

### **3.5 Fringe Benefits (Community College Employees Hired Prior to January 14, 1998)**

#### **3.5.1 Mandatory Benefits (Community College Employees Hired Prior to January 14, 1998)**

##### **3.5.1.1 Worker's Compensation (Community College Employees Hired Prior to January 14, 1998)**

The College System has provided for the welfare of its employees in compliance with the Kentucky Workers' Compensation Law.

1. All employees of the College System, full-time and part-time, who sustain on the job, work-related injuries, are eligible for workers' compensation benefits, as provided under the Kentucky Workers' Compensation Law.
2. An employee sustaining a job related injury must report the injury to a supervisor, as soon as possible. The employee, along with the employee's supervisor, must complete a special form (S.F.1.) provided for this program. An original and two (2) copies are to be sent to the Workers' Compensation Office at the Community College Central Office. These forms should be signed by the supervisor and mailed to the Workers' Compensation Office at the earliest possible moment. The supervisor may wish to call the Workers' Compensation Office to report the accident before completing the forms. The completed forms should be sent to the Workers' Compensation Office on the day the accident occurs, or at least by the following day. The reporting forms should be available in each community college Business Office or they can be obtained by contacting the Workers' Compensation Office.
3. To be eligible for compensation, an employee must have received personal injuries or contracted an occupational disease directly caused by the job in the course of and resulting from employment at the community college. This coverage is limited to the employee and does not cover the employee's family.
4. For additional information concerning benefits under the Workers' Compensation Law, consult the Workers' Compensation Office.

##### **3.5.1.2 Unemployment Compensation (Community College Employees Hired Prior to January 14, 1998)**

As of July 1, 1972, the Community Colleges came under the provisions of the Kentucky Unemployment Insurance Law. For information concerning the coverage and details of the program, individuals should contact their local Unemployment Insurance Office. The Community Colleges provide unemployment compensation to eligible former employees.

**3.5.1.3 OASDI and Medicare (Social Security)  
(Community College Employees Hired Prior to  
January 14, 1998)**

All faculty of the College System are covered by the Old-Age and Survivors Insurance of the Social Security Program and thus are eligible for benefits in accordance with the laws governing this program.

Each eligible person must have or obtain a Social Security Card and supply to the community college a completed Treasury Form W-4, K-4, with the Social Security Number, and other information necessary in withholding insurance contributions.

The OASDI and Medicare taxes are deducted from the pay of faculty members, and the College System adds its contribution.

**3.5.1.4 ERISA (Community College Employees Hired  
Prior to January 14, 1998)**

Employees are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

1. Examine, without charge, at the Human Resources Office of the applicable community college, all plan documents, including insurance contracts, and copies of all documents filed by the Plan Administrator, the Human Resources Office, and with the U. S. Department of Labor, such as annual reports and plan descriptions;
2. Obtain copies of all plan documents and other plan information upon written request to the plan administrator. The plan administrator will make a reasonable charge for the copies; and
3. Receive a summary of the plan's annual financial report. The plan administrator is required by law to make available to each participant a copy of this summary financial report.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate an employee's plan, called "fiduciaries" of the plan, have a duty to do so prudently, and in the interest of the employees and other plan participants and beneficiaries.

No one, including an employee's employer or any other person, may fire the employee or otherwise discriminate against the employee in any way to prevent the employee from obtaining a benefit from this plan or exercising rights under ERISA. If an employee's claim for a benefit is denied, in whole or in part, the employee must receive a written explanation of the reason for the

denial. The employee has the right to have the plan administrator review and reconsider the claim.

Under ERISA, there are steps an employee can take to enforce the above rights. For instance, if the employee requests materials from the plan and does not receive them within thirty (30) days, the employee may file suit in federal court. In such a case, the court may require the plan administrator to provide the materials and pay an employee up to \$100 a day until the employee receives the materials, unless the materials were not sent because of reasons beyond the administrator's control.

If an employee has a claim for benefits which is denied or ignored, in whole or in part, the employee may file suit in a state or federal court. If it should happen that the plan fiduciaries misuse the plan's money, or if the employee is discriminated against for asserting rights, the employee may seek assistance from the U. S. Department of Labor, or file suit in federal court.

The court will decide who should pay court costs and legal fees. If the employee is successful, the court may order the person the employee sued to pay these costs and fees. If the employee loses, the court may order the employee to pay these costs and fees, for example, if it finds the claim is frivolous.

Questions about the plan should be directed to the plan administrator. An employee should contact the nearest area office of the Labor-Management Services Administration, U. S. Department of Labor, for questions regarding this statement or about rights under ERISA.

### **3.5.1.5 Health Insurance Continuation (COBRA) (Community College Employees Hired Prior to January 14, 1998)**

The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) requires that employers who sponsor group health plans offer employees and their families the opportunity for a temporary extension of health coverage (called "continuation coverage") at group rates in certain instances where coverage under the Plan would otherwise end. This is intended to inform, in a summary fashion, of rights and obligations under the continuation coverage provisions of the law.

An employee, the employee's spouse, or dependent become Qualified Beneficiaries if the employee, the employee's spouse, or dependent are covered under the employer's group health plan and would lose coverage upon the happening of one (1) of the following events (called a Qualifying Event):

1. Death of the covered employee;
2. Termination (for reasons other than gross misconduct) or reduction of hours of the covered employee's employment;
3. Divorce or legal separation of the covered employee from a spouse;
4. Entitlement of the covered employee for Medicare; or

5. Dependent ceases to be “dependent child” under the group health plan.

In such a case, each Qualified Beneficiary would have the right to elect to choose continuation coverage if the group health coverage would be lost. The employee, employee’s spouse, or dependent children (where applicable) would each, as a Qualified Beneficiary, have the option to select continuation coverage for a period shown as follows:

| REASON FOR TERMINATION   | UNDER GROUP PERIOD |
|--|--------------------|
| Voluntary Termination of Employee  | 18 months          |
| Involuntary Termination of Employee (Except for Gross Misconduct)        | 18 months          |
| Reduction in Work Hours of Employee                                      | 18 months          |
| Disability of Employee as Determined under the Social Security Act       | 29 months          |
| Death of Employee  | 36 months          |
| Divorce or Legal Separation  | 36 months          |
| Employee Becomes Entitled to Medicare                                    | 36 months          |
| Dependent Child No Longer Qualifies as Dependent Under Group Health Plan | 36 months          |

**3.5.1.5.1 Special Rule for Multiple Qualifying Events (Community College Employees Hired Prior to January 14, 1998)**

If the employee elects continuation coverage following a termination of employment or reduction in hours and, during the 18 month period of continuation coverage, a second event (other than a bankruptcy proceeding) occurs that would have caused the employee to lose coverage under the plan (if the employee had not lost coverage already), the employee may be given the opportunity to extend the period of continuation coverage to a total of 36 months. If a beneficiary elected continuation coverage as the spouse or dependent of a covered employee, who experienced a termination of employment or reduction in hours, and during the continuation period the employee or former employee became entitled to Medicare, the beneficiary may be given the opportunity to extend coverage for 36 months from the date the covered employee becomes entitled to Medicare.

**3.5.1.5.2 Special Rule for Retirees and Newly Acquired Dependents (Community College Employees Hired Prior to January 14, 1998)**

The retiree, spouse, or dependent of a retiree whose employer's group health plan is lost or substantially eliminated within one (1) year before or after the employer's filing of a Title 11 Bankruptcy filing can elect to remain in the employer's group health plan until the retiree's death. After the retiree's death, the retiree's survivors can obtain up to an additional three (3) years of continuation coverage.

Newly acquired dependents of Qualified Beneficiaries such as children and spouses are to be given the same opportunity to obtain coverage as for an employee with, and under the same conditions as, such dependent's coverage. The newly acquired dependent's coverage is not as a Qualified Beneficiary, and as such, their continuation coverage will end upon termination of the Qualified Beneficiary's continuation coverage.

The continuation coverage will not be conditioned on a physical examination or other evidence of insurability, and will be identical, with very few exceptions, to the coverage provided to similarly situated employees or family members. Please note that the beneficiary may be required to pay all or part of the premium for this continued coverage and an administrative fee.

Under COBRA, the Community Colleges must notify the Plan Administrator (except where the employer is the Plan Administrator) within thirty (30) days of an employee's death, termination of employment or reduction in work hours, Medicare entitlement, and bankruptcy proceedings. In these cases, the plan administrator must then notify the Qualified Beneficiary of the right to elect continuation coverage. This notice must be provided within fourteen (14) days after the plan administrator receives notice that one (1) of these events has occurred. However, with respect to multi-employer plans, to the extent the plan so provides, the Community Colleges may have an extended period of time for notifying the plan administrator of one (1) of the qualifying events, and the Plan Administrator also may have an extended period for providing notice to the Qualified Beneficiary.

In all other cases, the employee or family member has the responsibility to notify the plan administrator of a divorce, legal separation, a child losing dependent status, a disability as determined under the Social Security Act, or a newly acquired dependent under the group health plan. In these cases, the employee has sixty (60) days from the date that the employee would lose coverage because of one (1) of the events described previously to notify the Plan Administrator of the Qualifying Event. In all cases, the beneficiary has sixty (60) days from the date of the notice from the plan administrator or from the date the beneficiary would lose coverage (whichever is later) to inform the plan administrator that the beneficiary wants continuation coverage. The election of continuation coverage is deemed to include an election for family members who will lose coverage under the group health plan unless otherwise specified.

The continuation coverage extends from the date of one (1) of the events described previously to:

1. Eighteen months (in the case of termination or reduced work hours), or 29 months (in the case of disability), or 36 months (in all other cases described previously except retirees and newly acquired dependents (see “Special Rules”).
2. The date the Community Colleges no longer provides any group health plan to its employees.
3. The date the premium for continuation coverage is not paid on time.
4. The date the person whose coverage is being continued becomes covered under another group health plan unless the other plan contains an exclusion or limitation with respect to a pre-existing condition.
5. The date the person whose coverage is being continued becomes entitled to Medicare benefits (unless the qualifying event is the employer’s Title 11 Bankruptcy).
6. The date the beneficiary is divorced from a covered employee, subsequently remarries, and becomes covered under another group health plan, in which case the beneficiary can continue until the maximum allowed period of termination or upon being covered for pre-existing conditions if the new plan excludes or limits benefits for the pre-existing condition coverage plan covers it, whichever occurs first.

To prevent a lapse in coverage, if the beneficiary selects continuation coverage, the beneficiary can pay any required premium within forty-five (45) days after the election. If the Community Colleges' group health plan provides a conversion privilege to other beneficiaries, the Community Colleges must also provide the beneficiary and family members with the opportunity to enroll under a conversion health plan during the 180-day period preceding the date that continuation coverage expires.

**3.5.1.5.3 Independent Contractor and Other Service Performers (Community College Employees Hired Prior to January 14, 1998)**

Self-employed individuals, independent contractors and agents, and directors who are (or were) covered by a group health plan maintained by an employer for one (1) or more common law employees may also be eligible for continuation coverage. Continuation coverage is provided if the individual was covered under the employer’s group plan by virtue of performing services for the employer.

**3.5.1.5.4 Working Aged (Community College Employees Hired Prior to January 14, 1998)**

COBRA also affects the rights of employees and spouses who are over 65 years of age. Unless the Community College Branch is exempt from COBRA, then it must offer employees and spouses, age 65 and over, "working aged," the same health insurance coverage that is offered to younger workers and their spouses.

**3.5.2 Carrier Benefits (Community College Employees Hired Prior to January 14, 1998)**

**3.5.2.1 Group Term Life Insurance (Community College Employees Hired Prior to January 14, 1998)**

Regular full-time faculty are insured for \$10,000 or the basic amount as established by the college system under the Basic Life Insurance Program. Dependents are not covered under this plan. This insurance may be increased optionally to a total of one (1), two (2), or three (3) times the employee's basic annual salary. The premium for the basic insurance is paid by the College System whereas that for the optional amount is paid by the employee through payroll deduction.

**3.5.2.2 Group Accident Insurance (Community College Employees Hired Prior to January 14, 1998)**

This insurance covers death and dismemberment resulting from an accident. It provides coverage twenty-four hours a day, every day of the year, world-wide, for accidents on or off the job. Any amount of principal sum (in multiples of \$5,000), between a minimum of \$10,000 and a maximum of \$100,000 may be purchased. You may enroll in the single plan or the family plan which provides dependent coverage to employees as of July 1, 1997. This insurance terminates when you terminate your employment with the College System or retire. It cannot be converted to an individual (non-group) policy. The insurance terminates upon separation or retirement from the Community Colleges.

**3.5.2.3 Disability Income Protection (Community College Employees Hired Prior to January 14, 1998)**

The College System provides long-term disability income insurance at no cost for all regular full-time faculty of the Community Colleges as of July 1, 1997, who have completed one (1) year of employment. Any benefits received from Social Security and/or worker's compensation are included in arriving at the total benefit amount.

Long-term total disability is defined as the inability, by reason of sickness or bodily injury, to engage for more than six (6) full calendar months in any occupation for which the employee is reasonably fitted by education, training, or experience. To be eligible for disability benefits, the onset of the disability shall have occurred after the employee's coverage becomes effective, and must also meet the requirements for approval by the College System and the insurance company.

This income protection plan provides monthly benefits for as long as the employee remains totally disabled or until the employee retires in accordance with College System rules. In addition to income benefits, retirement plan payments will continue to be made on the employee's behalf, provided the employee was participating in one (1) of the College System retirement plans on the date of disability.

The waiting period may be waived for those faculty who have had similar coverage within the last six (6) months prior to their employment by the College System.

#### **3.5.2.4 Liability Insurance (Community College Employees Hired Prior to January 14, 1998)**

Full-time and part-time faculty have "wrongful acts" liability coverage under the Community Colleges' Educators Legal Liability policy. The policy covers the faculty member in the discharging of duties while employed by the College System.

#### **3.5.2.5 Health and Dental Insurance (Community College Employees Hired Prior to January 14, 1998)**

The College System offers health and dental insurance coverage to regular full-time employees through several companies. Health Maintenance Organization (HMO) preferred provider, Indemnity and consumer driven plans are offered. Some are available only to employees who reside in the Lexington area. Faculty members are encouraged to read the information about these plans, which may be obtained from their community college Business Office or the Employee Benefits Office at the Kentucky Community and Technical College System, before enrolling.

#### **3.5.2.6 Health Insurance Credit (Community College Employees Hired Prior to January 14, 1998)**

The College System will provide a contribution toward the cost of a health insurance plan for regular full-time employees, eligible retirees, and employees who have been approved for long term disability benefits. Enrollment in one (1) of the health insurance plans offered by the University is required to be eligible for this benefit.

**3.5.2.7 Flexible Spending Account Program (125 Plan)  
(Community College Employees Hired Prior to  
January 14, 1998)**

The Flexible Spending Account Program (125 Plan) is program which allows eligible faculty members to pay with tax free earnings for health care expenses for themselves and dependent family members and dependent care expenses. The health care expense portion of the plan requires a one-year (1) waiting period for employment.

**3.5.3 Institutional Benefits (Retirement Plan for Community  
College Employees Hired Prior to January 14, 1998)**

**3.5.3.1 Basic Retirement Program (Community College  
Employees Hired Prior to January 14, 1998)**

Persons having academic appointments are classified in the Group I retirement plan. Eligibility of personnel for classification in Group I is conditional upon:

1. Regular full-time employment;
2. Employment in a faculty position or a position otherwise specifically approved for Group I by the President; and
3. Occupation of a position not covered by the United States Civil Service Retirement Plan.

Upon completion of one (1) year of regular full-time service, the College System will contribute to the retirement plan on behalf of faculty members who are enrolled. Participation of eligible Group I personnel becomes a condition of employment upon completion of one (1) year of service and attainment of age 30, and is mandatory.

The University of Kentucky Board of Trustees has authorized three (3) retirement plan carriers, effective July 1, 1988, to be used by College System Employees: Teachers Insurance Association Annuity/College Retirement Equity Fund (TIAA/CREF), Fidelity Investments, and American Century Investors. It is the Board's intention that College System employees be given a wide range of investment options during the years in which contributions are being made on the employees' behalf, as well as a wide range of withdrawal options at the time of retirement.

The preliminary service period shall be waived, upon notification to the retirement section of the employee benefits office within the first 30 days of employment, for employees with tenure or for employees who have 403(b) retirement vehicles issued by one (1) or more of the authorized retirement plan carriers.

All eligible Group I personnel who have satisfied the age and service requirements for mandatory participation shall be required to contribute on a salary reduction (pre-tax) basis. All contributions are to be made by the participant in accordance with the schedule provided in

3.5.3.1.1, however, this provision shall not apply to any participant who prior to December 22, 1986, was making contributions on a salary deduction (after tax) basis.

**3.5.3.1.1 Contributions as a Percent of Basic Annual Salary (Community College Employees Hired Prior to January 14, 1998)**

| By the Participant | By the Institution | Total |
|--------------------|--------------------|-------|
| 5%                 | 10%                | 15%   |

The College System deducts the contribution of the participant from regular salary payments, adds its contribution, and remits the combined sum to the retirement plan carrier(s) selected by the participant for the purchase of retirement benefits.

The participant will direct the portion of the combined retirement contribution that is to be remitted to each carrier, if two (2) or more carriers are selected. The participant also must advise each retirement plan carrier of which investment options have been chosen and, if two (2) or more options are selected with a single carrier, of the part of the retirement contribution that is to be allocated to each option.

A participant may change the ratio of allocating funds among retirement plan carriers or change options by completing the appropriate paper work. Changes in allocating contributions among the plan options is accomplished by the participant directly with the retirement plan carrier.

Retirement benefits purchased with the employee and College System contributions shall become the property of individual participants immediately upon purchase. All benefits are for the sole purpose of providing retirement or death benefits.

If, by applying the above-stated percentages, there is a violation of federal or state laws, as a result of the employer or employee contributions, then these percentages shall not be applied to the extent of violating applicable laws. In such cases, the amount of the employer contribution that cannot be forwarded to a retirement plan carrier shall be paid to the employee as a temporary salary increase for the balance of the calendar year.

The University of Kentucky Retirement Plan has been approved by the UK Board of Trustees and KCTCS.

**3.5.3.2 Phased Retirement Policy and Program  
(3.5.3.2-3.5.3.2.4 Approved by KCTCS for All  
Eligible Regular Status Full-time Faculty)**

**3.5.3.2.1 Eligibility for Phased Retirement**

The Phased Retirement Program is designed to provide an opportunity for eligible regular status full-time faculty members who participate in the 403(b) retirement plans. This option is not available under the defined benefits plans in accordance with the rules of those retirement systems. The intent of the Phased Retirement Program is to make an orderly transition to retirement through less than full-time service. It is entirely voluntary and will be implemented by written agreement between faculty members and the colleges. The Program is ongoing but the availability of the program may be limited at any time by the colleges. The effective date of the Program is July 1, 1996.

**3.5.3.2.2 Approval for Phased Retirement**

The Phased Retirement Program is available to all regular status full-time faculty members who are tenured or have continued or continuing employment status and have completed fifteen (15) years of full-time faculty service and who have reached the date of normal retirement as defined in the applicable retirement plan. Individuals who have already taken regular retirement are not eligible for phased retirement under this Program.

A decision to request or not request phased retirement appointments rests entirely with individual faculty members.

Phased retirement that is requested and approved must commence at the beginning of the first fiscal year following approval of the request.

The Phased Retirement Program does not create an absolute right of faculty members to a phased retirement. Phased retirement appointments must be requested by eligible faculty members but shall be granted only when such appointments are in the best interests of the Colleges.

A faculty request for phased retirement shall be submitted to the division and is subject to final approval by the college president/ceo based on the availability of the college's financial and human resources. A request for phased retirement shall be submitted at least six (6) months before the date upon which such appointment would become effective, unless a later submission of such a request would be totally acceptable to the affected division and college.

**3.5.3.2.3 Phased Retirement Terms and  
Conditions**

Phased retirement appointments under this Program shall be subject to the following terms and conditions:

1. Phased retirement appointments involve a reduction of employment from regular status full-time to regular status half-time. Such appointments may consist of full-time work for one-half (1/2) of a regular appointment period (e.g., full-time work for one (1) semester of an academic year appointment) or half-time work for a full regular appointment period (e.g., half-time work in each of the two (2) semesters of an academic year appointment). Teaching, advising, continuing education, community service, professional development, educational leadership, and institutional service assignments under such an appointment shall be determined by agreement between the faculty member and a division chair, a dean/college president/ceo, or a director of an academic unit and shall be set forth in detail in the written phased retirement agreement.
2. The salary of a faculty member on a phased retirement appointment shall be reduced by fifty percent (50%) from the salary such faculty member would have received but for the election of phased retirement under this program. Faculty members electing phased retirement appointments shall not be eligible for proportional merit salary increases during the period of their phased retirement program. For benefits eligibility purposes, an employee on phased retirement is subject to the terms of the eligibility rules of each carrier/retirement system.
3. A faculty member on a phased retirement appointment shall be considered for long-term disability benefits on the basis of the salary such faculty member received as a full-time faculty member immediately before electing phased retirement under this program, if allowed under the employee's disability system/carrier.
4. Phased retirement under this program shall not exceed three (3) years in duration. Faculty members who request and receive phased retirement appointments shall agree in writing to accept full retirement from the Colleges no later than three (3) years after the commencement of reduced employment under this program. The agreement to retire at the end of the reduced employment period is irrevocable once executed (except as provided in subparagraph 3.5.3.2.4).

The Colleges' contributions to retirement for faculty on phased retirement appointments, and the faculty members' own contributions as well, shall be based upon their actual (i.e., reduced) salaries during their periods of reduced employment. Faculty members on phased retirement appointments are entitled to fifty percent (50%) of the paid vacation leave to which they would have been entitled had they not elected phased retirement under this Program. For retirement plan benefits and other employee benefits, such faculty members shall be entitled to the employee benefits normally offered to regular full-time faculty members in accordance with eligibility rules of the carrier for each benefit. Faculty privileges, such as reduced-cost athletic tickets, will be made available to faculty on phased retirement appointments as if they were on full-time regular faculty appointment. Requests for travel expenses and support services for faculty on phased retirement appointments shall be considered and evaluated under normal processes. A faculty member's use and occupancy of office or lab space shall not be adversely affected by electing to accept a phased retirement appointment.

The terms and conditions may be modified by the college president/ceo.

In order to maintain their eligibility for health insurance benefits through KCTCS, faculty who participate in a KCTCS 403(b) retirement plan and who meet the eligibility requirements for a phased retirement may request an alternate pre-arrangement in lieu of opting for a phased retirement. Subject to approval of the college president/ceo, these faculty may choose to retire from KCTCS and elect to have post-retirement health insurance, with part-time equivalent the arrangement by the college for an immediate rehire by KCTCS in a regular status half-time appointment. The terms and conditions of the Phased Retirement Program shall otherwise apply to these employees who are in this alternate arrangement, including a 50% salary reduction based on their salary immediately prior to retirement.

#### **3.5.3.2.4 Phased Retirement General Provisions**

Nothing in this policy shall preclude eligible faculty members from electing regular retirement from the Colleges at any point in time prior to the end of the period of the phased retirement appointment (even though such faculty members may have executed an agreement requiring retirement at some point in the future). Nothing in this regulation shall preclude a post-retirement appointment of an individual who has elected phased retirement under this Program.

Each phased retirement agreement executed under this program shall include a waiver of rights and claims by the faculty member under the Federal Age Discrimination Act. Such waiver shall fully comply with the requirements for knowing and voluntary waivers provided in this Act. After a phased retirement agreement is drafted, it shall be delivered to the faculty member in question, together with written statements that the faculty member shall have no less than forty five (45) days within which to consider the agreement and that the faculty member is advised to consult with an attorney prior to executing the agreement. In addition, each phased retirement agreement shall provide that the agreement shall not become effective and enforceable for a period of ten (10) calendar days following execution of the agreement and that during such period the faculty member may unilaterally revoke the agreement. In the event the faculty member elects to revoke the agreement within such ten (10) day period, the faculty member shall immediately be restored to the full-time employment status as a faculty member which existed prior to execution of the agreement.

Faculty members on phased retirement appointments will have the same academic freedoms and responsibilities as other faculty members, and will have access to all grievance and appeal procedures available to other members of the faculty.

**3.5.3.3 Voluntary Tax Deferral Program (Community College Employees Hired Prior to January 14, 1998)**

Regular full-time faculty members may voluntarily tax defer funds in addition to those invested through the University's retirement plan. The investment carriers are the same companies offered for the retirement plan (TIAA/CREF, Fidelity and American Century). All contributions must be through payroll deduction.

Those faculty members who are not immediately eligible to participate in the retirement program may also participate in this voluntary tax deferral program.

There is a maximum amount as well as a minimum amount, calculated by the retirement section, that may be contributed each calendar year. Interested employees should contact the retirement section of the appropriate Employee Benefits Office.

**3.5.3.4 Deferred Compensation Plan (Community College Employees Hired Prior to January 14, 1998)**

Faculty members may voluntarily elect to set aside a portion of their before-tax earnings to be invested by the state in a special Tax Deferred Investment Account for their future benefit.

This means that participants will pay no current state or federal income taxes on the monies which they set aside while in the plan. In addition, all of the interest and any capital gains would automatically be reinvested and not be subject to taxes while in the plan. Interested persons should contact the business officer of their community college.

**3.5.3.5 Credit Union (Community College Employees Hired Prior to January 14, 1998)**

The University of Kentucky Federal Credit Union is a savings, lending, and checking organization owned and operated on a non-profit basis for its members. Membership is open to College System employees and their families.

Payroll checks may be deposited directly. Interest is earned on both checking and savings accounts and there is no service charge. Also, payroll deduction is available for savings or loan payments. For additional information and other services, contact the University of Kentucky Federal Credit Union, Lexington, Kentucky 40506.

**3.5.3.6 University of Kentucky Faculty Club  
(Community College Employees Hired Prior to  
January 14, 1998)**

Community college faculty may become members of the University of Kentucky Faculty Club. Community college faculty who live and work outside of Fayette County may obtain associate memberships in the Faculty Club. These memberships are available at a reduced rate. Interested persons should contact: The University of Kentucky Faculty Club, Hilary J. Boone Faculty Center, 510 Rose St., Lexington, Kentucky 40506 (606) 257-4136.

**3.5.3.7 Blood Donor Program (Community College  
Employees Hired Prior to January 14, 1998)**

Any employee of the Community Colleges, the employee's dependents, or any retired employee is eligible for membership in the College System group of the Central Kentucky Blood Center. Membership, according to published literature distributed by the Blood Center, guarantees that blood will be available in unlimited quantities anywhere in the United States without the responsibility of finding replacement donors or payment of replacement fees on whole blood and red blood cell products. The Blood Donor program is a voluntary program and its continuation is dependent upon donations from members. Blood drawings are held periodically at various locations on campus.

**3.5.3.9 Admission to Athletic Contests (Community  
College Employees Hired Prior to January 14,  
1998)**

Full-time members of the faculty may purchase season tickets for football and basketball games at a reduced rate, providing tickets are available. For further information, contact the University of Kentucky Athletic Association Ticket Office.

**3.5.4 Other Benefits (Community College Employees Hired  
Prior to January 14, 1998)**

**3.5.4.1 Activity Tickets (Community College  
Employees Hired Prior to January 14, 1998)**

With regard to the use of College System funds (general, restricted, discretionary, etc.) for the purchase of athletic event tickets:

1. Discretionary funds can be used on a game-by-game basis to pay for single tickets purchased for a friend of the college/donor - documentation attached to the appropriate forms used to purchase the tickets must indicate to whom the tickets were given and the game attended;

2. Use of Community College funds (general fund, restricted, discretionary, etc.) will not be permitted for the purchase of season tickets in the name of an individual (this includes community college presidents/ceo) or in the name of the college;
3. If a community college president/ceo purchases tickets from personal funds and gives a ticket to a friend of the college/donor, the president may be reimbursed for the cost of the ticket, after-the-fact and on a game-by-game basis - documentation used for reimbursement must indicate to whom the tickets were given and the game involved. The individual has the option to wait until the end of the season and seek reimbursement for several tickets on a single appropriate form.

#### **3.5.4.2 Child Care (Community College Employees Hired Prior to January 14, 1998)**

Child care provisions vary by community college. Please check with the community college Human Resources Office for specifics.

#### **3.5.4.3 Parking Fees (Community College Employees Hired Prior to January 14, 1998)**

The Board delegates to the president of each Community College the responsibility for the development and enforcement of procedures for the control of motor vehicle traffic and parking on community college property, such property to be defined as all real property owned or occupied, and exclusively operated by the Community Colleges.

#### **3.5.4.4 Discounts (Community College Employees Hired Prior to January 14, 1998)**

The College System maintains a program in cooperation with community, businesses, offering discounts or other incentives to College System employees. To use the program the employee must show identification, a valid Community College picture ID or valid Community College Faculty/Staff Card, and a valid drivers license or other picture ID. Employees are eligible for any discount offered throughout the Commonwealth.

The College System does not warrant any goods or services provided by any business participating in the Employee Discount Program.

This is the employees' program and the Employee Benefits Committee is acting on the employees' behalf in voluntary cooperation with all participating merchants.

#### **3.5.4.5 Elder Care (Community College Employees Hired Prior to January 14, 1998)**

Elder Care is a consultation, information, guidance, and referral program regarding services for the elderly. For support and counseling for family members with aging relatives call 323-4600 in Lexington, or 1-800-873-8532, toll free, outside of Lexington. A trained specialist is available

Monday through Friday from 8:00 a.m. to 5:00 p.m. Eastern Time, except holidays. The service is free for College System faculty, staff, and retirees.

**3.5.4.6 Wellness Program (Community College Employees Hired Prior to January 14, 1998)**

The University's Wellness Program provides a comprehensive health promotion program coordinated through one organizational Unit. The goal of the program is to promote all aspects of health which deal with disease prevention and care, physical fitness, and human resource development. The Wellness Program is dedicated to assisting employees in achieving a higher quality of life. Self-responsibility is emphasized and will determine the success of the program for each individual. Courses are offered in the areas of health education, safety, and fitness. Employees, retirees, and spouses of eligible Community College employees are eligible for many of the courses offered by the Wellness Program. Contact the Wellness Program office at 257-WELL for more information on how to participate.

**3.5.4.7 Identification Cards (Community College Employees Hired Prior to January 14, 1998)**

Identification cards are available to regular faculty members. The cards will be issued by the Employee Benefits Office of the applicable community college.

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|-------------------------|---------------------------------|--|---------------|
| 4-30-99                 | 9-12-01; 3-5-04                 | 9-12-01; 3-5-04  |               |
| _____<br>Approval Date  | _____<br>Date(s) of Last Review | _____<br>Date(s) of Last Revision<br><i>(Include all dates in<br/>chronological order)</i> |               |
| (SIGNED)                | 3-5-04                          | (SIGNED)   | 3-5-04        |
| _____<br>Recommended by | _____<br>Date                   | _____<br>President, KCTCS  | _____<br>Date |