

2010-2011 BENEFIT PACKAGE LAY TEACHERS

Employees who are regularly scheduled to work a minimum of 26 hours per week, for eight or more months of the year are eligible for benefits. If an employee works for more than one parish, and the combined hours equal at least 26 hours per week for eight or more months of the year, she/he will be eligible for all employee benefits, the cost of which are to be prorated among the parishes for which she/he works. Enrollment in the health and dental insurance plans is effective on the first of the month after completion of one full calendar month of service.

HEALTH INSURANCE: Lay teachers are eligible for individual and dependent health coverage through our self-funded insurance plan administered by Blue Cross-Blue Shield, HMO Illinois or through the Blue Advantage HMO. The cost of the monthly premium for health coverage is primarily funded by the parish, school or agency and requires a premium co-pay on the part of the employee

The current employee co-pay is approximately 10% of the full premium for single coverage and 30% of the full premium for family coverage. Please see the Human Resources website (<http://hr.archchicago.org>) for cost and coverage details. We reserve the right to make additional changes to the individual co-pay effective July 1, 2010.

**LIFE INSURANCE:
(BASIC)** Life insurance benefit of one-times annual salary, rounded to the next highest thousand is provided to lay teachers at no cost.

**LIFE INSURANCE:
(OPTIONAL)** Lay teachers have the option to purchase additional life insurance benefits at their own expense. Optional life insurance benefits may be purchased in amounts from one times to four times annual salary, subject to conditions and limitations of the plan.

LONG TERM DISABILITY: Lay teachers are enrolled in the Long-Term Disability benefit at no cost. After a 180-day elimination period this benefit provides 66^{2/3}% of the employee's monthly base salary subject to conditions and limitations of the plan. This benefit is coordinated with any Social Security disability benefit that may also be payable.

**SHORT TERM DISABILITY:
(OPTIONAL)** Full-time and part time benefit eligible employees with an annualized salary of at least \$15,000 are eligible to participate in the Short Term Disability plan. In the event of medical disability, the plan provides a weekly benefit in the amount selected by the employee for a period of 22 weeks following a 30-day elimination period.

Eligible employees may elect an amount of weekly benefit, in increments of \$25 from a minimum of \$100 to a maximum of \$1,250 per week, up to 60% of covered earnings.

NOTE: The plan includes a pre-existing condition exclusion. A pre-existing condition means any sickness or injury for which you were diagnosed or treated by a legally qualified physician with consultation, advice or treatment occurring during the three (3) months immediately

prior to your effective date of insurance. Benefits will not be paid for a disability caused by or resulting from a pre-existing condition unless you have been actively at work for one (1) full day following the end of twelve (12) consecutive months from the date you became insured.

Applications for enrollment after initial eligibility (at time of hire in a benefit eligible position) will require a completed Evidence of Insurability and are subject to approval of the benefit provider.

**DENTAL INSURANCE:
(OPTIONAL)**

Dental benefits are available for single or family coverage through either a conventional dental insurance plan or a dental HMO. Enrollment is optional, and all premiums for single and family coverage are paid by the employee.

RETIREMENT PLAN:

All full-time and benefits eligible part-time lay employees are eligible to participate in the 403(b) defined contribution pension plan with an employer match of 50% on the first 4% of their annual salary they contribute to the plan.

New employees are eligible to participate in the 403(b) plan from their date of hire. However, they will be automatically enrolled in the 403(b) plan at a 3% contribution level after their first month of employment unless they either choose to participate sooner, or they notify Mass Mutual of their decision to opt out. (For details regarding auto enrollment in the 403(b) plan, contact Human Resources at (312) 534-5314.

Non-benefits eligible part-time employees are also eligible to participate in the 403(b) plan, but are NOT eligible for *employer matching contributions*.

Employee contributions to the 403(b) plan are not taxed for state or federal income taxes, but are taxed for Social Security and Medicare taxes.

The Archdiocese will make an additional employer-funded contribution each calendar quarter to the 403(b) account of all full-time and benefit eligible part-time employees. This "Share Plan" contribution is based on a percentage of the employee's gross compensation. Employees hired on or before June 30, 2007 receive an age-weighted percentage contribution; employees hired on or after July 1, 2007 receive a flat percentage determined annually, regardless of age.

CAFETERIA PLAN:

Lay teachers who elect to participate in a health or dental option requiring a deduction from payroll for premium expenses will have those deductions taken on a pre-tax basis. This means that the employee's income would be reduced by the amount of premiums deducted from his/her pay before taxes are calculated.

Employees who have health or dental premium deductions will automatically have such deductions taken on a pre-tax basis unless they complete and submit a Cafeteria Plan Waiver form available from their local administrator.

**FLEXIBLE SPENDING ACCOUNT:
(OPTIONAL)**

The Flexible Spending Account (FSA) benefit plan allows the employee to use tax-free earnings to cover the cost of certain out-of-pocket health care and dependent care expenses for his/her spouse and dependents. You decide how much money to put into an account via payroll deductions. Then, when the employee incurs an eligible expense, he/she receives a tax-free reimbursement from the FSA. Since the money is not taxed, the employee will realize a tax savings on each paycheck. The plan year follows the fiscal year, running from July 1st to June 30th.

Eligible expenses **must be incurred** during the plan year, and all requests for reimbursement must be submitted by September 30 following the close of the plan year. Under the "use it or lose it" rules, unused funds remaining in the account after September 30 are forfeited.

Health Care FSA

This account covers medical, dental, vision care and other qualified costs. Eligible costs include plan deductibles, co-insurance, co-payments and expenses that insurance may not cover such as over-the-counter drugs and orthodontia.

Dependent Care FSA

This account covers expenses you incur for dependent care while you are at work. Eligible expenses include daycare, nursery school and day camp for children, as well as services for older dependents that cannot care for themselves, if you claim them as a dependent for tax purposes.

SICK DAYS:

Each full time lay teacher is entitled to ten paid days of sick leave each year. Sick leave may be accumulated up to a maximum of 120 days but unused days are not compensable upon termination of employment, except as described in the Employee Handbook for termination due to health reasons.

PERSONAL DAYS:

As directed by Archdiocesan benefit guidelines, a full-time lay teacher is entitled to two days of personal business leave with pay each year. These days shall be subtracted from days of sick leave.

HOLIDAYS:

Paid holidays are provided in accordance with the local school calendar.

PROFESSIONAL GROWTH:

A \$1,200 allowance per year is available for professional growth. This is intended to be used for programs selected by the employee and approved by her/his supervisor. It is not intended to pay for programs required by the employer.

PROFESSIONAL LIABILITY:

The Archdiocese of Chicago provides professional liability insurance coverage for its employees while they are acting within the course and scope of their employment with a participating parish or agency.

STATUTORY BENEFITS:

Social Security, Illinois Unemployment Compensation, and Workers' Compensation Insurance are provided.