.

### **LONG TERM CARE BENEFITS**

Drake offers an election to participate in long term care (LTC) through Teachers Insurance and Annuity Association (TIAA) to eligible participants including full-time employees, administrators, staff, spouse/partner, parents, parents-in-law and Drake retirees. This is a voluntary plan designed to complement pension, disability, health and life insurance benefits. LTC offers a broad range of medical, personal and social services provided when individuals are unable to care for themselves over a long period of time.

### **HOMEOWNERS AND AUTO INSURANCE**

Drake offers an election to choose homeowners, renters, or automobile coverage through Allied Insurance Company. If you accept a proposal offered by the Allied Group, the agreement is between you and the insurance company. This voluntary program provides an opportunity to participate in a group insurance plan with the convenience of paying your premiums through payroll deduction.

### **FEDERAL INSURANCE CONTRIBUTIONS (FICA)**

The basic federal program for Social Security is Old Age, Survivor's Disability Insurance (OASDI) and Medicare Basic Hospital Insurance. The amount of deduction from your paycheck for FICA taxes is matched by the University. The total contribution is credited toward your Social Security benefits that become available at the time you meet Social Security's eligibility requirements.

### **UNEMPLOYMENT INSURANCE**

Unemployment insurance is a cash benefit which alleviates lost wages due to termination of employment in some cases. A representative from Iowa Workforce Development determines unemployment benefits.

### **EMPLOYEE ASSISTANCE PROGRAM**

Drake offers a confidential counseling service to you and your family members through the Employee Assistance Program (EAP). Initial assessments are offered at no cost. EAP is designed to deal with a wide range of human problems including family, marital, financial, work-related, legal, emotional, alcohol and drug problems, or other issues that interfere with daily living. Follow-up, referral counseling and treatment will be coordinated for coverage under your health insurance plan. If confidential counseling assistance is needed, you are encouraged to contact EAP at 515-244-6090 or toll free, 1-800-327-4692.

## **DRAKE NEIGHBORHOOD HOME OWNERSHIP PROGRAM**

Bankers Trust Company, Neighborhood Finance Corporation and Drake University have come together to offer all full-time Drake employees a Home Incentive Purchase Plan. This program offers an attractive financing arrangement and subsidy for full-time employees who wish to purchase and reside in a home in the Drake neighborhood. The defined area is as follows: Clark Street to Cottage Grove and 23<sup>rd</sup> Street to 31<sup>st</sup> Street.

Drake University will provide a maximum assistance up to \$2,000 which may be utilized for a down payment or for closing costs, such as abstracting, appraisal fees, title opinion, credit report, pre-pays or origination fees. Note: IRS regulations require any amounts paid by the University on behalf of an employee to be treated as taxable income. Contact Drake's Business and Finance Office, 271-3116, for more information.

## **ADDITIONAL UNIVERSITY PROGRAMS AND SERVICES**

Drake provides regular full-time employees a variety of programs and services at discounted rates.

***Automobile Registration:*** To park in a Drake University parking lot, you must register your automobile(s) and pay an annual parking fee. Registration stickers or tags may be purchased in Student Accounts in Old Main, the D-Shoppe in the Olmsted Center or the University Book Store on 3003 Forest Ave.

***Credit Union:*** EdCo Credit Union membership is available to Drake employees, alumni, and students. Services include payroll deduction for share draft and savings accounts, MasterCard, and home and auto loans. EdCo is located at 609 38th Street, Des Moines, IA, and can be contacted at 274-4100.

***Drake Identification Card:*** You will receive a temporary ID card at the time of your initial benefit orientation. You will need to present your temporary ID card to the Student Life Center to have your photo taken for a permanent ID card. The ID may be used in Cowles Library, Law Library, Bell Center, Student Accounts, D-Shoppe, and University Book Store.

***Library Services:*** You may use Cowles Library or the Law Library upon presentation of your Drake ID card.

***Tickets:*** Special prices for athletic and fine arts events are available with presentation of your Drake ID card.