

Foreword

Welcome to the Graceland family. This handbook is a summary of policies and procedures for working here at Graceland University. Complete policies are available at www.graceland.edu. We reserve the right to change policies at any time. Policies and the handbook will be updated on the web when appropriate. Written updates will not be distributed. Employment at Graceland is at-will and can be terminated at any time by either party, with or without notice. Please feel free to contact the Human Resources office with any questions about this handbook.

December 3, 2007

Dear Employee,

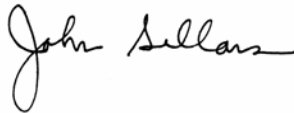
Graceland University is a caring community. I sensed it immediately when I returned to the campus after working at several other universities. Along with learning and wholeness, community is one of the core three values in our mission statement.

Community does not just happen, but it is indeed worth the effort. I cannot imagine a Graceland that is “just a job” and not a calling. Our employee policies are rooted in our pledge to our students, to fellow workers, parents, alumni and Graceland friends that we will model, in word and action, the highest ideals of the Graceland tradition. We do not require any test of religious creed or political philosophy, but we do require that we will treat everyone with dignity. We do not always agree on all questions, but we will strive to create and sustain those “learning communities where students develop their potential for meaningful and productive lives.”

I welcome my opportunity to be again so actively involved in this wonderful educational effort. If you are new, we welcome you to the Graceland community. If you are returning, welcome home once again. May we experience the joy in seeing the transforming power of learning within a community that supports each of its members.

I want you to know I am available if you ever want to visit.

Sincerely,

A handwritten signature in cursive script that reads "John Sellars". The signature is written in black ink and is positioned below the word "Sincerely,".

John Sellars, Ph.D.
President

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Vision

Graceland University will become a recognized educational leader, inspiring and empowering persons for transformational service and leadership.

Mission

Graceland creates learning communities where students develop their potential for meaningful and productive lives.

Values

Graceland values learning, wholeness, and community. Graceland encourages the development of these values for the enrichment of lives and the betterment of the world.

Learning

We believe in a life long process of the open and free pursuit of truth.

Wholeness

We believe that the development of the intellectual, physical, social, and spiritual dimensions of all persons is necessary for healthy and fulfilling lives.

Community

We appreciate and welcome diversity and, as an institution sponsored by the Community of Christ, believe in the inherent worth of all persons expressed through relationships built on the foundation of unconditional love and acceptance.

Employment at Graceland University

Equal Employment Opportunity

Equal employment opportunity has been, and will continue to be, a fundamental principle at Graceland University, where employment is based upon personal capabilities and qualifications without discrimination because of race, color, creed, religion, sex, age, national origin, disability, sexual orientation or any other characteristic protected by law.

This policy applies to all aspects of employment.

Sexual Harassment Policy

Graceland seeks to foster an environment of learning and work that encourages open, supportive, non-threatening relationships among students, faculty, staff and administration. Since all acts of harassment, particularly sexual harassment and exploitation, are illegal, and damage the possibility of a desirable environment, such behavior will not be tolerated at Graceland. Harassment includes, but is not limited to, fighting, threats of bodily harm, threats of damage or injury in the work place, jokes, slurs, or derogatory remarks.

Any Graceland faculty or employee who feels they have been subject to harassment, or has witnessed another employee being harassed, should report it to the Human Resources Director, Dean of Faculty or any other university leader. All reports will be investigated promptly and as discreetly as possible.

At – Will Employment

Iowa and Missouri are employment-at-will states. Graceland University abides by those state laws. Employment-at-will means that employment is not guaranteed for any specific time and may be terminated at will, with or without cause and without prior notice. No supervisor or other representative of Graceland University has the authority to enter into any agreement for employment for any specified period of time, or to make any agreement contrary to the above. Neither the initial letter offering employment, the Graceland Employee Handbook, nor any other Graceland document confers any contractual right, either expressed or implied, to remain in the employment of Graceland University. All new employees have an introductory period upon employment. Completion of this introductory period does not terminate the at-will-employment relationship.

Employee Classifications

1. Faculty — Tenure track and non-tenure track
2. Administration — Primary duty is managing a department, directing the work of at least two other workers and exercising discretionary powers.
3. Professional — Performs work that is in an advanced field of science or learning, creative or artistic in nature.
4. Professional/Technical — Advanced technical skills used in a field of science or learning.
5. Staff — Non-exempt employees

Definitions:

- Full time — A full-time position generally is scheduled to work 1,560 or more hours per year.
- Part time — A part-time position works fewer than 1,560 hours per year.
- Regular — A regular position is one that is in the current operating and organizational plan of the university and fills a continuing need of the university.
- Occasional — An occasional position is one that is not in the current operating and organizational plan of the university but one which serves a specific limited need. Employees with this classification are not eligible for benefits, vacation, necessary leave or paid holidays.

Introductory Period

All new employees have an introductory period at the start of their employment with Graceland University. Staff employees have a three-month introductory period. All other employees have a six-month introductory period. The purpose of the introductory period is to familiarize yourself with your job and ensure that it is a good match. All new employees will have a performance evaluation at the end of the introductory period.

Compensation

Our Compensation Policy

As an employer we believe it is in the best interest of both the institution and our employees to fairly compensate our work force for the value of the work provided. It is our intention to use a compensation system that will determine the current market value of a position based on the skills, knowledge and behaviors required of a fully competent incumbent. This will result in a market competitive pay system that targets, on average, to position pay levels at the market median. The system used will be objective and non-discriminatory in theory, application and practice. Salary adjustments are made once annually at the start of the new fiscal year consistent with the financial ability of the institution.

Payroll

The pay period begins on the first day of every month and ends on the last day of the month with pay day on the last business day of the month. Earnings statements are customarily delivered on the pay date. Employees can choose up to two bank accounts for their net pay deposit. Most employees report time using the Web. Ask your supervisor how you should report your time.

Payroll Advances

Graceland University discourages any advancement of pay but realizes that emergencies do occur where employees would need to have some payroll funds available before payday. Advances will not exceed two week's net pay. Repayment terms will not exceed three months. Payroll advances under \$50 can be given in cash. Payroll advances over \$50 will need to be requested by 5 p.m. on Tuesday for a check on Friday.

On the Job

Performance Evaluations

Performance evaluations provide a means for discussing, planning and reviewing the performance of each employee. Annual performance evaluations are conducted every spring using the service share format. Service share reviews the employee's performance during the past year and also plans for the coming year. The past year is reviewed using the objectives/standards by assigning points based on performance and also rating the core competencies of the past year. Accountabilities are set for the new fiscal year so the employee knows what is expected in the coming year. Service share forms are located on the Web under Graceland Forms, which is a link on the left of the Announcements page.

Disciplinary Policy

All employees are expected to meet Graceland's standard of work performance. Work performance encompasses many factors, including attendance, punctuality, personal conduct, job proficiency and general compliance with institutional policies and procedures.

Your leader will let you know if you are not meeting these standards, either through the annual performance review or as issues occur throughout the year. Leaders will take appropriate corrective action such as coaching, verbal warning, written warning, or termination. Performance improvement plans also may be utilized to provide guidance on specific expectations and time lines. The following actions are detrimental to the operations of the university and will be subject to disciplinary action as deemed appropriate by the university. This list is not all-inclusive:

- Unexcused lateness or absenteeism
- Misuse of university property
- Failure to report an accident resulting in a worker's compensable personal injury during working hours
- Actions or displayed attitudes that disrupt department operations and staff working relationships
- Excessive and inappropriate rest breaks
- Improper language
- Insubordination
- Theft of university property
- Falsification of records or information
- Use or possession of alcohol or illegal drugs on university premises, or reporting to work under the influence of alcohol or drugs
- Possession of weapons or firearms on university premises
- Fraudulent use of necessary leave or other leave
- Actions or displayed attitudes resulting in serious impairment of the university's activities or damage of its reputation
- Repeated lateness and/or unexcused absenteeism

Technology Use

Users of Graceland's technological tools will respect the human dignity, privacy, and sensitivity of each other and the general public. Graceland reserves the right to routinely monitor technology resources. Except for investigation into cases of potential misuse, the privilege of privacy of personal files or messages on Graceland-owned computers and voice mail systems will be extended. Academic and professional work pertaining to Graceland's goals and objectives take precedence over the use of resources for entertainment.

Inappropriate uses of technology include, but are not limited to, those specifically prohibited by local, state, or federal law. Without limitation, examples of inappropriate uses of technology include: harassment, random or unauthorized sending of bulk messages, unauthorized release of information and viewing of Graceland's data outside of institutional objectives, installing unlicensed software, disruption of service, forgery, malicious transmission of a virus, malicious alteration of system files or configuration and abuse of established storage space limitations. Consequences of cases involving misuse of technology will be handled according to the disciplinary policy listed above in this manual.

Drug/Alcohol Free Workplace

Graceland University provides a safe and productive work environment for all employees and students. It is our policy that employees shall not be involved with the unlawful use, possession, sale, or transfer of drugs or narcotics while on Graceland property or on official Graceland business. Furthermore, employees shall not possess alcoholic beverages or drugs in the workplace or consume alcoholic beverages in association with the workplace or during work time. The use of alcohol or drugs during working hours is strictly prohibited and employees may not report to work under the influence of drugs or alcohol.

Graceland's campus is also a tobacco free environment. Smoking and chewing tobacco are strictly prohibited. A designated smoking area is provided on College Avenue across from Floyd McDowell Commons.

Americans with Disabilities Act

Graceland University is committed to complying with all applicable provisions of the Americans With Disabilities Act (ADA). Graceland will not discriminate against any qualified employee or applicant with regard to any terms or conditions of employment because of such individual's disability or perceived disability so long as the employee can perform the essential functions of the job with or without reasonable accommodation. Consistent with this policy of nondiscrimination, the university will provide reasonable accommodations to a qualified individual with a disability, as defined by the ADA, who has made the university aware of his or her disability, provided that such accommodation does not constitute an undue hardship on the university.

Employees with a disability who believe they need a reasonable accommodation to perform the essential functions of their job should contact the Graceland Human Resources Department.

Hazard Communication Program

Graceland University has a hazard communication program to safeguard our employees' health. If an employee's job requires the direct handling of hazardous chemicals, he/she will receive in-depth training from their leader. Binders are located around campus in which details are listed concerning chemical content, use, emergency procedures if exposed and potential health effects.

Nepotism

Close relatives will not be employed in such a fashion as to have a supervisory relationship with each other or to be subject to the same immediate supervisor or when there will be a direct relationship between them in connection with their work. Close relatives of employees are defined as follows: mother/father and in-laws, children/stepchildren, husband/wife, brothers/sisters and in-laws, uncles/aunts, nieces/nephews and first cousins. Exceptions will be made on a case-by-case basis by the Dean of Faculty or the Human Resources Director.

Distribution of Information

Distribution of information covers two critical issues here at Graceland. The first critical area of information covers personal data such as name, address, Social Security number, home phone number, etc. This information is readily available in many areas of the institution. Family Educational Rights and Privacy Act (FERPA) is the federal privacy law that governs how the institution may release this private personal data and for what reasons. It is important that employees are familiar with what can and cannot be released with regard to personal data.

The second critical area of information is the release of Graceland information. If your office wants to release information to the press or the public about an event or accomplishment at Graceland, please consult with the Media Relations Coordinator or Sports Information Director at Graceland University. This will ensure consistent release and image of Graceland University to the public.

Vehicle Usage

Graceland University will provide vehicles for employees to use while on official Graceland business. Reservations are made with Facility Services (ext. 5191). All who drive Graceland vehicles are expected to comply with the vehicle usage policy. Drivers must sign an annual release of their motor vehicle record so Human Resources officials can verify drivers' records each year. Approved drivers are given a sticker to place on their ID card which must be shown every time they check out a Graceland vehicle.

Outside Employment

Graceland University reserves the right to determine if outside employment is a conflict of interest or interferes with an employee's Graceland work schedule. If outside employment creates work performance issues at Graceland, employees may be subject to disciplinary action according to the discipline policy listed in this handbook.

Rest Periods

Formal rest periods are not provided for non-exempt employees. When permitted by the department leader, they will be limited to 2 fifteen minute breaks per day away from work station; one in the morning and one in the afternoon. Rest periods are for the benefit of the employee and may not be accumulated or used for time away from the job or any other purpose (i.e. leaving early at the end of the day). Non-exempt employees will not be paid for breaks that extend past 20 minutes.

Severe Weather

It is the general practice of the university to not close during severe weather. Student services must be provided when students are on campus. Classes and other activities may be cancelled or postponed.

An employee that feels the need to leave their work station early due to potentially hazardous conditions may do so after securing the approval of his/her supervisor. Exempt (salaried) employees will use vacation or necessary leave for more than 4 hours of absence. Non-exempt (hourly) employees may use vacation or necessary leave to cover all hours absent. Any employee may make up missed time due to severe weather within the same pay period. Employees who arrive late or do not report to work due to severe weather are governed by the same policy.

Workplace Violence

Graceland University is committed to providing a safe work environment for all employees. Any type of workplace violence committed by or against employees/students is not tolerated. Employees are prohibited from making threats or engaging in violent activities. The following list of behaviors, while not inclusive, provides examples of conduct that is prohibited:

- Causing physical injury to another person
- Making threatening remarks

- Aggressive or hostile behavior that creates a reasonable fear of injury to another person or subjects another individual to emotional distress
- Intentionally damaging employer property or property of another employee/student
- Committing acts motivated by or related to sexual harassment or domestic violence

While we do not expect employees to be skilled at identifying potentially dangerous persons, employees are expected to exercise good judgment and inform Human Resources if any employee exhibits behavior which could be a sign of a potentially dangerous situation. Such behavior includes:

- Displaying irrational or inappropriate behavior
- Sudden or significant deterioration of performance
- Making threatening remarks
- Displaying overt signs of extreme stress, resentment, hostility, or anger
- Discussing weapons or bringing them to the workplace

Reports can be anonymous and all reported incidents will be investigated. Reports or incidents warranting confidentiality will be handled appropriately and information will be disclosed to others only on a need-to-know basis.

Time Away from Work

Vacation

Vacation allowance is a benefit designed to help employees maintain a healthy work/life balance and find renewal in activities that are non-work related. Employees are encouraged to use their vacation with the approval of their leaders. Annual allowance is provided on June 1 each year based on the employee's classification and months worked per year. That allowance is for working the entire fiscal year. Employees that leave employment during that fiscal year will earn a pro-rated vacation allowance based on how many months they work. Employees must use their entire allowance, with the exception of 40 hours, by the following May 31. Please see Appendix A at the back of this book for the applicable allowances.

Necessary Leave

Necessary leave provides security in the event of sickness and limited personal business concerns. Necessary leave is provided to employees for these purposes:

- Paid sick leave for the employee's personal illness;
- Paid leave for personal reasons (i.e. doctor's visits, sick children, funerals, driver's license renewal);
- Accumulated to shorten the waiting period under the long term disability policy.

Necessary leave, like vacation, needs to be coordinated between the employee and his/her leader. Excessive use of necessary leave results in absenteeism and impacts job performance and will result in disciplinary action. Annual allowance is provided on June 1 each year and can be accumulated to a maximum of 480 hours. Please see Appendix A at the back of this book for applicable allowances.

Shared Leave Program

This program provides additional paid time off for an employee after all their paid time off allowances have been exhausted due to Family and Medical Leave Act emergencies. This program will be coordinated with the Human Resources department.

Holidays

Graceland University recognizes the need for time off during holidays to be with family and friends. The following are paid Graceland University holidays:

- Thanksgiving — 2 paid holidays
- Christmas — 2 paid holidays
- Extended Christmas — 2 additional paid holidays <Lamoni >
- New Year's 1 paid holiday
- Friday of Spring Break
- Good Friday — <Seminary only>
- Labor Day — <Independence only>
- Memorial Day
- July 4th
- Floating Holiday — <Independence employees with exception of Seminary>

Part-time employees are eligible for holiday pay if the holiday falls on a regularly scheduled workday. Temporary employees are not eligible for holiday pay.

Jury Duty

Employees will be paid their regular wage for the time they are away on jury duty. If the employee receives any compensation for their service on the jury, they will be required to reimburse Graceland for wages paid. Employees may keep any mileage reimbursement that they receive from the court. Employees will be expected to return to work as soon as they are released from duty or immediately after not being selected to serve.

Family and Medical Leave Act

Graceland University acknowledges that from time to time situations occur in employees' lives that require time away from work. It is the policy of Graceland University to provide unpaid leaves of absence to attend to family and medical situations. Graceland University intends at all times to comply with federal and state laws regarding family and medical leaves. The Family and Medical Leave Act (FMLA) provides up to 12 weeks of FMLA time off per 12-month period. The rolling 12-month period starts on the first day that you are on FMLA. However, for the birth or placement of a child for adoption or foster care, spouses who are both employed by Graceland University are limited to a total of 12 weeks of FMLA, rather than 12 weeks each. FMLA leave is normally unpaid leave but Graceland has approved the use of all accrued necessary leave and vacation time, in that priority order, during approved FMLA leaves. Paid time off will count towards the 12 weeks of allowable FMLA leave. After exhausting all necessary leave and vacation time, employees may apply for additional necessary leave hours from the Shared Leave Program (see Shared Leave Program section). Upon return from your FMLA, you may return to either the same position you held when your FMLA began, or a position with equivalent benefits and pay.

Military Leave

Graceland University complies with Uniformed Services Employment and Reemployment Rights Act (USERRA). This law provides employees with military leaves of absence, reemployment rights upon return from military duty, and protection from discrimination because of their military service. Employees that are called up for military service may use their vacation or necessary leave if they wish to be paid during their leave of absence. Benefits will be continued and Graceland will continue to pay their share of the premiums for leaves under 30 days. COBRA will be offered if leave extends past 31 days. Pension service will continue to accrue during this leave of absence. Tuition benefit will continue as well. Vacation and Necessary leave will be pro-rated based upon the month of return from leave.

Employee Benefits

Benefit Eligibility

Full-time employees are eligible for benefits on the first of the month following the date of hire. Employees are able to make changes to their benefits at open enrollment every May or during the year if they have a qualifying family status change event (See Qualifying Family Status Change Event section below). Occasional employees are not eligible for any of the benefits listed in this section. Part time employees may purchase health/dental insurance at full cost.

Qualifying Family Status Change

The decisions you make during the first 30 days of employment regarding benefits will remain in effect until the following open enrollment period. However, you may be eligible to change some of your benefit choices during the year if you have a change in your family status or qualify for a health care special enrollment.

Because most of your Graceland benefits are deducted from your pre-tax earnings, the Internal Revenue Service (IRS) limits changes during the year unless you have a qualified family status change event. In addition, under the Health Insurance Portability and Accountability Act (HIPAA) of 1996, you may qualify for a “Health Care Special Enrollment” if you have new dependents or if you (or a dependent) lose health care coverage through another source.

The IRS determines which events qualify you to make changes to your benefits during the plan year. Those changes need to be consistent with the event and need to be made within 30 days of the event. Qualified events include:

- Marriage;
- Legal guardianship;
- Divorce, annulment or legal separation;
- Birth, adoption, or placement for adoption;
- Dependent no longer meets eligibility requirements;
- Death of your spouse or eligible dependent child or loss of custody of dependent;
- Certain employment status changes, such as:
 - You, your spouse or dependent child change from part-time to full-time employment, or vice versa;
 - You, your spouse, or dependent child changes jobs and becomes eligible for employer-provided benefits for the first time;
 - Your spouse or dependent child ceases to be on active duty in the armed forces;
 - Your spouse or dependent child goes on strike or at the time the strike ends;
 - Your spouse or dependent child becomes employed outside the home;
 - Your spouse terminates employment to become self-employed;
 - Your spouse terminates employment to work full time in the home;
 - Your spouse or dependent child becomes unemployed and will be for at least three weeks due to layoff or termination;
 - Open enrollment of your spouse’s employer benefit plan(s).

Here are some examples of events that do not qualify for a family status change:

You or your spouse:

- Have a change in work shift;
- Have a decrease in part-time hours;
- Accept a new position with an increase or decrease in pay;
- Change your dependent care provider;
- Have a clinic/physician that is no longer participating in your PPO network.

Health Insurance

Health insurance premiums are deducted pre-tax from employees' earnings. Employees may choose between a \$500 individual deductible plan, a \$1,000 individual deductible plan, a \$2,500 individual deductible plan. Spouses/domestic partners are eligible for coverage as are unmarried dependent children up to age 19 — or up to age 24 if a full-time college student. Once the employee has selected a deductible, it may not be changed until open enrollment. Part-time employees who work 20 hours per week at least nine months per year are eligible for health insurance without a Graceland subsidy.

Dental Insurance

Graceland pays approximately 40% of the dental insurance premium. The employee's portion of the premium will be deducted pre-tax from their monthly payroll. Spouse/ domestic partners and dependents may be covered. Preventative and diagnostic services are covered without being subject to the deductible or co-pay. The plan pays 50% of other eligible charges after the \$50/person deductible has been satisfied. Part-time employees who work 20 or more hours per week at least nine months per year are eligible for dental insurance without a Graceland subsidy.

Basic and Optional Life Insurance

Graceland provides group term life insurance coverage equal to an employee's wages on an annual basis — rounded to the next higher \$1,000 and with a minimum of \$6,000. Graceland also pays for life insurance coverage of \$2,000 on spouse and each dependent. Employees name the beneficiary for their coverage. The employee is always the beneficiary for the spouse/dependent coverage. If employment is continued beyond age 70, employee coverage is reduced by 50% and is further reduced to 30% of the original amount at age 75, and further reduced to 20% of the original amount at age 80. All benefits end upon retirement or employment termination.

Employees may elect and pay for additional coverage if they wish. Rates are based on age. Medical evidence of insurability is required for supplemental amounts over \$50,000 on the employee and on all supplemental coverage for spouses/domestic partners. Employees may elect up to \$300,000 supplemental coverage. Spouses/domestic partners are eligible for up to \$100,000 supplemental coverage. Supplemental insurance also is available for unmarried dependent children up to age 19, or age 24 if a full-time student. This coverage is available in \$5,000 or \$10,000 amounts.

Basic and Optional Accidental Death & Dismemberment Insurance

Graceland University provides basic accidental death and dismemberment coverage equal to the employee's annual salary.

Optional AD&D is available at the employee's expense through payroll deduction. This plan provides low cost accident insurance in amounts from \$25,000 to \$300,000 for the employee or his/her family. Coverage is provided without regard to previous health history and gives broad 24-hour protection, 365 days per year, including travel.

Business Travel Accident Insurance

The university insures all full-time employees during travel away from the campus on official university business. Employees are covered from the time they start the trip whether they begin from their place of employment, home, or other location. This coverage terminates upon return to the place of employment or home, whichever occurs first. (In the event of a covered loss, the insurance company will pay \$250,000 to the principal beneficiary for the loss of the employee's life or two or more members [hand, eye, or foot] or \$50,000 for the loss of one member. The beneficiary will be the principal beneficiary designated by the employee on the group life insurance policy).

Tuition Remission

Graceland University provides full tuition benefit for undergraduate courses to employees, spouses/domestic partners, and unmarried dependent children. Employees may enroll in one course during working hours with supervisor's approval. Time missed from work will be made up. Employees must file a Free Application for Federal Student Aid (FAFSA) before the deadline to determine eligibility for outside grants. *If the FAFSA is filed after the deadline and it is determined that Iowa Tuition Grant would have been available, tuition benefit will be reduced by that amount.* All tuition benefit recipients must maintain Satisfactory Academic Progress. All avenues will be exhausted before a student loses tuition benefit or student status.

Graceland University belongs to a Tuition Exchange Program which includes more than 300 private colleges and universities that offer free tuition to our employees and their eligible dependents. For a list of schools in the program, visit www.cic.edu. Forms are available in the Human Resources office.

Flexible Spending Account

All full-time employees may elect to participate in the Flexible Spending Account at the time of employment or during open enrollment every December. This plan allows employees to set aside a certain amount of pre-tax dollars for eligible medical expenses, eligible day care expenses, or eligible insurance premiums. The employee incurs the eligible expense and submits a claim form with eligible bills to the current plan administrator. Reimbursements are issued every Friday for claims received by Wednesday morning of the same week. Reimbursements may be deposited directly into the employee's bank account or mailed to the employee's home. Employees will lose the money in the account if they do not have medical expenses incurred in the calendar year to submit for reimbursement. Claims must be submitted by the end of February for the previous calendar year or funds will be forfeited in the account.

Long Term Disability

Graceland University provides long term disability coverage to all active employees working at least 30 hours per week. The coverage provides protection in the event of an injury or extended illness. This benefit is fully paid for by Graceland University. Benefits from this policy begin 90 days after the date of illness/injury subject to approval by the long term disability provider.

Pension Plan

Graceland maintains a defined benefit retirement plan for all employees who meet the eligibility requirements. This plan is designed to give employees a monthly income at age 65 to supplement income from savings, Social Security, and other sources. The entire cost is paid by the university. An employee who has worked 1,000 or more hours during the first year of employment becomes an active member provided they are over the age of 21.

There are different forms of optional income which provide varying levels of benefits to the employee during retirement, and to the employee's spouse in the event of the employee's death. The employee may elect to take early retirement (age 55), however, the monthly income benefit will be at a reduced rate.

If an employee resigns or terminates employment with Graceland University prior to retirement, he/she may have vested rights in the plan. For more details about these vested benefits, or for answers to questions, refer to the plan booklet, "Retirement Plan for Employees of Graceland University," provided at the time of employment or available in the Human Resources office. A new plan booklet is prepared and distributed to all employees whenever significant changes in the plan occur — either as a result of policy changes or as required by changes in federal regulations.

Retirement Plan II

Employees hired on or after August 1, 2006 will not be eligible for the traditional pension plan. They will be eligible for the group 403(b) plan with Principal. Employees may contribute pre-tax or after-tax dollars into this plan immediately upon hire. After one year of service, with 1000 hours worked, Graceland will contribute a certain percentage (based on financial ability) of salary to that employee's account. At that time, Graceland will also match the employee's contribution at 50 cents to the dollar up to 6% of employee pay. Employees do need to work for 5 years to be 100% vested in the Graceland contribution. Employees earn 20% vesting for every year of service before that. This plan is portable, which mean employees are able to take it with them when/if they leave employment. Employees also direct the investments.

Tax Sheltered Annuity

Graceland University maintains a 403(b) Tax Sheltered Annuity to which an employee may allocate a portion of his/her income through a salary reduction agreement. All full-time employees are eligible for the plan on the date of employment. The university will maintain a recommended and approved limited number of plans with investment options which should meet the financial objectives of most employees. Information is available in the Human Resources Office.

Worker's Compensation

Worker's compensation benefits are mandated by law to protect the employee who receives an injury or disease while on the job. The benefits consist of compensation for salary lost (subject to a waiting period and based on the salary received at the time of the injury) and related medical services. If you are injured on the job, please report the injury immediately to your leader.

The worker's compensation law will retroactively reimburse wage benefits for the waiting period if the employee is off work for extended periods of time. If Graceland University has already paid the employee's wages for the waiting period, the monies paid retroactively to the employee for the waiting period shall be reimbursed to the university by the employee.

Unemployment Insurance

The university complies with the Iowa and Missouri Employment Security Law which requires the university to report wages and pay the unemployment insurance tax to the Iowa and Missouri Employment Security Commissions. Unemployment insurance is provided at no cost to the employee. Unemployment insurance does not apply to services performed by a student or a self-employed minister.

Leaving Employment

Resignation

Every employee at Graceland has the status of “employee-at-will,” meaning that no one has a contractual right, expressed or implied. Staff employees are asked to give two weeks notice of resignation to the university and all other employees are asked to give a 30 day notice of resignation. Vacation time may not be counted towards the advance notice requirement. Employees who give the proper written notice will receive their earned vacation paid to them on their final paycheck. The employee’s last pay check will come on the next monthly payroll as a direct deposit. There is no provision for payment of unused necessary leave upon termination of employment. All benefits will terminate at the end of the month in which employment ceased. Continued coverage is available according to the Consolidated Omnibus Reconciliation Act (COBRA).

Dismissal

Every Graceland University employee has the status of “employee-at-will,” meaning that no one has a contractual right, expressed or implied, to remain in Graceland’s employ. Graceland University may terminate any employment, with or without notice, at any time for any reason as long as it is not an illegal reason.

Post Resignation Procedures

Human Resources will conduct an exit interview with all employees leaving employment. Please call the Human Resources Office to schedule a 30-minute appointment on your last working day. Prior to your appointment, please turn in your keys to Facility Services and bring the yellow receipts to the Human Resources Office. The following items will be collected during your exit interview: ID card, parking permit, key receipts, and activity ticket.

Please make arrangements within your department for voice mail/e-mail to be forwarded to the appropriate person.

Some policies taken from Society for Human Resource Management