

MARCH

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MEREDITH COLLEGE

HR Update

Employee Share of Social Security Tax Reduced

The Social Security contribution employees are required to make was lowered from 6.2% to 4.2% for 2011. While this new tax break lowers your share of the Social Security and results in more take-home pay, it will have no effect on your potential Social Security benefits, which are still based on your lifetime

income. Even though you are seeing a larger take-home pay, you may see an increase in your federal taxes. This is due to the Making Work Pay credit that expired on December 31st 2010. The Making Work Pay credit was given out incrementally by reduced federal income tax during 2010; this is unlike most in-

come tax credits that you claim when you file your taxes. One option for countering the higher taxes would be to start or increase your contribution to the supplemental retirement plan or your HSA. ***Stop in to see HR if you would like to discuss these options.***

The College will be closed for Spring Break on Friday, March 11th. Please record the hours for this day under "other hours" on your timecard.



Did you know...

In addition to vacation leave, sick leave and holiday pay, staff also receive one personal day off per year that they can use in any way they wish? This day was formerly used for the employee's birthday and was required to be taken during the birth month. In recognition of the great variety of religions holidays employees may want to recognize that aren't included in our holiday schedule, the Diversity Council recommended that the birthday be converted to a personal day several years ago, allowing the day to be used as the employee desires, any time during the year.

Is Retirement In Your Future This Year?

If you're thinking about retirement, you may benefit by keeping the upcoming change to the post-retiree health benefits in mind as you review all of the pros and cons of retiring now versus later.

The current post retiree health plan remains in effect through August 31, 2011. With it, the College will pay 85% of the cost for a) employees under the age of 65 to remain on the group health plan or b) employees over the age of 65 to be enrolled in a Medicare health and drug plan supplements. The employee pays the additional 15%. The eligible employee retains this benefit for life (provided all premium payments are made in a timely manner).

The eligibility requirements for the current post-retiree health plan are:

Faculty - Granted faculty emeritus status upon retirement. To be granted emeritus status, a faculty member must have taught full-time at least 7 years at Meredith, be 59 1/2 years old, and be approved for that status by the Board of Trustees.

Staff – Rule of 80: Must be at least 62 years old at the time of retirement, and their age plus their years of full-time service must add to at least 80 (i.e. 62 years old with 18 years of service, 63 years old with 17 years of service, etc.).

Effective September 1, 2011, the revised post-retiree health benefit will become effective. Under this option, the eligibility requirements are the same for all employees. A “retired employee” is defined as an employee who voluntarily terminates employment with the College, in good standing, and who is at least 60 years old and has at least 12 years of continuous full time, non-temporary employment with the College. Employees who meet this definition are eligible to participate in the post-retiree health benefit.

Under the new plan, the benefit amount is determined by the years of service, with greater years of service eligible for a higher benefit amount. The College has established a fixed cap that will be used to calculate the benefit amount. The initial amount of the fixed cap is \$300 per month. This can be changed at the College's discretion. The amount of an eligible employee's benefit is based on the established cap and the retiring employee's years of service at retirement in accordance with the following:

<u>Years of Service</u>	<u>College Pays</u>
At least 12 years but fewer than 16 years	65% of cap
At least 16 years but fewer than 20 years	75% of cap
20 years or greater	85% of cap

For eligible employees who retire prior to age 65, the benefit amount (established cap times appropriate percentage above) may be applied to the cost of the College's group health insurance plan in effect at the time of retirement, or may be deposited into a medical spending account and used to purchase health insurance elsewhere or to cover other eligible expenses. Coverage under the College's plan and costs of the plan are subject to change as a part of the plan's annual renewal negotiations.

For eligible employees who retire at age 65 or later, the benefit amount (established cap times appropriate percentage) will be deposited into a medical spending account to use at the retirees' discretion within limits established by Federal law. This will provide the opportunity for the retired employee to use their own discretion as to appropriate uses of these funds to meet their individual needs. This will also apply to eligible employees who retire prior to age 65 once they reach age 65.

Continued on Page 3

Employees retired prior to the September 1, 2011 effective date will continue under the rules and policies in effect at their date of retirement.

Employees hired on or after September 1, 2009 will not be eligible for retiree health care coverage after age 65. If they retire prior to age 65, the benefit will be as listed above until they reach age 65, at which time they will no longer be eligible for the supplemental benefits available under this plan.

If you have any questions about the above, or if you would like to compare your own information, please contact Pam Davis. She'll be glad to help you review so you can make the best decision to meet your retirement needs.



Air Travel Health Tips!

*If you are planning any air travel this summer, be sure to read the article provided by AARP Magazine: **6 places germs breed in a plane.** I'll never ask the flight attendant for or a cup of coffee again!*

Check it out:

http://www.aarp.org/travel/travel-tips/news-12-2010/6_places_germs_breed_in_a_plane.1.html



Don't forget to empty your 2010 flex accounts! (medical reimbursement accounts)

You have until March 15th to incur medical expenses that can be applied to any money left in your 2010 account. You may check your account balance by going to: www.acsbenefitserviceinc.com

April 30, 2011 is the deadline to submit expenses that will use up 2010 balances.

Here is the link to our HR forms site to access a claim form:

<http://www.meredith.edu/humres/forms.htm>

Claim forms and receipts/EOBs can be faxed to: 336-759-7642.

Comings and Goings

We welcome the following staff:

- Elizabeth Matthews – Energy Fellow, Sustainability

We bid farewell to the following staff:

- *Samuel Cabrera* – Security Officer, Campus Security
- *Susan Hyslip* – Administrative Assistant, Human Resources
- *Sandra Guadagno* – Departmental Assistant, Athletics



MEREDITH COLLEGE OFFICE OF HUMAN RESOURCES

MEREDITH COLLEGE

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Faculty and staff are Meredith's most valuable assets. The Office of Human Resources provides faculty and staff with the information and support they need to help play their part in educating the students of this college.

Visit this site for updates on Meredith policies and procedures, benefits and more.

<http://www.meredith.edu/humres/>

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