



LIFE INSURANCE

GROUP TERM LIFE INSURANCE

- As an eligible University employee, you are provided University-paid life insurance coverage of two times your annual base salary up to \$100,000 at no cost.
- Employees may also purchase supplemental life insurance up to five times their annual base salary up to a maximum of \$500,000 without an evidence of insurability medical exam or up to \$1,000,000 with a successful evidence of insurability medical exam. Costs vary by age and salary
- After your initial hire the only time you may change your life insurance amount is during open enrollment or as a result of a qualified family status change. It is important to note that during subsequent changes you are limited to the next level of coverage and may not skip levels.

ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT

- In the event of death due to an accident, this benefit provides an additional 2 times your annual regular base salary up to a maximum of \$100,000 (subject to the age reduction formula).

ACCELERATED DEATH BENEFIT

- In the event of a terminal illness diagnosis with a life expectancy of 12 months or less, this benefit provides for an early payment of up to 100 percent of the life insurance amount.
 - If a terminal illness is diagnosed, notify Benefits Administration to apply for this benefit.

AGE REDUCTION FORMULA

- An age reduction formula goes into effect at age 65 and reduces the life insurance benefit by 8% annually on the January 1st following employee's birthday. A final reduction of 10% occurs on the January 1st following the employees 70th birthday.

BENEFICIARY DESIGNATION

- Beneficiaries are the person(s) designated to be paid life insurance benefits upon your death. To review/change your current beneficiaries visit MyAkron, go to the Faculty/Staff tab and click on Benefits Summary.

TAX IMPLICATIONS

- Under section 79 of the Internal Revenue Code, the University is required to report the imputed cost of any employer-provided life insurance benefit that exceeds \$50,000. The imputed cost is calculated using the IRS Premium Table. You can view the IRS Premium Table and information on group term life insurance in IRS publication 15-B.

PREMIUMS

Rates per \$1,000 per month. For your specific annual cost log into MyAkron and review your benefits enrollment form or confirmation.

Age Band	MONTHLY PREMIUM
Under 30	0.065
30-34	0.08
35-39	0.104
40-44	0.117
45-49	0.156
50-54	0.259
55-59	0.48
60-64	0.752
65-69	1.439
70-74	2.32
75+	2.67
AD&D	0.018

DEPENDENT GROUP TERM LIFE INSURANCE

- Eligible faculty and staff may purchase life insurance coverage for a spouse and children up to age 26 at low monthly fees. This benefit pays up to \$10,000 (depending on level of coverage selected) in the event of the death of your covered spouse or child.
- The employee is the beneficiary for any dependent life benefit.
- The amount of dependent life insurance chosen for the spouse is limited to 50% of the employee's amount of life insurance.
- All eligible dependent children are covered under one plan at the same premium rate. Additional premiums are not charged for additional children.

PREMIUMS

Dependent Life Premiums are paid on an after-tax basis via payroll deduction.

Dependent Life Monthly Contribution	
\$2,500 child/\$5,000 spouse	\$1.68
\$5,000 child/\$10,000 spouse	\$3.36

For all Life products evidence of insurability (EOI), approved by Minnesota Life.

For more details on life insurance view the Minnesota Life policy description at www.uakron.edu/hr/benefits. Click on the Life Insurance tab to view all information about the life insurance.

EFFECTIVE DATE

- The guaranteed issue amount is effective at the later of the date you become eligible and the date your enrollment is complete. The portion requiring EOI is effective upon approval from Minnesota Life.



LONG & SHORT-TERM DISABILITY

Disability Insurance provides financial protection for eligible employees by paying a percentage of weekly earnings in the event of a disability. Consider enrolling in a disability insurance plan if you have inadequate emergency funds set aside to pay for an unexpected accident or illness or you have a limited sick leave balance.

SHORT-TERM DISABILITY

This plan provides 60% salary replacement up to a maximum weekly benefit of \$1,400 as non-taxable income.

WAITING PERIOD

For injury, the waiting period is 14 days and for illness (including pregnancy), the waiting period is 28 days. You must exhaust all sick leave before the policy pays benefits.

PRE-EXISTING CONDITION CLAUSE

A "Pre-existing Condition" means any injury or sickness for which you incurred expenses, received medical treatment, care or services including diagnostic measures, took prescribed drugs or medicines, or for which a reasonable person would have consulted a Physician within 12 months before your most recent effective date of insurance.

BENEFIT OFFSETS

An employee for whom disability benefits are payable under this policy may be eligible for benefits from other income benefits. If so, the insurance company may reduce the disability benefits by the amount of such other income benefits.

PREMIUMS

The cost of short-term disability insurance is paid by employees on an after-tax basis, determined by age and salary. Rates are per \$10 of payable benefit. See MyAkron for your specific cost details.

Age	Monthly Premium (Price)
Under 40	\$0.298
40-49	\$0.264
50-59	\$0.340
Over 60	\$0.468

LONG-TERM DISABILITY (LTD)

The Base Plan for long-term disability insurance is funded by the University. This plan provides 60% salary replacement up to a monthly maximum of \$5,000.

The Buy Up plan provides 70% salary replacement up to \$6,000 monthly benefits. For this option, you will pay the difference in cost from the Base Plan.

WAITING PERIOD

This plan requires a six month waiting period and sick leave must be exhausted before benefit are paid out.

PRE-EXISTING CONDITION CLAUSE

A "Pre-existing Condition" means any injury or sickness for which the employee incurred expenses, received medical treatment, care or services including diagnostic measures, took prescribed drugs or medicines, or for which a reasonable person would have consulted a Physician within 3 months before his or her most recent effective date of insurance

BENEFIT OFFSETS

An Employee for whom disability benefits are payable under this policy may be eligible for benefits from other income benefits. If so, the insurance company may reduce the disability benefits by the amount of such other income benefits.

PREMIUM

The base LTD is provided at no cost to employees by The University. The buy-up plan may be purchased at an additional cost of \$.51 per \$1,000 of covered salary. For your specific rates log into MyAkron and view your enrollment form or confirmation statement.

YOUR FIRST 120-180 DAYS

RETIREMENT PROGRAM CHOICES

STATE RETIREMENT PROGRAMS

STRS and OPERS offer choices of three plans within their systems to new members. Watch for an introduction mailer from STRS or OPERS to learn more about their plan offerings.

THINGS YOU SHOULD KNOW

Ohio public institutions do not participate in the federal Social Security system, other than contributions to Medicare. Instead, faculty and staff are required to participate in the Ohio state retirement system. In recognition of the diverse retirement needs of employees, the state provides retirement through two systems, one for staff/administrative contract professionals and one for faculty/academic contract professionals. An additional option is also available to eligible employees of public institutions who hold a full-time position of 100% FTE. These are:

- Ohio Public Employees Retirement System (OPERS) for staff /State Teachers Retirement System of Ohio (STRS) for faculty
- The University of Akron Alternative Retirement Plan (ARP) 401 (a)

It is important that you understand how each program works so you can pick the one that best fits your retirement savings objectives. You should carefully consider your personal situation before making an election. You also may want to seek the advice of a retirement planning professional who is familiar with the plan options.

If eligible, you have 120 days from, and including, the effective date of your eligible appointment to make your irrevocable election and enroll in either ARP or OPERS/STRS. Benefits Administration must receive your completed Retirement Program Election form by noon on the last business day before the 120th day. If no election is made, you will automatically be enrolled in OPERS/STRS. If you elect or default to STRS, you have an additional 60 days to complete the STRS paperwork and make a selection between their three plans.

If you elect the ARP, you must choose and contact an ARP provider and complete the required account forms. Your enrollment in ARP is not complete until you have enrolled with your chosen ARP provider.

Retirement contributions will be sent to either OPERS or STRS (based on your appointment classification) until an election is made between the appropriate state system and the ARP (if eligible). If ARP is elected, contributions as of your ARP eligibility date will be transferred automatically to your chosen ARP providers by OPERS/STRS. You do not earn service credit under the state system while participating in the ARP.

Attention Returning Retirees:

The ARP option is available

- If you hold at least a 100% FTE and were not previously offered the option to elect the ARP during employment prior to retirement or;
- Retired from the university more than 365 days or;
- Are eligible as new hire.
- Individuals not eligible for the ARP will pay into the SERS/STRS money purchase plan.

Contact OPERS/STRS about any impact reemployment may have on your OPERS/STRS health care coverage.

TYPES OF PLANS AVAILABLE AND THEIR CHARACTERISTICS

The retirement plan options differ in several ways. The basic difference is in how the retirement benefits are determined.

DEFINED BENEFIT (DB) PLAN

The defined benefit plan is available through OPERS and STRS. In this type of a plan, your retirement income is determined by a calculation that uses:

- Your age
- Your years of service
- Your final average salary

You and the university make contributions to this plan to fund the retirement benefits. The investment of contributions in this plan type are managed OPERS/STRS; therefore, you do not bear any investment risk. Your benefit grows as your years of service and final average salary increase.

DEFINED CONTRIBUTION (DC) PLAN-401 (A)

A defined contribution plan is available through the ARP, and STRS. In this type of plan, your retirement income is driven by several variables:

- The performance of the investment choices you select
- The amount of contributions deposited to your account (your contributions and the university's)
- The payment option you choose at the time of retirement

You and the university make contributions to this plan and you decide how to allocate those contributions among a variety of investment options. Your balance at your retirement is equal to the contributions made to the plan and the investment earnings or losses the account experiences.

When participating in a defined contribution plan, the law requires that a portion of the employer contribution be sent to the state system to be applied towards the unfunded liability associated with the defined benefit plans ("mitigating rate"). This amount may be

adjusted up or down on a periodic basis as determined by State law and the retirement systems.

COMBINED PLAN

The combined plan is available through STRS only. This plan includes features of the Defined Benefit and Defined Contribution plans. Your retirement benefits is determined by:

- A formula that uses your age, years of service and final average salary
- And a portion from contributions to the plan and the investment earnings or losses on that account

You and the university make contributions to this plan. You determine the investment options under the defined contribution portion of the plan. At retirement, you receive a portion from the defined benefit formula and your account balance for the defined contribution portion.

There are many important factors to consider when selecting your retirement plan. Carefully consider your options. You may want to speak to a retirement planning professional to discuss your long term- financial goals and other personal considerations such as your risk tolerance, your potential length of employment, and other retirement savings.

For more details and to see a list of ARP and SRA vendors, view the Retirement Options Booklet at www.uakron.edu/hr/benefits/retirement.

AVAILABLE THROUGHOUT YOUR UNIVERSITY EMPLOYMENT

SUPPLEMENTAL RETIREMENT ACCOUNTS (SRA)

Many private sector companies offer 401(k) plans. As a university employee, you have the opportunity to contribute to something similar called a Supplemental Retirement Account (SRA). SRAs allow you to enhance your retirement plan savings through voluntary contributions and include the Deferred Compensation Program (457(b) plan) and Tax-Deferred Accounts (403(b) plan), and Roth 404(b) plan. Contributions to the 457(b) and 403(b) are on a pre-tax basis. Roth 403(b) contributions are on an after-tax basis.

ENROLLMENT

You must contact the SRA provider you choose to activate an account. The account must be opened for contributions to be deposited. If the account is not opened, the election will be null and void, and any deductions will be returned.

You may enroll at any time during eligible employment by completing the Salary Reduction Agreement.

- 403(b) contributions will begin on the pay date you designate on the SRA application or, if later, the next pay after receipt in Human Resources.
- 457(b) contributions begin the month after the election is made.

MAKING CHANGES TO YOUR SRA

You may change your SRA contribution amount and/ or your provider at any time by submitting a completed SRA Salary Reduction Agreement to Payroll.

Your existing SRA balance may remain with your previous active provider, or a portion may be transferred to the new provider, pending your investments allow this.

SRA PLAN CONTRIBUTIONS

The university does not make contributions to your SRA.

403(b) and 457(b) contributions are deducted from your pay on a pre-tax basis.

Roth 403(b) contributions are deducted from your pay on an after-tax basis.

INVESTMENTS

Each provider offers a variety of options in which you may elect to invest your contributions.

You assume the investment risk; all earnings and losses accrue to your account.

You assume the cost for any management fees (loads) associated with your investments, which may vary from provider to provider.

ADVANTAGES

By joining the plan, you will:

- Lower your current state and federal taxes through tax-deferred savings
- Save toward retirement
- Have automatic deductions each pay period

If you have any questions about any of the information contained in this document or about benefits enrollment, please call your benefits representative or send an email to benefits@uakron.edu.