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|-----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
|  <b>Prescott College</b> | <b>Policy Number:</b> 240                                                                                           |                                                |
|                                                                                                           | <b>Policy Category:</b> <i>Personnel Policies</i>                                                                   |                                                |
|                                                                                                           | <b><i>Employee Benefits</i></b>                                                                                     |                                                |
|                                                                                                           | <b>Policy Summary:</b><br><br><i>This policy outlines the wide range of employee benefits offered to employees.</i> |                                                |
|                                                                                                           | <b>Approval Date:</b><br><i>8/31/26</i>                                                                             | <b>Effective Date:</b><br><i>Upon approval</i> |
|                                                                                                           | <b>Policy Owner:</b><br><br><i>Vice President, Finance and Administration</i>                                       |                                                |
|                                                                                                           | <b>Scheduled for Review:</b><br><br><i>Fall 2031</i>                                                                |                                                |

### Benefit Package

Each year the President of Prescott College decides on benefit offerings that enhance the lives of the employees and their family and that fit within the institutions budget guidelines. All benefits are discretionary by-nature with the exception of those considered statutory and/or regulated by government entities. The College complies with IRS Section 125 Plan and is therefore, employee contributions are not considered wages for federal income tax purposes or subject to FICA and FUTA.”

Depending on eligibility, the College generally offers the following benefits:

- Vacation Leave
- Sick Leave
- Holiday Pay
- Volunteer Time Off
- Tuition Assistance
- Other leaves such as Military, jury, FMLA (as eligible)
- Contributions toward Medical coverage for employee and family members
- Contributions toward Dental coverage for employee and family members
- Contributions toward term Life Insurance & AD&D policies for employee
- Optional Additional Life Insurance offering
- Contributions toward Short-Term Disability
- Contributions Long Term Disability offering
- Contributions toward Vision care for employee and family members
- Contributions toward TIAA-CREF Retirement plan

### Benefit Eligibility

- **Full Faculty** members are full-time, salaried employees. Those over 75% time are eligible for the annually approved benefit package.
- **Associate Faculty** are part- or full-time contingent employees. Those over 75% time are eligible for the annually approved benefit package.
- **Regular, Full-Time Employees** who are scheduled to work thirty (30+) or more hours or equivalent per week are eligible for the annually approved benefit package.

- **Regular, Part-Time Employees** who are scheduled to work between 20 and 29 hours or equivalent per week are not eligible for benefits with the exception of pro-rated vacation and sick leave, pro-rated holiday pay.

With respect to benefits that include the employee's family members, Prescott College recognizes children, spouses and domestic partners.

- Children include those by birth, adoption, foster care and legal guardianship.
- Spouses and domestic partners include those by legal marriage or a Domestic Partner Agreement on file to the extent allowed by the provisions of any law or insurance policy to which Prescott College is subject.
  - *Domestic partners are broadly defined as an unrelated and unmarried person who shares common living quarters with an employee and lives in a committed, intimate relationship that is not legally defined as marriage by the state in which the partners reside. Additionally, domestic partners are financially responsible for each other's well-being and debts to third parties evidenced by joint ownership of assets and joint liability for debts.*

| <b>Benefits Eligibility Table</b>               | Medical, Dental, Vision, ST & LT Disability, Term Life | Retirement contributions | Tuition Assistance                           | Vacation & Sick Leave | Holiday   |
|-------------------------------------------------|--------------------------------------------------------|--------------------------|----------------------------------------------|-----------------------|-----------|
| Beginning eligibility following start date      | 15 days                                                | 90 days                  | 6 months - PhD program eligibility at 1 year | 60 days               | Immediate |
| Full Faculty over 75% time                      | yes                                                    | yes                      | yes                                          | Sick leave only       | no        |
| Associate Faculty over 75% time                 | yes                                                    | yes                      | yes                                          | Sick leave only       | no        |
| Faculty with Administrative Positions           | yes                                                    | yes                      | yes                                          | yes                   | yes       |
| Staff Regular, Full-Time (30+ hours per week)   | yes                                                    | yes                      | yes                                          | yes                   | yes       |
| Staff Regular, Part-Time (20-29 hours per week) | no                                                     | no                       | no                                           | yes                   | yes       |
| Temporary Full-Time or Part-Time Staff          | no                                                     | no                       | no                                           | Sick leave only       | no        |
| Adjunct Faculty                                 | no                                                     | no                       | no                                           | Sick leave only       | no        |

## Holidays

Prescott College observes a number of paid holidays each year. On such days, it is the intent of the College to close administrative offices. When a College recognized holiday falls on Saturday, the holiday will usually be observed the preceding Friday. When a College recognized holiday falls on Sunday, the holiday will usually be observed on the following Monday.

Holidays normally observed include:

|                                          |                         |                         |
|------------------------------------------|-------------------------|-------------------------|
| New Year's Day                           | Memorial Day            | Veteran's Day           |
| Martin Luther King Jr. Day               | Juneteenth              | Day before Thanksgiving |
| President's Day                          | Independence Day        | Thanksgiving Day        |
| Intercultural Day (Friday before Easter) | Labor Day               | Day after Thanksgiving  |
|                                          | Indigenous People's Day | Christmas Day           |

Spring break and any additional floating holidays are at the discretion of the President. The College closes and employees receive holiday pay from Christmas Day through New Year's Day, and may be granted additional holidays during Winter Break.

For hourly employees:

- A College recognized holiday is paid at employee's base rate of pay for normal number of hours in the scheduled work day. Holiday pay appears on the employee's paycheck the pay period following the holiday. Holidays are not considered as actual hours worked for computing overtime within a scheduled workweek. To be eligible for holiday pay, an employee must be in paid status the last scheduled workday before and the first scheduled workday after the holiday. A College recognized holiday occurring while an employee is on vacation or sick leave is not deducted from the employee's leave balance. Employees who are receiving disability payment or who are on FMLA leave do not receive holiday pay.
- Employees may be required to work holidays as a part of their scheduled, assigned shift/job. If required to work on a holiday, the employee is given the opportunity to take another day off.
- Regular part-time employees are eligible for holiday pay provided the day observed as the holiday is a regularly scheduled workday for the employee. Holiday pay will be pro-rated and based on scheduled hours only.

Temporary employees are not eligible for holiday pay.

## Volunteer Time Off

Employees may perform volunteer services with nonprofit organizations during work hours for up to eight hours per quarter. Volunteer Time Off must be approved by the employee's supervisor in advance. Employees should submit the request for Volunteer time off using this category in the payroll system. Supervisors are responsible for ensuring an employee does not exceed eight hours in a quarter.

Volunteer Time Off may be used in the quarter in which it is granted. Any unused time may not be carried over into the next quarter.

Volunteering during work hours is optional, no employee is required to volunteer.

## **Tuition Assistance**

As part of its commitment to lifelong learning and personal improvement, the College provides assistance through several means for eligible employees, spouses, domestic partners, and dependents to further their academic goals. This includes the following programs: the Prescott College Tuition Waiver Program and the Tuition Exchange Program.

Employees or dependents enrolled in an academic program during the Fall 2026 semester will be considered eligible for participation whether they have reached the updated eligibility thresholds. The tuition waiver value will stay at 100% for employees or dependents enrolled in an academic program during the Fall 2026 term.

Credit hour limits and general fee changes will go into effect for employees effective in the Spring 2027 term.

### *PRESCOTT COLLEGE TUITION WAIVER PROGRAM*

All regular full-time employees, spouses, domestic partners, and dependents (as defined by the Internal Revenue System (IRS)) of regular full-time employees may enroll in Prescott College academic programs, both graduate and undergraduate level, as a degree-seeking student, and may receive a tuition waiver per the provisions of this policy. The tuition waiver will not apply to 2nd undergraduate level degrees. The tuition waiver for the PhD program will be limited to 75% of tuition.

Employees seeking to use the tuition waiver are limited to 8 undergraduate or 6 graduate level courses per term. Employees must receive supervisor approval before embarking on a degree program. Part of the approval process will require the employee to develop a plan for accomplishing their work while meeting degree requirements.

This benefit provides for the reduction of tuition only.

Any employee who receives state or federal financial aid or scholarships will have the waiver reduced by the amount of the financial aid or scholarship.

The employee or their eligible designee first applies to the program that he/she is seeking admission as a first step. The employee will complete an Application for a Tuition Waiver (available in HR and online) once the employee or designee is admitted and registered for courses. Note important tax information is included in the application. Recipients of the Tuition Waiver must re-apply every term after registering to receive the benefit.

Only dependents as defined by the IRS seeking an undergraduate degree will generally qualify for a tax exemption. The College employee who qualifies for the benefit is responsible for the tax liability for anyone not qualifying for the tax exemption. Graduate education qualifies for tax exemption only if it is for the education of a graduate student who performs teaching or research activities for the College. As interpreted by the IRS (PLR 9040045, 1990 WL 700556) this does not apply to faculty or staff engaged in research or teaching. In general, the employee seeking a graduate exemption may be eligible to exclude up to \$5,250 from gross income of education assistance as defined under section IRC 127 (a) (2). If applicable, the employee will be taxed on the value of the tuition reduction at their regular withholding rate.

Eligible individuals may be considered for federal financial aid but will not be considered for Prescott College aid.

Upon termination of employment the employee's tuition will remain at the benefit amount until completion of the current term. If a terminated employee or designee reenrolls, no tuition benefits will apply.

The student will be subject to all academic policies of the institution, including maintaining satisfactory academic progress standards, both qualitative and quantitative.

Senior management may determine a limit, or cap, to the maximum number of employees receiving tuition reduction for a given program. In the case of excess interest above the number of available awards, the Vice President, Finance & Administration will decide as to the awarding of the tuition reduction benefit. Priority will be given to students already enrolled at Prescott College under a waiver.

#### *TUITION EXCHANGE PROGRAM*

Prescott College offers a Tuition Exchange Scholarship program to eligible employees, their spouse/domestic partner and dependents. The TE program provides the opportunity for tuition assistance to over 600 participating member institutions. The Tuition Exchange scholarships are not guaranteed; they are competitive awards.

To be eligible to apply, an employee must be employed at the College for a full year as a regular and, full-time employee. Information regarding the tuition exchange program, including the application process, may be obtained from Human Resources or at [www.tuitionexchange.org](http://www.tuitionexchange.org). Tuition waivers do not include amounts remitted to the participating institution.

**TUITION BENEFIT UPON DEATH:** In recognition of the commitment and contributions of long-term employees who have served the college ten years or longer and have died while currently employed at Prescott College, the, undergraduate degree benefit shall apply, as outlined in this document shall also apply as though the affected employee was still employed.

#### **Sick Leave**

Sick Leave is a safety net for necessary time off due to illness, injury, childbirth, dependent emergency care, and other medical conditions. Regular, full time, and regular, part time staff and administrative employees on paid status accrue sick leave starting on the next first of the month after 60 days employed.

- Full time, regular employees (equivalent to 30 hours or more per week) will earn 10 days (80 hours) per year or accrue 3.08 hours each bi-weekly pay period (ppp). Sick Leave balances roll over from year to year up to a maximum of 60 days or 480 hours. When maximum is reached accrual will cease until balance is reduced.
- Part time regular employees (equivalent to 20 – 29 hours per week) earn 5 days (40 hours) per year or 1.54 hours each bi-weekly pay period (ppp). Sick leave balances roll over from year to year up to a maximum of 30 days or 240 hours. When maximum is reached accrual will cease until balance is reduced.
- Temporary or employees working less than 20 hours per week will earn 0.33 hours of sick leave per hour worked. Sick leave balances roll over from year to year up to a maximum of 5 days or 40 hours. When maximum is reached accrual will cease until balance is reduced.

- Adjunct faculty will earn 1.25 hours of sick leave per credit hour taught. Sick leave balances roll over from year to year up to a maximum of 5 days or 40 hours. When maximum is reached accrual will cease until balance is reduced.

| Employee status after 60 days employed | Accrued /Year | Max Balance Days | Max Balance Hours | Accrual Rate PPP           |
|----------------------------------------|---------------|------------------|-------------------|----------------------------|
| Full-time, regular                     | 10 days       | 60               | 480               | 3.08 hours per pay period  |
| Part-time, regular                     | 5 days        | 30               | 240               | 1.54 hours per pay period  |
| Temporary staff                        |               | 5                | 40                | 0.33 hours per hour worked |
| Adjunct Faculty                        |               | 5                | 40                | 1.25 hours per CH taught   |

In addition to illness, injury, childbirth, dependent emergency care, and other medical conditions of the employee, sick leave may also be used for:

- Situation requiring time off while serving as a primary care taker for an immediate family member (for policy purposes to mean; spouse, domestic partner, child, grandchild, grandparent, sibling, parent, or in-law).
- Health related appointments for the employee or immediate family member (for policy purposes to mean; spouse, domestic partner, child, grandchild, grandparent, sibling, parent or, in-law) that cannot be scheduled outside of regular work hours. Requires prior approval by supervisor.

The College may require attending physician's documentation for employee to be eligible for paid sick leave. This request is at the discretion of the supervisor and Human Resources and is generally required if absent for 3 or more days.

Employees on FMLA and paid status continue to accrue sick leave. Employees on FMLA and are on unpaid status, will not earn sick leave.

Sick Leave is "banked" for utilization and is not available for being "paid out" upon termination of employment.

In order to provide paid leave to employees who have exhausted all of their own accrued paid time off (vacation and sick leave), other employees may donate vacation leave (up to a maximum of 40 hours) to the impacted employee. The employee can receive a maximum of 480 hours within a rolling 12-month period.

### **Vacation Leave**

Vacation time allows eligible employees to take personal time away from work, including full days, or partial days. Regular, full-time and regular-part time staff and administrative employees on paid status accrue vacation time starting on the first of the month follow 60 days employed.

- Full time, regular employees (equivalent to 30 or more hours) who have been employed over sixty days and less than five years earn 15 days (120 hours) per year, or accrue at the rate of 4.62 hours each bi-weekly pay period. Vacation accrual is capped at 160 hours.

- Eligible, regular full-time employees, who have 5 years of continuous service with the institution accrue vacation time at an increased rate of 20 days (160 hours) per year, or accrue at a rate of 6.15 hours each bi-weekly payroll. Vacation accrual is capped at 240 hours.
- Part time, regular employees (equivalent to 20 – 29 hours) who have been employed over sixty days earn 10 days (80 hours) per year, or accrue at a rate of 3.08 hours each bi-weekly pay period. Vacation accrual is capped at 80 hours.
- Employees do not accrue Vacation Leave when on unpaid leave from the College or while receiving disability payments.

| Employee status and service              | Accrued Days/Year | Max Balance Days* | Max Balance Hours* | Accrual Rate PPP |
|------------------------------------------|-------------------|-------------------|--------------------|------------------|
| Full-time, regular (60+ days to 5 years) | 15                | 20                | 160                | 4.62 hours       |
| Full-time, regular (more than 5 years)   | 20                | 30                | 240                | 6.15 hours       |
| Part-time, regular                       | 10                | 60                | 480                | 3.08 hours       |

\*When maximum balance is reached, no further vacation leave will be earned until the total has been reduced below the maximum for all employees.

All Vacation Leave must be approved by the supervisor in advance of the leave.

Vacation Leave pay will be computed at the employee's regular base rate of pay. Approved hours will be paid to the extent they have been accumulated.

Vacation Leave is not considered as actual hours worked for computing overtime within a scheduled work week.

Vacation leave may be utilized along with Sick Leave in the event of approved FMLA (Family Medical Leave Act) status.

Vacation leave may be used to supplement payments received under Workers' Compensation or Disability Insurance.

Vacation Leave may be donated to other employees-in-need and following the appropriate policy. Under certain special circumstances, time off without pay may be authorized by the employee's supervisor but must be scheduled and approved in advance. This authorized time off without pay will not be deducted from the employee's accrued Vacation Leave.

Unused Vacation Leave accumulated will be paid upon termination of employment. For "grandfathered" employees (see below) this includes the balance in both old and new accounts.

**GRANDFATHERED ARTICLE**

Employees hired prior to 7/1/2016 have a “frozen DTO” account, depending on accruals at the time. Vacation Leave will be used prior to depleting the previous “frozen DTO” banked hours.

| Employee Category                            | PREVIOUS DTO  | NEW Vacation Leave |
|----------------------------------------------|---------------|--------------------|
| Parameters                                   | Maximum Hours | NEW Maximum Hours  |
| FT Hire Prior 7/1/16<br>Under 5 yrs. service | 360           | 160                |
| FT Hire Prior 7/1/16<br>Over 5 yrs. service  | 360           | 240                |
| PT Hire Prior 7/1/16<br>Under 5 yrs. service | Pro-rated 360 | 80                 |
| PT Hire Prior 7/1/16<br>Over 5 yrs. service  | Pro-rated 360 | 80                 |

## Definitions

## Reason for Policy

To outline benefits available to employees.

## Responsibilities

|                                         |                                            |
|-----------------------------------------|--------------------------------------------|
| For following policy:                   | All employees                              |
| For enforcement of policy:              | Director, Human Resources                  |
| For oversight of policy:                | Vice President, Finance and Administration |
| For procedures implementing the policy: | Director, Human Resources                  |
| For notification:                       | Policy Librarian                           |

## Procedures

## Cross Referenced Policies

## Revision History

3/2026 – added volunteer time off and donation of leave balances  
08/2026 – Tuition waiver program eligibility and limits updated.