Changes Made to the Staff Handbook August, 2010

- Added Accreditation paragraph, page 9.
- Updated the Retirement Plan Contribution from 10% to 7%, pages 40, 44, & 111.
- Updated the Supplemental Retirement Annuity plan to include post-tax (Roth), pages 40 & 44.
- Updated eligible dependents from “unmarried children under 25” to “children under 26 years of age”, page 41.
- Added the Background Check Policy information, page 65.
- Updated the Policy Regarding Operation of the University During Inclement Weather and Other Emergency Events, pages 87 & 88.
- Updated the Organization Chart, page 137.

Searching the Handbook Tip:

Click on the bookmark icon at the left side of page then click on the bookmark link to take you to that section in the Handbook.
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August 1, 2010

Dear Staff Member:

On behalf of all members of the Southwestern University community, I want to welcome you to Southwestern University.

This Handbook provides you with an introduction to the University and serves as a ready reference guide regarding our policies and procedures, guidelines, practices, and benefits. This Handbook is not intended to be a contract or serve as the final word in all instances. Keep in mind that it may not address all situations, so if you have any questions or comments about this Handbook, I encourage you to contact your supervisor or a Human Resources representative.

You are important to the success of Southwestern University. Please take time to review the section of your Handbook entitled, “Aims, Core Purpose, and Core Values”, because it will provide you with our underlying goals and principles which guide our operations.

Once again, welcome to Southwestern University. I hope you fully engage in the opportunities and activities available here and I wish you every success in your employment with us.

Sincerely,

Jake B. Schrum
President
I. INTRODUCTION

A. HISTORY OF SOUTHWESTERN UNIVERSITY

Southwestern University is the descendant of four of the earliest institutions of higher learning in the state. The forerunner of the University, Ruttersville College, was chartered by the Republic of Texas in 1840, making it the first college in what was to become the state of Texas. The three other colleges founded by pioneer Methodists and united in one central college in Georgetown in 1873 were Wesleyan College, chartered in 1844; McKenzie College, 1848; and Soule University, 1856. When the five Methodist Conferences of Texas located the central institution in Georgetown it was known as Texas University. In 1875, that name was ceded to the state of Texas and the present name, Southwestern University, was adopted.

Southwestern University is governed by a 50-member Board of Trustees consisting of the President of the University, the bishops in charge of the Annual Conferences of The United Methodist Church in Texas, the president and president-elect of the Association of SU Alumni, two recent graduates of the University nominated by students, members at large, and representatives, both lay and clergy, from the six patronizing Annual Conferences.


B. ACCREDITATION

Southwestern University is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award baccalaureate degrees. Contact the Commission on Colleges at 1866 Southern Lane, Decatur, Georgia 30033-4097 or call 404-679-4500 for questions about the accreditation of Southwestern University.

C. AIMS, CORE PURPOSE, AND CORE VALUES

Southwestern University, under the auspices of the United Methodist Church, is committed to undergraduate liberal education involving both the study of and participation in significant aspects of our cultural heritage, expressed primarily through the arts, the sciences, the institutions, and the professions of society. As defined by the members of the Southwestern University community, including faculty, staff, students, alumni, and trustees, the core purpose of Southwestern University is that of fostering a liberal arts community whose values and actions encourage contributions toward the well-being of humanity. To this end, the Southwestern University community has agreed upon a set of core values that serve as the guiding principles for the institution:

Cultivating academic excellence.
Promoting life long learning and a passion for intellectual and personal growth.

Fostering diverse perspectives.

Being true to one's self and others.

Respecting the worth and dignity of persons.

Encouraging activism in the pursuit of justice and the common good.

As a teaching-learning community, Southwestern University encourages rigorous inquiry and scholarship, creative teaching, and the expression of free human life. The University seeks to involve the student in finding a personal and social direction in life, developing more sensitive methods of communication, cultivating those qualities and skills which make for personal and professional effectiveness, and learning to think clearly and make relevant judgments and discriminations.

D. ORGANIZATION OF THE UNIVERSITY

Southwestern University is a not-for-profit corporation, organized in accordance with the Texas Non-Profit Corporation Act under the laws of the State of Texas. The University is recognized by the Internal Revenue service as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code. As a tax-exempt educational institution, in order to maintain its federal tax-exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

In accordance with the Articles of Incorporation and the Bylaws, a Board of Trustees governs Southwestern University. The actions of persons employed by the University should be consistent with policies, procedures, rules, regulations, directives, and guidelines that are adopted or otherwise prescribed by the Board.

The President
The governance of the University is committed to the President. The President is vested with the responsibility for the implementation of policies adopted by the Board of Trustees, for every phase of the University’s operation, and for formulating and enforcing all rules and regulations. The President is the Chief Executive Officer of the University and will perform duties and functions as the Board of Trustees may assign to him/her. In the performance of duties, the President shall strive to have a direct relationship to every member of the University community. Administrative and staff members reporting directly to the President are the members of the President's Senior Staff.

President's Senior Staff
The following officers comprise the President’s Senior Staff: Provost and Dean of the Faculty; Vice President for Student Life; Vice President for Enrollment Services; Vice President for Institutional Advancement; Vice President for Fiscal Affairs, Senior Advisor to the President, University Chaplain, Executive Director of NITLE and Vice President for Innovation, and Executive Administrative Assistant to the President. In accordance with the Bylaws, the Vice Presidents and such other personnel as designated by the President, have faculty rank and are entitled to vote at meetings of the faculty.
Provost and Dean of the Faculty
The Provost and Dean of the Faculty is the officer responsible for the University’s total educational program and functions as Dean of the Brown College of Arts and Sciences. The Provost has responsibility for administering the academic program in such areas as institution-wide planning; faculty recruitment, evaluation, promotion, and development; library development; academic testing and counseling; publications of the *Faculty Handbook* and the *University Catalog*; class scheduling, registration, and student records; certification of graduates; summer school; and academic internships. These duties are performed in consultation and collaboration with the Academic Affairs Council, the Faculty Affairs Council, and the University Council as these bodies exercise their legislative functions on behalf of the faculty.

The Provost and Dean of the Faculty is responsible for coordinating the academic student life areas and meets regularly with the Vice President for Student Life and other staff members in academic and student affairs. The Division/School Chairpersons, the Dean of The Fayez Sarofim School of Fine Arts, the Dean of Library Services, the Coordinator of Testing (in academic matters), the Director of Academic Success and Advising, the Registrar, the Director of Intercultural Learning, the Director of the Language Learning Center, the Director of the Debby Ellis Writing Center, the Director of Upward Bound, the Director of the Paideia Program, the Director of Civic Engagement, the Associate Vice President for Academic Administration, the Assistant Dean for Faculty Development and Sponsored Programs, and the Associate Dean of the Brown College of Arts and Sciences report to the Provost.

The Provost works with the academic deans, administrators who support Academic Success, and the Academic Program Chairs to review the University’s academic program and to discuss policies and procedures affecting the academic life of the University. When assessments of judgments concerning individual faculty members are necessary, the Provost has final responsibility and authority in academic matters.

Vice President for Student Life
The Vice President for Student Life is responsible for administration of student programs and services that facilitate the academic mission of the University and promote learning outside of the classroom. Student Life includes: the Dean of Students; Athletics; Career Services; the Corbin J. Robertson Center; Counseling and Health Services; Diversity Education; Intramural and Recreational Activities; the Red and Charline McCombs Campus Center; Residence Life; Student Activities; student discipline; student government; student judiciary; student organizations; student publications; and University Police. The Vice President for Student Life serves as administrative liaison with the Student Affairs Council and Student Congress. The Dean of Students advises on a variety of student issues.

Student Life promotes the mission of Southwestern University by implementing programs and delivering services that provide values-centered education of the whole person. These programs and services facilitate students’ development of social competencies, and reflect a shared responsibility for student learning within an undergraduate liberal arts community. Student life fosters a challenging, secure, residential environment in which the uniqueness of each individual is respected and celebrated.

Vice President for Institutional Advancement
The Office of Institutional Advancement includes Development, Alumni Relations and University Relations. The office plans and directs a comprehensive program of institutional development and public relations, including both external and internal constituencies.
Responsibilities include: 1) directing fund-raising efforts for current operations, physical facilities, and endowment; 2) coordinating all programs and events relating to alumni, including extensive volunteer roles; 3) parent relations; 4) marketing, managing news and information services, creative services, web development and content, constituent relations, and university events and calendars; and 5) managing a comprehensive data bank of constituency records.

**Vice President for Enrollment Services**
The Vice President for Enrollment Services provides strategic leadership in advancing the University’s recruitment and enrollment goals. He/she provides experience and oversight to the recruiting, admission and financial aid process. Reporting to the Vice President are the Office of Admission and the Office of Student Financial Assistance which are comprised of a team of experienced staff members. The Enrollment Services organization is also complemented by numerous student workers. Additionally, the Vice President, along with the Enrollment Services staff, maintains the institutional commitment to superior service, student retention, promotes institutional awareness, works with other offices on marketing initiatives, and assures effective use of technology and analysis of data in achieving enrollment objectives. The Vice President of Enrollment Services collaborates with other senior officers, University staff, academic leadership and students to ensure an extraordinary educational experience for all Southwestern University students.

**Vice President for Fiscal Affairs**
The Vice President for Fiscal Affairs is responsible for planning and directing the business and financial affairs of the University. The functions supervised include information technology, facilities planning, all construction projects, property management, human resources and payroll, investment management, budgeting, accounting, purchasing, general services contracting, risk management and safety, legal services, dining services, the bookstore, telephone services, the golf course, and the tennis center. Reporting to the Vice President for Fiscal Affairs are: the Associate Vice President for Finance; the Associate Vice President for Human Resources, the Associate Vice President for Information Technology Services; and the Associate Vice President for Facilities and Campus Services.

**Senior Advisor to the President for Strategic Planning and Assessment**
The Senior Advisor to the President for Strategic Planning and Assessment is responsible for coordinating all areas of institutional effectiveness, including institutional planning and outcomes assessment, and supervises the institutional research function. In addition to these ongoing responsibilities, the Senior Advisor is assigned specific leadership roles in areas of strategic importance to the University, such as diversity initiatives, government relations, and accreditation liaison to the Southern Association of Colleges and Schools. In the City of Georgetown, the Senior Advisor represents the University in a variety of civic and community organizations.

**University Chaplain**
The University Chaplain working within Southwestern University’s heritage as a United Methodist Church-related institution, seeks to meet the needs of a diverse faculty, staff, and student body. The University Chaplain provides institutional support for a broad array of student religious groups, offers programmatic opportunities for spiritual development and exploration, and establishes social action opportunities for students. Providing leadership to the programs of the Lois Perkins Chapel, the Chaplain also works throughout the University to create opportunities which are responsive to students’ interests and needs, and are focused on nurturing authentic, vital and meaningful religious life within Southwestern University. As the campus
pastor, this person guides individuals into community with each other, supports persons in achieving personal spiritual goals and provides support and referral in time of need.

**Executive Director of NITLE and Vice President for Innovation**

The Executive Director of the National Institute for Technology in Liberal Education (NITLE) and Vice President for Innovation is responsible for the operation of NITLE and oversight of innovation initiatives for the University. NITLE is a nationally distributed organization that promotes the use of digital technologies to advance scholarship, teaching, and learning in liberal arts colleges. NITLE provides thought leadership, collaboration resources, professional development programs, consulting, and other services to over 120 participating institutions.

**Executive Assistant to the President**

The Executive Assistant to the President is a member of the President’s Senior Staff. Working in collaboration with the President with the various constituencies within the University community as well as external publics, foundations, and organizations, the Executive Assistant also serves as staff liaison for the Board of Trustees. The Executive Assistant is responsible for the President’s calendar, travel, correspondence, budget, and other duties as deemed necessary. The Executive Assistant also supervises staff members in the President’s Office and is responsible for the day-to-day management of the office.

1. **The Council System**
   (Modified by faculty action November 22, December 8, 1988 and April 24, 2001)

   The purpose of the council system is to provide a faculty structure (including administrators, faculty, and students) for University planning; to promote an exchange of ideas among administration, faculty, and students; to provide for initiatives or referrals of policy issues; and to implement existing policy, normally at committee levels with minimal higher-level involvement.

   The **University Council** has as its primary function overall planning and coordination of University activities.

   The **Faculty Affairs Council** functions in advice and planning on matters of faculty status, faculty organization, and professional activities and development. It also recommends legislation on these matters to the general faculty.

   The **Academic Affairs Council** functions in advisory exchanges and planning on academic matters, including courses, curriculum, and degrees, reporting its recommendations for legislation to the general faculty for final debate and vote.

   The **Student Affairs Council** functions in advice and planning on matters of student life. It also recommends legislation to the general faculty.

   The **Staff Affairs Council** provides a forum for all staff. Its function is to advise, plan and communicate with staff and other university constituencies on matters related to staff, including — but not limited to — benefits and professional development. It also recommends legislation on these matters to the general faculty and senior administration.

**Outline of Specific Council Functions**

a. **University Council (UC) — Functions**
- Initiation, internally, of planning or studies. It is responsible for long-range university planning, including fiscal planning. The UC should provide some structure or deliberate scheduling to support systematic planning and to support, when needed, coordination among councils dealing with separate implications of a particular planning project. For example, UC could have separate "planning-agenda" and "current business" meetings. The executive committee of UC should meet monthly to coordinate the planning and current business agendas of UC.

- Initiation, upon recommendation from any outside source (administrator, faculty member, student, department, or division), of any planning or study.

- Formulation of recommendations for new or changed policy and referral of its own recommendations for legislation to the general faculty.

- Referral of recommendations from another Council:
  a. In matters that have fiscal implications, after study in UC, to the general faculty if only one Council area or function is concerned;
  b. In matters that have fiscal implications or that overlap the functional areas of more than one other Council, after study in UC, to two (or three) other Councils as appropriate for joint study.

- Output to general faculty as above.

- Assumption of responsibility for necessary governance structure during summers.

- Referral of non-policy-making activity (i.e., implementation of existing policy) down from Council level to subordinate committee, with requirement of timely reporting of this implementation to the UC.

- Retention of all major actions at the full Council level (not in executive committee).

- Periodic (e.g., annual) publication of statements of operating procedures and responsibilities of UC.

b. **Faculty Affairs Council (FAC) — Functions**

- Initiation, internally, of any faculty affairs activity or study.

- Initiation, upon recommendation from outside source, of same.

- Referral, if needed, of issues to the University Council for evaluation of fiscal implications or for coordination with the other Councils.

- Review and ratification of the output of its subcommittees.

- Output of FAC recommendations for new policy and policy changes to the general faculty.

- Referral of non-policy-making activity (i.e., implementation of existing policy) down from Council level to subordinate committee, with requirement of timely reporting of this implementation to FAC.

- Retention of all major actions at the full Council level (not in executive committee).

- Development of procedure for, and conduct of, regular review of membership terms, duration, rotation and continuity for faculty on councils and committees.

- Periodic (e.g., annual) publication of statements of operating procedures and responsibilities of FAC.

c. **Academic Affairs Council (AAC) — Functions**

- Initiation, internally, of any academic (courses, curriculum, degrees) activity or study, including systematic reviews of general education requirements and other curriculum matters, and systematic departmental and program reviews.
- Initiation, upon recommendation from outside source, of same.
- Referral of larger issues to the University Council, if any fiscal implications or other extra-academic matters are involved, or if coordination with other Councils is needed.
- At its discretion, referral of academic issues to the faculty meetings, for discussion and input to the AAC.
- Formulation of new legislation, comprising new or changed policy, if within academic area solely, and then recommendation of this legislation to the general faculty for debate and vote.
- Referral of non-policy-making activity (i.e., implementation of existing policy) down from Council level to subordinate committee, with requirement of timely reporting of this implementation activity to the AAC.
- Retention of all major actions at the full Council level (not in executive committee).
- Periodic (e.g., annual) publication of statements of operating procedures and responsibilities of the AAC.

d. Student Affairs Council (SAC) — Functions
- Initiation, internally, of any student life area planning or activity or study.
- Initiation, upon recommendation from outside source, of same.
- Referral, if needed, of issues to the University council for evaluation of fiscal implications or coordination with other Councils.
- Output of SAC recommendations for new policy and policy changes to the general faculty.
- Referral of non-policy-making activity (i.e., implementation of existing policy) down from Council level to subordinate committee, with requirement of timely reporting of this implementation to SAC.
- Retention of all major actions at the full Council level (not in executive committee).
- Periodic (e.g., annual) publication of statements of operating procedures and responsibilities of SAC.

e. Staff Affairs Council — Functions
- Initiate any staff planning, activity or study.
- Refer issues to the University Council for evaluation of fiscal implications or coordination with other Councils, if needed.
- Provide a forum for staff to voice suggestions, complaints or other issues.
- Ensure that each staff constituency has representation in the University’s governance process.
- Provide a representative from Staff Affairs Council on behalf of the staff to the University Council with voting privileges, and also to Faculty, Academic and Student Affairs Councils, with voice, but no vote.
- Relay University communications to staff.
- Provide a forum for staff suggestions on benefits.
- Serve in a research or education role for staff.
- Focus on professional development opportunities, staff training and education.
- Develop a staff orientation program.
- Assist with the development of staff performance evaluations.
- Provide recommendations on new or existing policies.
The Staff Affairs Council has initiated a Suggestion Box Awards program. Council members will meet toward the end of each academic year to vote on what they believe to be the best implemented suggestion in that academic year based upon the criteria set down in Appendix I. Each year Council members will determine the amount and number of the cash awards within the available budget.

f. Functions Common to All Councils, Related to General Faculty and to Student Representatives

Faculty meetings should be scheduled on a bimonthly basis (or two per month), with certain meetings as committee-of-the-whole discussions of substantive issues or draft proposals that need detailed review. The Council chairs (vice-chair in UC) shall assist the Provost in developing draft agendas for the President's review. Time should be allowed for faculty to table motions whenever more study time is needed. Should a majority of the council chairs and Provost decide that a second faculty meeting in a given month is necessary, they are responsible for recommending such a meeting to the President.

The document "Council Actions" should be distributed to student members of Councils (via mail or at some pickup spot).

Members of Councils should receive minutes of each others' meetings and are encouraged to attend each others' meetings.

Early in each Fall semester (or during Fall Faculty Conference), a program of "4-Council System Orientation" should be provided for new faculty and for student representatives.

g. General Principles of Council Functions

All University issues are intended to be deliberated and decided at the lowest appropriate level of the system, and the results then reported upward through the system to the general faculty.

For implementation of existing policy in routine daily business, the subordinate committee level is the appropriate level.

For planning or deliberation that may involve policy changes or new policy confined to the function area of one Council, the respective Council is the appropriate level.

For planning or deliberation that may involve policy that has fiscal implications, or in areas that overlap into the function areas of two or three councils, the University Council is the appropriate level.

Faculty legislative authority is to be expressed at the general faculty meeting level, with (or without) prior recommendation transmitted to the general faculty through the council system as provided above.

The responsibilities broadly defined by the council titles shall be apportioned to committees of the councils. The committees shall implement existing policy within their respective areas and make timely reports to parent councils.

Overriding priority of emphasis among activities by each Council within its functional area shall be, in descending order of emphasis, as follows:

- primary emphasis on planning role; all Councils should provide some structure or deliberate scheduling to support systematic planning and to support, when needed, coordination among Councils dealing with separate implications of a particular planning project. [For example, a Council could have separate "planning-agenda" and "current business" meetings -- see Area I in Governance Study Committee Memo 7E, 1 July 88.] Councils may delegate their planning function to suitable constituted subordinate committees; in this case, each Council should ask each such committee to (a) set up deadlines for its planning work, and (b) project its planning for 3, 5, or 10 years.
secondary emphasis on other roles, namely: legislation or recommendations for legislation; communication among administrators, faculty, and students; and implementation of existing policy.

In general, all council actions and subordinate committee actions shall be subject to challenge by petition of 20% or more of the faculty membership. The full faculty can subject such challenged action to full faculty consideration in a faculty meeting, upon petition by 20% or more of voting faculty members present in that meeting (or upon written petition by 20% or more of all voting faculty members.)

All council meetings shall normally be open meetings.

h. Committee Structure

Each Council shall give continuing attention to elimination of unnecessary subordinate committee functions and to possible transfer of any functions, as it deems appropriate, to another Council, subject to general faculty approval.

The number, titles, and makeup of subordinate committees attached to any council may be reviewed and modified by action of the respective parent Council for improved efficiency in the work of these committees. Councils should move non-policy-making activity (i.e. implementation of existing policy) down from Councils to subordinate committees and require timely reporting of this implementation. Appointed committee members are assigned by the Provost and approved by the President based on faculty preference, committee function, institutional need, and other factors relevant to balancing institutional governance and individual workloads.

University Council

The three other councils report their actions, if fiscal implications are involved, to the University Council before such actions go to the faculty for a vote.

These standing committees report to the University Council:
1. Information Technology Advisory
2. University Safety
3. Diversity Enrichment
4. Fringe Benefits
5. Sexual Harassment Advisory (by application)

Academic Affairs Council

These standing committees report to the Academic Affairs Council:
1. Admission (elected)
2. Academic Standards Committee (elected)
3. Bookstore Operations
4. Brown Scholars Selection
5. First-Year Seminar
6. Institutional Review Board for Human Subjects
7. Committee on International Programs and Experiences
8. Library (elected)
9. Perspectives on Knowledge
10. Pre-medical Advisory
11. Institutional Animal Care and Use
12. Summer School Planning (ex officio)

Faculty Affairs Council

These committees report to the Faculty Affairs Council:
1. Athletic (elected)
2. Cullen Faculty Development
3. Faculty Sabbatical Advisory (ex officio)
4. Faculty Handbook Advisory (elected)
5. Faculty Status (elected)
6. Faculty Travel
7. Gender Issues
8. Patent and Copyright (ex officio)

**Student Affairs Council**

These standing committees report to the Student Affairs Council:
1. University Committee on Discipline
2. Student Publications Editorial Board (elected)

**Staff Affairs Council**

1. Staff Handbook Advisory Committee

**Committees Not Assigned to a Council**

These standing committees report to the individual indicated in parentheses:
1. A. Frank Smith, Jr. Lectureship (Provost)
2. American Studies (Provost)
3. Animal Behavior (Provost)
4. Assessment (Senior Staff)
5. Environmental Studies (Provost)
6. Feminist Studies (Provost)
7. Honorary Degrees (elected) (President)
8. International Studies (Provost)
9. Latin American Studies (Provost)
10. University Committee on Fellowships (Provost)

**Southwestern Student Congress**

Student Congress, composed of student representatives, provides a forum for student concerns and opinions, and works to increase communication between the student body and the rest of the University community. Nineteen members of the Student Congress fill the student seats on the four governing councils of the University. All Student Congress members meet regularly to share information from the councils and to formulate student responses to council actions. The Student Congress holds Town Meetings and other open forums for students to voice concerns and learn about council actions. These standing committees report to the Southwestern Student Congress:
1. Student Congress Advisory
2. Student Fees and Allocations
3. Student Organizations
4. Traffic and Safety Control

Please refer to the Organizational Chart provided in the back of this handbook.

**D. ABOUT THE HANDBOOK**

This Handbook is for all staff. The terms “staff” and “employee” may be used interchangeably within the Handbook. For consistency, the term employee is normally used.

This Handbook has been prepared to provide all employees an overview of basic University policies, practices and benefits. This Handbook does not create any contractual rights for the benefit of any employee. Like some 40 other states, Texas is an “employment-at-will” state. Employment with the University is “at-will”, in that either the employee or the University can terminate the employment relationship at any time, with or without cause or notice. Any change or modification of the “at-will” nature of employment must be set forth in writing and signed by
the President of the University. Continuing to work following acceptance of the Staff Handbook constitutes acknowledgement and acceptance of the “at-will” relationship.

The policies outlined in this Handbook reflect the usual way of handling various situations. It is important for employees to understand these policies in order to be well-informed. The University, however, reserves the right to deviate from existing policies at its discretion because of individual circumstances or special needs. There will also be situations that require a change from time to time in policies, practices and benefits described in this Handbook. Accordingly, the University reserves the right to modify, add, delete or revise any provisions contained in this Handbook as well as other guidelines, policies or practices of the University at any time, as it deems necessary or appropriate at its sole and absolute discretion.

It is also important to understand that this Handbook may not cover every circumstance and that the University reserves the right to interpret policies at its sole discretion. Normally, but not in all situations, this may include the review of current and past practices and/or precedents. Updates will be distributed to employees as policies and benefits are changed.

**Supervisors:** Supervisors (who may also be department heads) will help employees adapt to their work environment and will be responsible for day to day assignments. Supervisors are employees’ first point of contact. If applicable, the department head is also available to help employees and supervisors maintain a productive relationship with each other and with the University. If at any time employees have questions, concerns or suggestions about their work, University policies, or the operation of the University in general, they should feel free to discuss any issues with their supervisor. While supervisors are not authorized to modify or amend a policy nor are supervisors’ interpretations of a policy or procedure final and binding, a supervisor’s insight may be helpful to employees. Should employees have questions or concerns about a policy after speaking with their supervisor, they should seek further guidance from a Human Resources representative. If, due to the particular nature of a problem, employees do not feel comfortable discussing an issue with their supervisor, they should discuss the matter with a Human Resources representative. Our goal is to share with employees the University’s mission of promoting sincere pride in the workplace. We can only do this by working closely together.

**Human Resources Department:** The Human Resources department provides employees with information and any necessary assistance to understand University policies and to promote a positive work environment. The Human Resources department can provide current information on employment opportunities on campus, benefits, compensation, policies, payroll data, personnel records, insurance, workers' compensation and benefit conversion privileges upon separation of employment. The Human Resources department is available to help employees with any problems or concerns during their employment.

The Human Resources department is responsible for maintaining complete and up-to-date personnel records for all current employees. It is important that employees notify the Human Resources department promptly of any changes in their name, marital status, number of dependents, home address, telephone number, emergency contact information, and other personnel data changes.

The Human Resources department confirms by letter all University appointments, all promotions, job transfers and changes in employee status. In addition, the Human Resources department ensures that all employees complete the Employee’s Withholding Allowance

The Human Resources department is the only department authorized to respond to all reference checks or employment verification inquiries on current or former employees. All inquiries regarding references or employment verification of any current or former employee must be referred to the Human Resources department. Any employee who receives a request for information should never make an “off the record” statement regarding a current or former employee. Responses by the Human Resources department to such inquiries will generally only confirm dates of employment and position(s) held. If the information given cannot be confirmed, the caller will be referred back to the employee. No other employment data will be given without a written authorization and release signed by the individual who is the subject of the inquiry.

We believe that the work conditions, compensation, and benefits we offer to our employees are competitive with those offered by other employers in this area and in this industry. If employees have questions or concerns about work conditions or compensation, they are strongly encouraged to talk openly and directly with their supervisor or a Human Resources representative.

Our experience has shown that when employees deal openly and directly with supervisors, the work environment can be exceptional, communications can be clear, and attitudes can be positive. The University has demonstrated and will continue to demonstrate a commitment to employees by responding effectively to employee questions and issues. In an effort to protect and maintain direct employer/employee communication, we will respect and protect the right of employees to speak for themselves and encourage an open door policy. The Human Resources department is always available to answer any questions or concerns.

II. PROFESSIONAL EXPECTATIONS

To meet University goals all employees will foster a commitment to community, work collaboratively and take responsibility for excellence. With the University’s mission as a guide, the University’s commitment to work together for the good of the students and to make decisions that benefit the University as a whole, the University will incorporate professional standards into the daily work experience.

A. PERSONAL CONDUCT

It is very important for an employee to remember that attitude and conduct are significant factors in work performance. It is the duty of each employee to be courteous to co-workers and to every person who visits the campus—students, parents, alumni, or visitors. If an employee should be discourteous, or if an employee’s actions in any way are disruptive to or reflect unfavorably upon co-workers or the University, the employee will be subject to disciplinary procedures, up to and including termination of employment.

Employee conduct has a direct bearing on the general public opinion of the University; therefore, it is imperative that employees respect the rights of others and conduct themselves in a professional and businesslike manner.

B. WORKPLACE ATTIRE
Personal neatness and appropriate attire is left largely to the discretion and mature judgement of the employee. Supervisors and department heads may establish minimum requirements for attire appropriate to tasks and working conditions since an employee’s appearance reflects upon the image of the University.

C. CONFLICTS OF INTEREST

Southwestern University recognizes and encourages employee involvement in private enterprise. However, certain business or personal arrangements or employment opportunities may constitute a breach of ethical standards resulting in conflict of interest between the University and the employee.

A conflict of interest may take various forms but arises when an employee is or may be in a position to influence the University’s business, research, or other decisions in ways that could lead to any form of personal gain for the employee or others closely associated with that University employee.

All employees must disclose to their supervisor, department head, or appropriate University officer any possible conflict of interest at the earliest practicable time. Disclosure is the responsibility of the employee. Employees engaged in activities that constitute or appear to constitute a violation of this policy will be subject to a review and evaluation of these activities by the University administration. Failure to disclose conflicts of interest is a serious matter. Consequently, an allegation of a failure to disclose fully a potential conflict of interest will be brought to the attention of the appropriate University official for an immediate review. Employees who violate this policy may be subject to disciplinary procedures, up to and including termination of employment.

The basic standard for dealing with conflicts of interest is simple: If an employee believes a conflict of interest exists, he/she should treat the situation as if a conflict definitely exists until he/she has disclosed and resolved the potential conflict with their supervisor, department head, or Human Resources department.

D. CONFIDENTIALITY

All Southwestern University’s records and information relating to Southwestern University or its constituents are confidential and employees must, therefore, treat all matters accordingly. No information related to Southwestern University, including but not limited to, documents, files, records, computer files or similar materials (except in the ordinary course of performing duties on behalf of Southwestern University), may be removed from the University’s premises without permission from Southwestern University. Additionally, the contents of the University’s records or information otherwise obtained in regard to business may not be disclosed to anyone, except where related to the University’s business. Employees will be subject to appropriate disciplinary action, up to and including termination/dismissal, for revealing information of a confidential nature. Please note that employee pay rates, salaries and/or any form of employee compensation are considered to be confidential and any employee divulging such information will be subject to this same disciplinary action.

In the course of an employee’s work, he/she may have access to confidential information regarding the University, students, and/or fellow employees. It is imperative that no individual, in any way, reveals or divulges any such information and that it is used only in the performance
of their duties. Any questions from a visitor or telephone caller about University policies or individual students or faculty should be referred to the University Relations department. Questions relating to personnel matters and matters involving potential litigation against the University, its employees or its students should be referred to the Associate Vice President for Human Resources.

Student Record information is especially sensitive, and is also protected by the Family Educational Rights and Privacy Act (FERPA) of 1974, as amended. Employees handling any inquiries about students or working with information about students must be familiar with relevant sections of the Southwestern University Catalog, Student Handbook, Faculty Handbook, and Advisor Handbook. Employees should never release student information without being sure of the rules.

III. SOUTHWESTERN UNIVERSITY POLICIES

A. EQUAL EMPLOYMENT OPPORTUNITY

Southwestern University is committed to the principle of equal opportunity for all persons without regard to sex, race, color, religion, age, disability, national or ethnic origin, or any other impermissible factor. Southwestern University’s commitment to equal opportunity includes nondiscrimination on the basis of sexual orientation. It is also committed to taking affirmative steps to see that such opportunities are made available for personnel in employment, promotion, transfer, recruitment, rates of pay and other forms of compensation, and selection for training.

If an employee has any questions and concerns about any type of discrimination in the workplace, he/she is strongly encouraged to bring these issues to the attention of his/her supervisor, department head, or to the Associate Vice President for Human Resources. No retaliation will be made against any employee for raising truthful and good faith concerns or reports concerning equal employment opportunity at Southwestern University.

B. POLICY STATEMENT ON HARASSMENT

Two fundamental commitments of Southwestern University are to treat employees with respect and dignity and provide an environment free of intimidation and harassment. All employees have a right to work in an environment free from all forms of discrimination and conduct which can be considered harassing, coercive or disruptive. Consistent with Southwestern University’s respect for the rights and dignity of each employee, harassment based on sex, race, color, religion, age, disability, national or ethnic origin, sexual orientation, or any other characteristic protected by law, will not be sanctioned or tolerated.

C. SEXUAL HARASSMENT

Sexual harassment in any manner or form, including sexual harassment based on sexual orientation, is expressly prohibited. It is the policy of Southwestern University (the University) to maintain both an academic and a working environment free from all forms of sexual harassment of any employee or applicant for employment, student, donor, or volunteer. Two reasons for this policy are to reaffirm the University’s commitment of respect for the person and to enhance the University community’s level of consciousness regarding gender issues. Sexual harassment violates both University policy and Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991 and the Texas Commission on Human Rights Act. All
reported or suspected occurrences of sexual harassment will be promptly and thoroughly investigated in confidence. Where sexual harassment has occurred, the University will take appropriate and timely disciplinary action.

For a review of the University’s complete Sexual Harassment Policy and Procedure, see Appendix A.

In conjunction with students, faculty and staff, the University’s Counseling Services department coordinates the publishing of a guidebook entitled, “Help for Sexual Assault/Sexual Misconduct.” The most current version of this guidebook can be found at www.southwestern.edu/offices/counseling.

D. DRUG-FREE WORKPLACE POLICY

The Federal Drug-Free Workplace Act of 1988 requires institutions that receive federally funded grants, including student aid, to undertake certain actions and adopt various procedures relating to the misuse of controlled substances in the workplace. As required by the statute, the University has adopted the policy printed below:

Southwestern University realizes its commitment to provide a healthy environment to its employees in which informed decisions are made and responsible behavior maintained. For this reason, Southwestern University prohibits the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, alcohol or inhalants by its employees at any time on the University’s premises or when conducting any and all University business. Disciplinary action will be taken against any employee for violation of this policy. Any disciplinary action will depend on the circumstances, but could include termination of employment or could consist of requiring the employee to successfully complete a drug abuse assistance or rehabilitation program. As required by the law, each employee must, as a condition of employment, abide by the terms of this statement, and any employee who is convicted under criminal law of substance abuse while on University property or while performing duties for the University must notify the Human Resources department within five calendar days of such conviction.

For review of the University’s complete Drug-Free Workplace Policy, see Appendix B.

E. SMOKE-FREE WORKPLACE POLICY

Southwestern University supports the concept of a healthy working and learning atmosphere throughout the entire campus. In that regard, the University has established guidelines governing the use of tobacco on campus. This applies to all employees, students, and other persons while on the premises. The intention of these guidelines is to contribute to a safe and healthy working and learning environment while being responsive to and mindful of the rights and privileges of individuals.
This policy supports the City of Georgetown Smoking Ordinance as well as meeting LEED (Leadership in Environmental and Energy Design) requirements for our LEED certified buildings.

Smoking is prohibited in all academic and administrative buildings and within 25’ of building entrances, operable windows or air intakes.

This is a self-enforced policy that requires the support and cooperation of all community members. When necessary, approach the smoker, communicate the policy and ask for cooperation. If this does not resolve the issue, report the matter to the proper University representative (e.g. Residence Life staff member, Campus Police, or the Department Head who supervises the employee).

F. U.S. EMPLOYMENT AUTHORIZATION

The University is committed to employing only United States citizens and aliens authorized to work in the United States and does not discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Form I-9 and present documentation establishing identity and employment eligibility within the first three days of employment. Former employees who are re-hired must also complete the form if they have not completed an I-9 with the University within the past three years, or if their previous I-9 is no longer retained or valid.

G. NO SOLICITATION

In an effort to assure a productive and harmonious work environment, persons employed and not employed by the University (except students) may not directly solicit or distribute literature in the workplace, including parking lots, at any time, for any purpose. The only exception to this policy is when the University sanctions the participation of certain charitable organizations’ events/drives.

H. INCLEMENT WEATHER AND OTHER EMERGENCY EVENTS

This policy is updated and distributed on an annual basis. Southwestern University is committed to a year-round operating schedule in pursuit of its mission as an undergraduate residential institution of higher education.

For a full review of this policy, please refer to the Policy Regarding Operation of the University During Inclement Weather and Other Emergency Events in Appendix C.

I. USE OF EQUIPMENT AND VEHICLES

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using University property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards and guidelines. University property shall be used for official University business only. Any exception to this policy must be pre-approved by the Vice President for Fiscal Affairs.
Employees are required to notify their supervisor if any equipment, machines, tools or vehicles appear to be damaged, defective or in need of repair. Prompt reporting of damages, defects and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. An employee’s supervisor can answer any questions about their responsibility for maintenance and care of equipment or vehicles used on the job. The improper, careless, negligent, destructive or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, can result in disciplinary action, up to and including termination of employment.

University vehicles shall be used for official University business only and shall be operated within the limits of traffic law and safety regulations. Each employee who drives a University vehicle must successfully complete the University’s Vehicle Safety Program, and possess a valid state driver’s license or chauffeur’s license, as appropriate. Use of any vehicle for University business requires the checking of Department of Motor Vehicle (DMV) records to determine the user's driving record. This is an activity conducted by the University's Safety Officer in cooperation with the University’s Police department.

An employee (or vehicle operator) will be personally responsible for any fines incurred as a result of driving or parking violations while operating a University vehicle (or personally-owned vehicle).

J. NO WEAPONS POLICY

Southwestern University believes it is important to establish a clear policy that specifically addresses weapons in the workplace and which is in accordance with the Penal Code of Texas, 46.03.

Southwestern University prohibits all persons who enter Southwestern University property from carrying a handgun, firearm or prohibited weapon of any kind regardless of whether the person is licensed to carry a weapon or not. This policy also prohibits possession or carrying of weapons at any University-sponsored functions.

This policy applies to all Southwestern University faculty, staff, students, contract and temporary employees, visitors, customers, and contractors, regardless of whether or not they are licensed to carry a concealed weapon. The only exceptions to this policy are campus police officers and state or federal peace officers who are allowed to carry weapons under authority of their status as a peace officer.

Prohibited weapons include any form of weapon or explosive restricted under local, state or federal regulations. This includes all firearms, illegal knives, BB and pellet guns, martial arts weapons, hunting bows and arrows, fireworks, ammunition, and any other device that may be used as a firearm or other weapons covered by the law.

Failure to abide by all the terms and conditions of this policy may result in disciplinary action, up to and including termination of employment. Further, carrying a weapon onto Southwestern University property in violation of this policy will be considered an act of criminal trespass and will be grounds for immediate removal from Southwestern University property, and may result in prosecution.
Texas law states that it is a third degree felony, punishable by a fine of up to $10,000 and imprisonment from 2-10 years, if a person is found in violation of Southwestern University’s No Weapons Policy. Southwestern University will strictly enforce both the law and the University’s No Weapons Policy.

If an employee is aware of anyone violating this policy, he/she should report it to the Human Resources department or to Campus Police immediately.

K. WHISTLEBLOWER POLICY AND CONFIDENTIAL CAMPUS HOTLINE

Policy. Southwestern University requires all faculty and staff to observe the highest business and ethical standards and to comply with all laws, regulations, policies and practices in the conduct of their duties and responsibilities. Guidance for this requirement is provided in the University’s Ethics and Business Conduct Statement, the University’s various policies and procedures, and Southwestern’s longstanding commitment to honesty, integrity and excellence in everything we do.

It is the responsibility of all concerned to comply with these standards and to report violations or suspected violations. No person who in good faith reports a violation shall suffer harassment, retaliation or adverse employment consequences. Any University employee who retaliates against someone for reporting a violation in good faith will be subject to discipline, up to and including termination. All reports are expected to be made in good faith with a reasonable expectation that a violation has occurred. However, reports which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Confidential Hotline. Violations or suspected violations may be reported on a confidential basis by the complainant or may be submitted anonymously. In an effort to provide a confidential method for any member of the University community to report suspected improprieties related to illegal, dishonest or unethical conduct and standards, including without limitation, those relating to financial, accounting, and auditing related issues, the University has implemented the confidential Campus Conduct Hotline©, 1-866-943-5787, through a third-party administrator. Confidential reports received by the third-party administrator will be forwarded to the University’s Chief Human Resources Officer, the Associate Vice President for Human Resources, for appropriate investigation and action. For more information on the hotline, contact the Associate Vice President for Human Resources.

 Implemented and Effective, March 1, 2007

L. ETHICS AND BUSINESS CONDUCT STATEMENT

It is Southwestern University’s longstanding practice to expect and maintain the highest standard of business and ethical conduct. This Statement encompasses compliance with all laws, regulations, and University policies. It is also a University expectation for all its constituents as it relates to the many aspects of the respective academic and administrative work performed, as well as the University’s operations, goals and principles. This Statement is intended to augment, generally summarize and emphasize the University’s commitment to ensure such conduct consistent with this Statement. It is consistent with existing University policies, practices, and statements, including without limitation, those relating to: 1) respect for all individuals and property; 2) academic freedom; 3) maintaining a culture of trust, credibility and open
communication; 4) avoiding conflicts or other activity that would impair or violate the University’s high standards and goals; and, 5) protecting the University’s uncompromising values. This Statement is also intended to be used as a guide in all situations that may not currently be covered by an existing policy or for the implementation of additional future policies.

These policies and standards are, in part, enforced by our Whistleblower Policy and Confidential Hotline process and apply to all members of the Southwestern community. Any violation will result in the appropriate disciplinary action being taken. For more information, employees may contact the Chief Human Resources Officer for the University, the Associate Vice President for Human Resources.

Implemented and Effective, March 1, 2007

IV. EMPLOYMENT POLICIES AND PROCEDURES

A. RECRUITMENT/SELECTION PROCESS

Southwestern University’s recruitment/selection process uses job descriptions, position advertisements in selected media, a selection committee with an applicant screening process (when appropriate), interviews, and reference checking/employment verifications. This process is used in order to provide a match between the final candidate selected and the duties and requirements of the position. The Human Resources department coordinates the entire process.

The major responsibilities involved in the University’s process are as follows:

1. Initiation of the Request To Fill A Position form along with a current job description. The job description is necessary in order to convey clearly the duties and responsibilities of the position both during the screening process and for developing an accurate job advertisement;

2. Appointment of a selection committee (when appropriate);

3. Advertising the position, screening applicants, conducting interviews, identifying the candidate and conducting reference checks;

4. Concluding the search process - closing files, submitting documents to the Human Resources department. Upon receipt of a properly completed Personnel Action Request form, the Human Resources department will complete the process and generate the appointment letter.

1. Job Posting

As positions become available, staff openings may be posted internally and advertised externally.

2. Employment Application

The University relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications or material omissions in any of this information or data may result in the exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.
3. Employment References

To ensure that individuals who join the University are qualified and have a strong potential to be productive and successful, it is the policy to check the employment references on all prospective employees. This process will be coordinated with the Human Resources department.

B. EMPLOYMENT CATEGORIES

The University provides definitions of employment classifications so that employees understand their employment status and benefits eligibility. These classifications do not guarantee employment for any specified period of time.

Employees are designated as either nonexempt or exempt from federal and state wage and hour laws.

Nonexempt employees are entitled to overtime pay under specific provisions of federal and state wage and hour laws at one and one half the hourly rate of pay after 40 hours worked in a week. Compensation is based on an hourly rate of pay for hours worked each week, paid on a bi-weekly basis.

Exempt employees are classified as such because their job duties are excluded from the overtime provisions of the federal and state wage and hour laws and are not eligible for overtime pay. The University’s salary administration plan for exempt employees has been set to equitably compensate for responsibilities. Exempt employees are expected to work whatever time is necessary to meet defined job responsibilities and are not provided compensatory time. Compensation is paid on a monthly basis.

In addition to belonging to one of the above categories, employees will also belong to one of the following other employment categories which will determine benefit eligibility:

**Benefit Eligible full-time** employees are those who are not in a temporary status and who are regularly scheduled to work a full-time continuous schedule of 40 hours per week.

**Benefit Eligible part-time** employees are those who are not assigned a temporary status and who are scheduled to regularly work a minimum continuous schedule of 30 hours per week (Part-time employees hired prior to July 1, 1996 will retain benefit eligibility based on a 20 hour per week continuous schedule.)

**Part-time** employees are hired for a specific position regularly working less than 30 hours per week. Part-time employees are not benefit eligible other than statutory required benefits. If a part-time employee has a base schedule of over 1,000 hours per year, that part-time employee will be eligible to participate in the University’s Retirement Plan, subject to eligibility requirements.

**Temporary** employees are those hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project. Employment assignments in this category can be either full-time or part-time and are of a limited duration, usually no more than six months. Employment beyond any initially stated time period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change. While temporary employees receive all legally mandated benefits (such as workers'
compensation insurance and social security), they are not eligible for any of the University’s other benefit programs.

C. JOB DUTIES AND RESPONSIBILITIES

Each employee will perform such duties as may from time to time be assigned by the University including but not limited to the usual and customary duties of any position. The University may establish goals and responsibilities for any position. The University reserves its sole right, and obligation, to regularly review job duties and responsibilities and revise job descriptions accordingly as a normal course of business at any time and with or without input from employees. This process, in general, is not one which an employee may grieve, but is one which may include the employee’s input and is normally coordinated through the Human Resources department.

D. HOURS OF WORK AND WORK SCHEDULES

The official work week for the University is from 12:01 a.m. Sunday through midnight the following Saturday, with the normal work day consisting of 8 hours with a one hour meal break, and the normal work week consisting of 40 hours. Hours of work and work schedules for employees vary throughout the University. Supervisors will advise employees of their individual work schedule according to the University’s specific procedures. Administrative Offices follow the official University hours of operation, 8 a.m. to 5 p.m. Staffing needs and operational demands may necessitate variations in the total hours that may be scheduled each day and week. The University will strive to give employees adequate advance notice of schedule variations.

Supervisors will schedule meal periods according to departmental procedures and other business requirements. Employees will be relieved of all active responsibilities and restrictions during meal periods.

Employees should consult with their supervisor for their department hours of work and work schedule.

The University recognizes that employees may have personal preferences or obligations outside the workplace which may affect their ability to work within the University’s Official Hours of Operation, therefore the University will support, where practicable for employees and the University, Flextime Schedules in accordance with the Flextime Schedules Policy and Guidelines. For more information, please refer to Appendix K.

E. ATTENDANCE AND PUNCTUALITY

To maintain a productive and safe work environment, the University expects employees to be reliable and punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on the University and other employees. If employees are not able to report to work as scheduled, the employee must notify their supervisor as soon as possible in advance. A nonexempt employee neglecting to “call in” may not be paid for that time. Any absence from work (including tardiness) that is not an approved leave with the permission of the supervisor or granted as an excused absence is an unexcused absence which may not be subject to payment.

It is expected that employees speak with their supervisor directly. It is inappropriate to have others relay messages or to leave a voice mail message and not follow that message up with
another call. The employee is also responsible for keeping his/her immediate supervisor informed on a daily basis of the anticipated date of return to work from an illness/absence. Absence without notice for 3 consecutive days is considered job abandonment and grounds for immediate termination of employment.

Employees who take leave under the Family Medical Leave Act may have different reporting requirements (see Family and Medical Leave Act of 1993, “FMLA” in Section M, Leave Plans).

It is the responsibility of the employee to be at work on time. Emergencies are understandable, but frequent absences, tardiness, and failure to give proper notice of absences impair the value of services and may result in disciplinary action, leading to eventual release from University employment. Employees may not be paid for a full day when they do not work a full day due to tardiness.

Either excessive absenteeism or tardiness may lead to disciplinary action, up to and including termination of employment. Please remember:

- If the University is open for business and classes and an employee determines that it is unsafe to proceed to work, the employee must notify his or her supervisor immediately and request a vacation day.

- If an employee is absent from work for three (3) consecutive days without giving proper notice to his/her supervisor, the employee will be considered to have abandoned their job and their employment with the University will be terminated.

- If an employee reports to work without proper equipment or in improper attire, he/she may not be allowed to work. If an employee reports for work in a condition deemed not fit for duty, whether from illness or any other reason, he/she will not be allowed to work.

**F. HIRING OF RELATIVES**

The employment of relatives in the same area of an organization may cause serious conflicts and problems with employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment may be carried into day-to-day working relationships.

For the purpose of this policy, relatives are defined to include spouses, parents, children, grandparents, brothers, sisters, brothers and sisters-in-law, fathers and mothers-in-law, stepparents, stepbrothers, stepsisters and stepchildren. This policy also may apply to individuals who are not legally related but who reside with another employee. These descriptions are not exclusive of the many relationships that may create actual or perceived conflicts.

Relatives of persons currently employed by the University may be hired only if they will not be working directly for or supervising a relative or will not normally occupy a position in the same line of authority within the organization. This policy applies to any relative, higher or lower in the organization, who has the authority to review employment decisions. Employees may not be transferred into such a reporting relationship.

**G. OUTSIDE EMPLOYMENT**
Employees may hold an outside job as long as they meet the performance standards of their job with the University. Employees should consider the impact outside employment may have on their health and their physical well being. All employees will be judged by the same performance standards and will be subject to University scheduling demands, regardless of any existing outside work commitments. If an employee is a full-time, benefited employee, the University considers itself the primary employer and expects the employee to be available for project completion and overtime work.

If the University determines that outside work interferes with job performance or an employee’s ability to meet the requirements of the University as they are modified from time to time, the employee may be asked to terminate the outside employment if they wish to remain employed by the University.

Outside employment that constitutes a conflict of interest is strictly prohibited. Employees may not receive any income or material gain from individuals outside the University for material produced or services rendered while performing their job.

H. INITIAL EVALUATION PERIOD

The first ninety (90) days of employment are considered an “initial evaluation period”. This is time for the employee and the supervisor or department head to determine whether this is the right position for the new employee. It gives the employee time to adjust to new responsibilities and it gives the employee’s supervisor time to assess work and job performance.

If performance, attendance, or other relevant factors do not meet the University’s standards during the “initial evaluation period,” the new employee is subject to termination without notice. During the initial evaluation period, employees will be counseled regarding performance by their supervisor. If the employee’s work is deficient, the employee will be advised of the area(s) of deficiency, and the employee will be given the opportunity to correct any problem area(s) within the initial evaluation period. At the University’s discretion this period may be extended for up to an additional ninety (90) days.

Newly transferred employees are also subject to the same type of initial evaluation period for the first 90 days of their new assignment.

After successful completion of the initial evaluation period(s), the employee will be eligible to use any vacation leave or sick leave time he/she may have accrued.

I. PERFORMANCE EVALUATIONS

The University is committed to excellence in its operations and conducts regular performance evaluations for all employees. The performance evaluation process is intended to be a communication and development tool for supervisors and employees.

There are several performance evaluation processes for the various employee/staff position categories at the University, including: Administrative Management, Librarians, Physical Plant Support Staff, Professional Staff, Professional Athletic Staff, and Secretarial/Clerical Support Staff. The different categories of positions may be evaluated at different times throughout the year.
Although each performance evaluation process is conducted on an annual basis, the University encourages employees and supervisors to discuss job performance and goals regularly throughout the year.

All employee/staff performance evaluations are coordinated through the Human Resources department and require management review and approval. For more information regarding the evaluation process, including job analysis forms, job descriptions and the various performance evaluation forms, please contact the Human Resources department.

**J. TRANSFERS AND PROMOTIONS**

Southwestern University believes in transferring and promoting qualified employees to positions of increased responsibility whenever that action is most appropriate. Transfer and promotion decisions are based on long-term goals, employee performance, and the employee’s potential for success in the new position. Promotions and transfers shall be offered to employees at the sole discretion of the University. Employees should be in their current position for a minimum of one year to be eligible to apply for a posted position. If an employee is currently within his/her initial evaluation period, on probation, or engaged in a performance management plan, he/she is not eligible to apply for a posted position. If an employee is transferred or promoted to a new position, he/she will have a new initial evaluation period.

Information regarding current job openings is available on the University's web-site at www.southwestern.edu/hum-res.

If an employee wishes to be considered for an open position either within or outside his/her present department, he/she is strongly encouraged to discuss the request directly with his/her supervisor or department head. All applications for transfer must be channeled through the Human Resources department. The Human Resources department coordinates the transfer process.

**K. ACCESS TO PERSONNEL RECORDS**

The Human Resources department maintains a personnel file on each employee and faculty member. The personnel file contains all permanent, official records which includes such information as the employee’s job application, resume, references, records of training, documentation of performance appraisals, salary increases, correspondence, and other employment records.

Personnel files are the property of the University and are confidential. If an employee wishes to review his/her own file, he/she must contact the Human Resources department in writing. With reasonable advance notice, the employee may review his/her own personnel file during normal business hours and in the presence of a Human Resources representative. Copies of the contents may be duplicated by the Human Resources department only. In certain situations, employees may be required to reimburse the University for the cost incurred for duplicating the files.

Any information concerning an employee’s health or record of medical treatment will be kept in a separate, confidential medical file, as required by law. This includes workers' compensation records.
Also, as required by law, IRS Form I-9 (employment eligibility) documentation will be kept in a separate, confidential file.

L. PERSONNEL DATA CHANGES

The University maintains current and accurate records on all employees. To assist in this endeavor, employees are required to promptly submit any changes affecting their personnel records to the Human Resources department and to notify their supervisor of any changes.

Types of information employees must inform the Human Resources department about include, but are not limited to, changes in name, marital status, number of dependents, home address, telephone number, emergency contact, changes in beneficiary, education, request for leave of absence, and any other significant event.

M. TELEPHONE USE

The telephone system is critical to the daily operation of the University. Employees are requested to keep all personal phone calls to a minimum and, unless there is an emergency, should discourage relatives and friends from calling them during working hours. Please keep personal conversations brief. The same guidelines for the Southwestern telephone system also apply to personal cell phone use. For employees who use their personal cell phone for Southwestern business, please refer to Appendix L Cellular Phone Policy and Procedures for more details.

For long distance personal calls, a personal calling card is encouraged. When it is necessary to place personal long distance calls, payments for such calls should be submitted to the cashier in the Business Office within 15 days of the date of the itemized statement. Make checks payable to Southwestern University.

N. TELEPHONE COURTESY

Good telephone manners are important since they convey an image of the employee and the University to callers. The voice on the telephone is often the only contact with the University that the caller remembers.

Please observe these simple rules of telephone courtesy:

- Use a pleasant and helpful voice at all times.
- Identify yourself by department and name.
- Give the caller a choice as to whether they prefer to hold the line, call back, leave a message, or, if applicable, be connected to voice mail.
- If you cannot help the caller, transfer the individual to a department that may be able to provide assistance.
- In closing the call, remember to say “thank you” and “good bye,” hanging up carefully.

O. SCHEDULING SPECIAL EVENTS

All academic scheduling (classes, labs, etc.) is handled by the Registrar’s Office and takes precedence in event scheduling and facilities usage. The Academic Calendar is approved a year in advance by the Academic Affairs Council and the Faculty.
No events involving students are to be scheduled during the periods designated as “study days” and “final examinations” at the end of each semester. Meetings involving faculty may be scheduled during the period from the beginning of final examinations through the deadline for semester grades only if there is urgent semester-end business to be transacted. Exceptions to these restrictions must be approved in advance by the Provost.

**Reserve a Facility**
To view the University Facility Scheduling Calendar and the Facility Use Request through Scheduler Plus, visit the SU events web page at [http://www.southwestern.edu/events/](http://www.southwestern.edu/events/).

**Post to the SU Events Calendar**
The SU Events Calendar, which is maintained by the Office of University Events, lists university events, athletics, fine arts, lectures, student events, holidays, registrars dates and other events requested to be posted by faculty, staff and students if the event meets the posting requirement; (events must be open to all faculty, staff and students or include at least 50 campus participants to be eligible to be posted). After receiving confirmation of your facility reservation through Scheduler Plus, faculty and staff can request the event be added to the SU Events Calendar by visiting the SU events web page at [http://www.southwestern.edu/calendar/](http://www.southwestern.edu/calendar/).

**Priority Events**
Requests for event space should not be made if the event coincides with the University Priority Events. Priority events are those events to which no student, faculty, or staff member may be denied the opportunity to attend because of a conflicting meeting or event.

- All Chapel Services (including Candlelight Services)
- All Homecoming Activities
- Family Days
- Student and Parent Orientation
- The Brown Symposium
- Commencement and other special convocations (Matriculation and Honors Convocation)
- Study Days and Final Examinations
- Town Meetings
- Shilling Lecture Series
- Writer’s Voice

**P. COMPUTER USE**

Southwestern University’s information technology service resources are provided for most employees to facilitate their daily work duties. All computer records and information that are stored in computers are the sole properties of the University. Copying of any types of records, student names or addresses or any other type of information that is not related to an employee’s performance of duty is strictly prohibited. Use of computers in a non-work related manner during business hours is inappropriate. All computing and networking resources should be used in an efficient, ethical and legal manner. Users must conduct their computing activities in a responsible manner, respecting the rights of other computer users, respecting all activities in a responsible manner, and respecting all computing license agreements. No computing resources shall be considered to be the private property of any employee, nor should any employee expect or assume that he/she has any property or privacy rights or expectations therein.
Q. INTERNET CODE OF CONDUCT

Access to the Internet has been provided to employees for the benefit of the University and its constituents. It allows employees to connect to information resources around the world. Every employee has a responsibility to maintain and enhance the University’s public image, and to use the Internet in a productive manner. To ensure that all employees are responsible, productive Internet users and are protecting the University’s public image, the following guidelines have been established for using the Internet.

Acceptable Uses of the Internet
Employees accessing the Internet are representing the University. All communications should be for professional reasons. Employees are responsible for seeing that the Internet is used in an effective, ethical and lawful manner. Internet Relay Chat channels may be used to conduct official company business, or to gain technical or analytical advice. Databases may be accessed for information as needed. E-mail may be used for business contacts.

Unacceptable Use of the Internet
University provided access to the Internet should not be used for personal gain, or advancement of individual views. Solicitation of non-University business, or any use of the Internet for personal gain is strictly prohibited. Use of the Internet must not disrupt the operation of the University’s network or the networks of other users. It must not interfere with an employee’s productivity.

Communications
Each employee is responsible for the content of all text, audio or images that they place or send over the Internet. Fraudulent, harassing or obscene messages are prohibited. All messages communicated on the Internet should have the employee’s name attached. No messages will be transmitted under an assumed name. Users may not attempt to obscure the origin of any message. Information published on the Internet should not violate or infringe upon the rights of others. No abusive, profane or offensive language shall be transmitted through the system. Employees who wish to express personal opinions on the Internet are encouraged to obtain their own usernames on other Internet systems.

Security
All messages created, sent or retrieved over the Internet are the property of the University and should not be considered by members of the University community as private documents. The University reserves the right to access and monitor messages and files on the computer system as deemed necessary and appropriate. Internet messages are public communication and are not private. All communications including text and images can be disclosed to law enforcement or other third parties without prior consent of the sender or the receiver.

Harassment
Harassment of any kind is prohibited. Use of the Internet in a manner that violates any policy of the University will not be tolerated. Messages with derogatory or inflammatory remarks about an individual or group’s race, religion, national origin, physical attributes or sexual preference shall not be transmitted.

Violations
Violations of these guidelines may result in disciplinary action, up to and including termination of employment. If necessary, the University will advise appropriate legal officials of any illegal violations.

V. EMPLOYEE PAY

A. PAY DAYS AND PAYCHECKS

Paydays are established for exempt and nonexempt employees. Exempt employees are paid on a monthly basis on the 25th of every month. If the 25th falls on a weekend or holiday, employees will be paid on the preceding workday. Nonexempt employees are paid on a bi-weekly schedule and will receive pay for the preceding pay period.

Employees will receive their paycheck through campus mail, from the payroll office or from their supervisor.

Direct deposit is available for monthly and bi-weekly paid employees, including a secondary direct deposit distribution. All questions regarding paychecks should be directed to the Payroll Office in the Business Office.

B. TIMEKEEPING

Nonexempt:
The Federal Wage and Hour Law requires that records be kept of the hours worked by every employee who is classified as nonexempt (hourly paid). Accurately recording time worked is the employee’s responsibility. This includes the time they begin and end their work, and the beginning and ending time of each meal period, according to the University’s specific procedures. Employees should record the beginning and ending time or departure from work for personal reasons. If employees need to leave the workplace during regular work hours for personal reasons, they must first receive approval from their supervisor. Overtime work must always be approved in advance before it is performed.

It is the employee’s responsibility to sign their time record to certify the accuracy of all time recorded. Supervisors will review and then sign the time record before submitting it for payroll processing. In addition, if corrections or modifications are made to the time record, both employee and supervisor must verify the accuracy of the changes by initialing the time record. The actual time nonexempt employees should report to work and leave work is determined by their supervisor.

Changing, falsifying, tampering with time records, or recording time on another employee’s time record may result in disciplinary action, up to and including termination of employment. If an employee fails to submit accurate and complete time records on a timely basis, he/she may delay the processing of their paycheck as permitted by applicable state law.

Exempt:
Exempt (salaried) employees must complete monthly time sheets. Time sheets are distributed to employees in their monthly paycheck envelope. Monthly time sheets must be completed by the employee, then signed by their direct supervisor and returned to the Payroll Office by the fifth working day of the new month. Monthly time sheets must accurately reflect all time charged to sick leave, vacation, holiday, or any other type of leave.
C. OVERTIME

When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime hours. When possible, advance notification of these assignments will be provided. The University attempts to assign overtime work as equitably as practical to all employees qualified to perform such work; however, the University reserves the right to assign overtime work as it deems most appropriate based on the needs of the University. All overtime work must receive prior authorization from the supervisor.

Overtime compensation is paid to all nonexempt employees in accordance with federal and state wage and hour requirements. As required by law, overtime pay is based on actual hours worked. Time off for sick leave, vacation leave, holiday leave, or any leave of absence will not be considered hours worked for purposes of performing overtime calculations. Overtime wages are paid at the rate of one and one-half times the hourly rate after employees have worked over 40 hours in one week.

Exempt employees are exempt from the overtime provisions of the law. Exempt employees do not receive overtime compensation. For more information regarding employment categories, please see Employment Categories in the Employment Policies and Procedures section.

D. HOW SALARIES ARE SET

Factors considered when salaries are set by the Human Resources department may include an analysis of the position, comparable positions, current market survey data, and an individual's experience, education and other qualifications as they pertain to the position.

E. PAY INCREASES

The President and the President's Senior Staff review employee compensation, annually, after the Board of Trustees has approved the operating budget. The University does not grant compensation increases automatically. Increases may be made as the budget will allow and are usually announced in May to become effective the following September. Pay increases are determined on an all-factors-considered basis including, but not limited to: the employee's job performance, salary survey data, economic data, and availability of funds. Pay increases are generally communicated to an employee by way of a written letter and are considered confidential. Nothing contained in these letters shall be deemed to create a contract or modify the “at-will” nature of employment with the University.

F. PAY DEDUCTIONS

The law requires certain deductions be made from employee compensation. The University offers programs and benefits beyond those required by law. All eligible employees may voluntarily authorize deductions from their pay to cover the costs of participation in these programs.

Federal and state laws require the following deductions from every paycheck:

- Federal withholding tax (income tax)
- Social Security tax (FICA) - up to the required annual amount
Other deductions may be made from paychecks, but only with the employee’s written permission. Such deductions include, but are not limited to:

- Insurance benefits
- Flexible Spending accounts
- Savings accounts and/or loan payments
- Supplemental Retirement Plan contributions
- Employee personal computer loan plan payments
- Southwestern University annual fund contribution
- Southwestern University capital campaign contribution
- Direct Deposit deductions/distributions

G. PAY ADVANCES

Southwestern University will not provide employees pay advances or extensions of credit on unearned or unpaid wages.

H. WAGE ATTACHMENTS AND GARNISHMENTS

The employee is responsible for managing his/her financial commitments to avoid the inconvenience of wage attachments and garnishments for both him/her and the University. In the event situations arise in which a wage attachment or garnishment is ordered by an official state, local or federal agency, the University will honor and fulfill all garnishments and other wage attachment orders as required by law.

VI. EMPLOYEE BENEFITS

Southwestern University provides employees not only with basic pay, but also with a balanced, comprehensive benefit program which may from time-to-time be modified, deleted, or amended, at the sole discretion of the University with or without prior notice.

The University benefit program currently includes health care insurance, dental insurance, vision insurance, long term disability insurance (LTD), retirement benefits, life and accidental death and dismemberment (AD&D) insurance, Section 125 plan, vacation, holidays, sick leave, jury and witness duty leave, military leave, bereavement leave, and tuition benefit opportunities as well as many other fringe benefits (see Other Fringe Benefits section). Employees in a benefit eligible category (see Employment Categories section) are covered by or may enroll in some of these benefits as soon as they begin working, while some benefits are available after a short waiting period. When employees are eligible, the Human Resources department will give them a complete description of the various options available to them and ask them to complete an enrollment form. The University pays the cost for some of these plans. The employee share of the cost is handled by convenient payroll deduction.

When a fringe benefit requires an affirmative action (application, beneficiary designation, benefit allocation, or similar acknowledgement or election) on the part of the employee, failure to promptly and timely respond to requests for action from the Human Resources department may cause a loss or suspension in eligibility for the benefit in accordance with the terms of the benefit
plans. In such instances, the University will be under no obligation to retroactively reinstate or otherwise compensate the employee for any loss of benefits attributable to the failure to respond.

Effective July 1, 1996, the benefit eligibility for part-time employees changed from half-time (20 hours per week) to three-quarter time (30 hours per week), as approved by the Board of Trustees. Continuing part-time employees were grandfathered under the half-time guidelines. All new hires, effective July 1, 1996, will use the three-quarters time guidelines for determining benefits eligibility.

Effective January 1, 2001, the University began providing access to benefit programs for an employee's same-sex domestic partner and his/her eligible dependents. Individuals interested in obtaining detailed information about these benefits should contact the Human Resources department, in confidence.

For the purposes of employee benefits, the terms “spouse” or “dependent” may be interpreted to include same-sex domestic partners.

A. ELIGIBILITY OF BENEFITS

SUMMARY

Health Insurance
Eligible 1st day of employment. The University provides each eligible employee with a defined annual benefit amount to pay for the cost of benefits selected under the SU Flexible Benefits Plan; employee pays premiums for dependent coverage.

Vision Insurance

Dental Insurance
Eligible on 1st of the month after date of hire (unless hired on the 1st).

Life Insurance Accidental Death and Dismemberment (AD&D)
Eligible on 1st of the month after date of hire unless the employee starts on the 1st. The employee and the University share premium. Maximum University contribution is for $50,000 of coverage.

Long Term Disability (LTD)
Eligible 91st calendar day from date of hire. University pays all premiums. This benefit is for full-time (40 hours per week) employees only.
Regular Retirement Plan

Eligible after 1 year continuous employment (eligible on 1st of month after date of hire if fully vested in employer contributions made under the terms of a retirement plan sponsored by the employer that employed the eligible employee immediately prior to the University). Effective 7-1-2010, the University contributes an amount equal to seven percent of employee’s base annual salary to the retirement program.

Supplemental Retirement Annuity

Eligible to contribute to a Supplemental Retirement Annuity, pre-tax, post-tax (Roth) or both, on 1st of month after date of hire.

Section 125 Flex Plan: Health Care Spending Account, Dependent Care Assistant Account, and Pre-Tax Premium Plan

Eligible first day of employment.

Vacation

Accrual starts on first day of employment. After successful completion of the initial evaluation period(s), the employee will be eligible to use any vacation leave time he/she may have accrued.

Sick Leave

Accrual starts on first day of employment. After successful completion of the initial evaluation period(s), the employee will be eligible to use any sick leave time he/she may have accrued.

B. FLEXIBLE BENEFITS PLAN/SECTION 125 PLAN

Flexible Benefits Plan

Southwestern University understands that each employee has a unique set of benefit needs. By providing a Flexible Benefits Plan and providing each employee with a prescribed benefit dollar amount, the University, therefore, does not mandate minimum levels of benefits or benefit program participation. An employee may choose all of the benefits provided, only a few, or none at all. Any benefit dollars not used for benefit premiums will be forfeited.

The Southwestern University Flexible Benefits Plan consists of the following benefit options:

Health Insurance
Dental Insurance
Vision Insurance

Southwestern University will provide an employee a prescribed benefit dollar amount to pay for the cost of the benefits he/she selects under the Southwestern University Flexible Benefits Plan (medical, dental and vision insurance). With the benefit dollars provided, the employee may
purchase the benefits which best suit his/her needs. Southwestern University Benefit dollars cannot be used toward other benefits provided by the University.

If the cost of the benefit programs the employee selects exceeds the benefit dollar amount provided, the employee will be responsible for any excess costs. The premium costs for the employee’s benefits may be paid on a “pre-tax” basis within limits set by the Internal Revenue Code. “Pre-tax” means that the amount that the employee spends for benefits will not be subject to Federal Income Tax or Social Security Taxes.

For each plan year, beginning January 1, the employee will be required to select the flexible benefits he/she desires. This will be an open enrollment period. The enrollment period will normally take place during the month of November for a January 1 effective date. At the time of enrollment, employees may add dependents or change their level of coverage. Employees will be advised before each enrollment period what the benefit dollar amount for the plan year will be and what the premium rates for each of the benefits will be. Selections will be effective for the full plan year (in the University’s case, the plan year runs the calendar year), unless the employee has a qualified change in family status.

**Section 125 Plan**

Southwestern University has an approved flexible benefits plan, commonly referred to as a “Section 125 Plan.” There are three components to the Plan, which allows the employee to save money on taxes: (1) Health Care Expense Account for medical, dental and vision expenses not covered under the University’s benefit plan or any other plan such as deductibles and co-insurances. The maximum annual contribution is $10,000. (2) Dependent Care Assistance used for day care expenses for a child, disabled spouse or dependent that make it possible for the employee or their spouse to work. The maximum annual contribution is $5,000. (3) Pre-tax Premium Plan allows the employee to pay their share of insurance premiums before taxes, thus reducing the cost of insurance coverage.

For more information, contact the Human Resources department.

**C. HEALTH CARE INSURANCE**

The University currently provides a competitive array of health insurance benefit plans for all benefits eligible employees. The Human Resources department can provide the different premium costs associated with different levels of coverage, and the summary benefit comparisons of these plans.

Health insurance coverage is available for eligible dependents. Eligible dependents include:

- Spouse
- Children under 26 years of age

*Also, as previously noted, the terms “spouse” or “dependent” may be interpreted to include same-sex domestic partners.*

**1. Post-Retirement Health Care Benefits**
Effective July 1, 1996, the University will no longer provide post-retirement health care insurance benefits to new employees hired after that date. Post-retirement health care insurance benefits will only be provided to those employees hired prior to July 1, 1996, and who retire from the University with ten years or more of uninterrupted service at the time of retirement under the terms established. If the other conditions for eligibility have been met, in all cases, the University will pay the health insurance premiums for a retiree upon the 65th birthday of the retiree. The University will pay the premiums for the retiree's spouse (provided that the employee on the health insurance plan has covered the spouse at the time of retirement and, if applicable, beyond retirement) upon the 65th birthday of the spouse. If the other conditions for eligibility have been met, in all cases, the payment of premiums by the University for a spouse begins only at the time the spouse reaches the age of 65. Employees who retire from the University before the age of 65, with ten or more years of continuous service may continue to participate in the health insurance program; however, the entire premium must be paid by the retiree, including dependent spouse coverage until age 65 at which time the University will pay for the entire coverage (assuming the spouse has reached the age of 65). At no time, however, will the University pay premiums for a retiree's spouse if the retiree has not yet met the eligibility requirements for the University to pay the retiree's premiums.

When an employee works beyond the age of 65, the employee's health insurance premiums will continue to be paid by the University until the employee retires. Until the employee retires (regardless of the age of the employee or spouse), the employee must continue to pay the premiums for a dependent spouse if the dependent spouse option has been chosen. If the employee is eligible for post-retirement benefits, upon retirement beyond the age of 65 the University will provide health insurance benefits for the employee and spouse (assuming all of the following conditions are met: a) the dependent spouse option has been chosen; b) the employee on the health insurance plan has covered the spouse at the time of retirement; and c) the spouse has reached the age of 65).

As noted earlier in this Employee Benefits section, the University’s benefit program may, from time-to-time, be modified, deleted, or amended, at the sole discretion of the University with or without notice.

Also, as previously noted, the terms “spouse” or “dependent” may be interpreted to include same-sex domestic partners.

2. Early Retirement Health Care Benefits

In addition, in accordance with long-standing policy, the University will provide health insurance benefits for employees eligible for post-retirement benefits who retire early under the "Early Retirement Program". The University will continue to pay regular monthly premium payments for health insurance from the point of retirement until age 65 and beyond. If an employee wishes to continue with his or her spouse's health insurance coverage under the group plan, he or she may do so at a prescribed monthly cost until the spouse attains age 65. At the time the retired employee's spouse reaches the age of 65, the University will pay for the spouse's health insurance coverage. At no time, however, will the University pay premiums for a retiree's spouse if the retiree has not yet met the eligibility requirements for the University to pay the retiree's premiums.

D. DENTAL INSURANCE
Southwestern University offers two dental plan options - a managed care plan in which service must be obtained from participating dentists and an indemnity plan which allows participants to obtain service from any dentist they select. Premiums and plan summaries may be obtained from the Human Resources department.

E. VISION INSURANCE

Southwestern University offers a vision plan that has specified benefits from participating and non-participating providers. Premiums and plan summaries may be obtained from the Human Resources department.

F. LONG TERM DISABILITY (LTD) INSURANCE

LTD insurance is provided to all regular full-time employees after the completion of the 90-calendar day initial evaluation period. Upon 90 calendar days of continuous disability, this benefit will provide employees with a monthly income of 60% of their base salary up to a maximum of $5,000 per month, less the sum of benefits from other sources, (i.e. social security) for as long as the employee continues to meet the definition of disability up to the age of 65. In addition, this benefit provides a monthly Annuity Premium Benefit for retirement plan participants. Employees may obtain the specific terms and conditions pertaining to the disability program from the Human Resources department.

G. LIFE INSURANCE/AD&D

Term life and AD&D insurance in an amount equal to two times the employee’s base salary, rounded to the next highest $1,000, is available to each eligible employee. The University premium contribution is limited to an amount equal to one-half of the premium, up to a maximum of $100,000 of coverage (maximum University contribution is for $50,000 coverage).

Maximum amount of coverage is $500,000. The current rates are available from the Human Resources department.

Voluntary Dependent Life Insurance (employee pays all):

<table>
<thead>
<tr>
<th>Option One</th>
<th>Option Two</th>
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</thead>
<tbody>
<tr>
<td>$25,000 for spouse</td>
<td>$10,000 for spouse</td>
</tr>
<tr>
<td>$10,000 for children</td>
<td>$ 5,000 for children</td>
</tr>
</tbody>
</table>

H. RETIREMENT PROGRAM 403(b) Regular Retirement Plan

Southwestern University provides a retirement program as outlined in a resolution passed by the Board of Trustees on November 10, 2000, and as subsequently amended.

There is a one-year waiting period before the University will begin retirement contributions; however, this waiting period is waived if the employee can provide documentation which confirms that he/she was fully vested in employer contributions made under the terms of a retirement plan sponsored by the employer that employed the eligible employee immediately prior to the University.
Effective 7-1-2010, the University will contribute an amount equivalent to seven (7) percent of the employee’s base monthly salary to the retirement plan. The contribution is fully vested in the name of the employee and deposited at the end of each pay period. It is the employee’s responsibility to allocate the funds among the various investment options. Deposits to the retirement program are not cashable.

The Human Resources department will notify employees of their eligibility and the need for a completed application form. When a fringe benefit requires an affirmative action (application, beneficiary designation, benefit allocation, or similar acknowledgement or election) on the part of the employee, failure to promptly and timely respond to requests for action from the Human Resources department will temporarily suspend eligibility for the benefit until all employee required actions are completed. In such instances, the University will be under no obligation to retroactively reinstate or otherwise compensate the employee for any loss of benefits attributable to the failure to respond. Details of this program are available from the Human Resources department. See Appendix E.

I. SUPPLEMENTAL RETIREMENT ANNUITY PLAN

All employees are eligible to participate in the Supplemental Retirement Annuity Plan. This is a tax-deferred annuity plan. Under this plan, and within limits set by the Internal Revenue Code, an employee may enter into an agreement with the University whereby the employee’s salary is reduced and the amount of reduction is applied as premiums to an annuity contract. The contributions elected by the employee are not taxed at the time of the contribution unless the Roth option is elected. Details of this program are described in the summary plan description available in the Human Resources department.

J. SOCIAL SECURITY

Employees must participate in the Federal Insurance Contributions Act program (FICA), commonly referred to as Social Security. In addition to the normally understood retirement benefits, employees may also be eligible to enjoy the benefits of this program during periods of total disability which exceed six (6) months. Benefits may also be paid to deceased participants’ families. Specific benefit information is available from the Social Security Administration Office. The Human Resources department may assist in obtaining specific information upon request.

K. EARLY RETIREMENT PROGRAM

Employees may participate in the early retirement program based upon conditions outlined in the resolution passed by the Board of Trustees on November 10, 2000, and as subsequently amended. Specific details regarding the Early Retirement Program can be found within Appendix E, Article X, Retirement Program 403(b) Regular Retirement Plan.

L. WORKERS’ COMPENSATION

The University participates in a comprehensive workers’ compensation insurance program at no cost to employees. This program covers any illness or injury sustained in the course of employment that requires medical, surgical or hospital treatment. Specific information regarding the University’s workers’ compensation insurance policy is available in the Human Resources department.
Employees should report, as soon as possible, all work-related injuries or illnesses to their immediate supervisor for proper processing through the Human Resources department, including the Employers First Report of Injury. All workers’ compensation claims are processed and coordinated through the Human Resources department.

If applicable, worker’s compensation leave runs concurrently with Family Medical Leave Act (FMLA) leave.

At no time should an employee’s compensation exceed their regular base salary due to receiving worker’s compensation wage benefits.

M. LEAVE PLANS

The University provides employees with the following leave plans which, may from time-to-time be modified, deleted, or amended at the sole discretion of the University with or without prior notice.

1. Vacation Leave

The University provides benefit eligible full-time and benefit eligible part-time employees with periods of time off with pay for rest and relaxation purposes. Vacation for benefit eligible part-time employees is accrued on a pro-rata basis. Benefit eligible full-time employees accrue vacation time according to the following schedule:

**Nonexempt (bi-weekly paid) Employees**

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Accrual Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of hire through completion of the 7th full year</td>
<td>Ten days accumulated at the rate of 3.12 hours per pay period. (80 hours per year)</td>
</tr>
<tr>
<td>Beginning of the 8th year through completion of the 15th full year</td>
<td>Fifteen days accumulated at the rate of 4.64 hours per pay period. (120 hours per year)</td>
</tr>
<tr>
<td>16 years or more</td>
<td>Twenty-one days accumulated at the rate of 6.48 hours per pay period. (168 hours per year)</td>
</tr>
</tbody>
</table>

**Exempt (monthly paid) Employees**

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Accrual Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of hire through completion of the 5th full year</td>
<td>Fifteen days accumulated at the rate of 1 1/4 days per month</td>
</tr>
<tr>
<td>6 years or more</td>
<td>Twenty-one days accumulated at the rate of 1 3/4 days per month</td>
</tr>
</tbody>
</table>
The University provides this vacation program and encourages employees to plan ahead for scheduled vacation time in order for their department to function effectively. Employees may not receive payment in lieu of taking time off with pay except at separation of employment. Vacations must be approved in advance by the supervisor and the appropriate member of the President's Senior Staff. Vacations are scheduled at the discretion of the member of the President's Senior Staff, who may refuse to grant vacation requests when to do so may unduly hamper the efficiency of the department during peak work loads. University holidays occurring during an employee’s vacation period time will not be charged against the vacation time.

Employees are discouraged from postponing their vacations from one year to the next year. With the approval of the appropriate member of the President's Senior Staff, an employee may carry forward any unused vacation time from one year to the next. The amount of vacation carried forward may not exceed the amount earned in the previous year. If an employee chooses not to take vacation leave and the number of days exceeds the permissible amount allowed to be carried forward, the employee will forfeit the excess time without further notice from the University. It is the employee's responsibility to keep up with their individual accrual amounts. Employees may contact the Human Resources department for verification of this information.

After successful completion of the initial evaluation period(s), the employee will be eligible to use any vacation leave time he/she may have accrued.

Illness during a vacation leave does not extend the scheduled period or convert the absence to sick leave unless the employee is hospitalized or is ill for at least three days and requires medical attention. In such cases, the employee’s supervisor must be notified as soon as possible and a certification from the attending physician stating the first day of treatment, the diagnosis of the illness or injury, and the duration of the illness or injury must be presented.

Terminating employees will normally be paid in a lump sum for unused vacation time up to a maximum of 21 vacation days (168 hours). Terminating employees may not use accrued vacation time during the termination notice period and also receive compensation for unused leave up to 21 days. After an employee has provided notice of termination, compensable vacation leave pay may not exceed 21 days.

2. Sick Leave

Paid sick leave is a benefit provided to employees of Southwestern University to prevent loss of income during periods of absence from work for certain conditions. Paid sick leave may be used for absences due to illness, injury, doctor’s appointments, dental care, illness in the employee’s immediate family, and birth or adoption of a child as per the Family and Medical Leave Act (FMLA). Immediate family means persons related by kinship, adoption or marriage who are residing in the same household. They must be totally dependent upon the employee for personal care or services on a continuing basis. As per the FMLA guidelines (please refer to Appendix D), employees may also use paid sick leave to care for their spouse, son, daughter, or parent who has a serious health condition.

After successful completion of the initial evaluation period(s), the employee will be eligible to use any sick leave time he/she may have accrued.

Employees begin accruing paid sick leave from the time employment commences at the rate of one (1) day per month. For employees who do not work full-time (40 hours per week), paid sick
leave is pro-rated based on the employee’s full-time equivalency (FTE). As of July 1, 1996, a benefit eligible employee must work a minimum of 75% FTE (30 hours per week) in order to earn sick leave. Continuing part-time employees were grandfathered under the half-time FTE guidelines (20 hours per week) established prior to July 1, 1996. A maximum of 66 days (528 hours for a full-time employee) of unused sick leave may be accumulated. The maximum accumulation will be pro-rated for part-time employees.

Should a University holiday occur while an employee is off work due to one of the above reasons, the time for that day will be charged as a paid holiday rather than as sick leave, unless the employee has exhausted their accrual of sick time and vacation time and therefore is in a leave without pay status.

Employees who must be absent for one of the above reasons may be eligible for leave under the Family and Medical Leave Policy. Please refer to this policy for eligibility, options and requirements.

For periods of absence for one of the above reasons that are not covered by the Family and Medical Leave policy, the following provisions apply:

a. Vacation leave may be used after paid sick leave is exhausted.

b. If additional time off is needed after all paid leave benefits have been exhausted, the employee may request a leave of absence without pay. Such a request must be approved by the employee’s immediate supervisor and by the Vice President for Fiscal Affairs. Whether or not to grant such a leave without pay is solely at the discretion of Southwestern University and there is no guarantee that the employee will return to his/her former position or to any other position upon completion of the leave of absence without pay. While on leave of absence without pay, the employee will be responsible for paying all of his/her insurance premiums. Failure to pay these premiums may result in cancellation of the employee’s insurance.

c. When an employee is unable to come to work for one of the above reasons, the employee’s supervisor must be notified as soon as possible. The employee must speak directly with his/her supervisor and follow up with phone calls to the supervisor on a daily basis, if the employee is unable to return to work after one day. If an employee fails to report to work and does not notify his or her supervisor within 3 business days, the employee will ordinarily be considered to have abandoned the job, unless there are extenuating circumstances. The employee must also contact his or her supervisor periodically to discuss the status of the need for the time off and the employee’s expected date of return.

d. At the supervisor’s discretion, an employee may be required to present a physician’s statement.

e. To the extent possible, use of sick leave should not interfere with the overall productivity of the department. Employees are encouraged to schedule medical and dental appointments during non-working hours whenever possible. The approval of sick leave is at the supervisor’s discretion.

f. At no time should sick leave be used to extend vacation time.
3. Holidays

The University recognizes fifteen (15) holidays per year. The traditional holidays are as follows:

- Good Friday
- Memorial Day
- Dr. Martin Luther King Jr.’s Birthday (observed)
- Independence Day
- Labor Day
- The day before Thanksgiving Day
- Thanksgiving Day
- The day following Thanksgiving Day
- Christmas Day through New Years Day*

*Additional days may be designated as holidays in conjunction with the traditional holidays and will vary according to the day of the week on which the traditional holidays may fall. Annual notification of the coming year’s holiday schedule is distributed in the fall.

No holiday pay is granted when a holiday occurs during leave without pay. Regular benefit eligible part-time employees are compensated for holidays at the appropriate proportional rate.

If a recognized holiday falls on a day when students are on campus or when the University has work of an essential nature, employees may be asked to work during a holiday. Nonexempt employees who work on official holidays will receive holiday pay for eight hours, plus compensation for one and one-half times the number of hours the employee actually worked. As an alternative, with supervisory approval, an employee who works on a holiday may (instead of receiving the above-described holiday pay), receive regular pay for that holiday day and then take-off on an alternative day. The University will designate alternative holiday day(s) and will be coordinated through each departmental supervisor as appropriate.

The University will make reasonable accommodations to employees who wish to observe religious holidays that do not fall on one of the “traditional” holidays by allowing the employee to take such a day off. This time off may be without pay or employees may use accrued vacation time. In addition, the President may designate certain religious holidays that may be substituted for other holidays.

4. Jury and Witness Duty Leave

Southwestern University recognizes that serving on a jury is not just a privilege, but a civic duty of its employees. Therefore, the University provides payment up to a reasonable amount to prevent loss of wages during such service. Any compensation received for jury service will be in addition to the employee’s regular compensation.

When an employee is called upon to serve on a jury, the University will grant the necessary time off with no deduction from accrued leave for up to 30 days. Employees must use paid vacation days, or go on leave without pay, thereafter. The employee should provide documentation from
the court regarding the jury service for record-keeping purposes to the Human Resources department for filing.

Employees who are required by law to appear in court as witnesses may take time off without pay for such purpose or use vacation time, provided they give the University reasonable advance notice. Employees who appear as witnesses on behalf of the University will receive their regular pay during such time.

5. Military Leave

Southwestern University will allow excused absence for its employees to serve in the Armed Forces of the United States, in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), Public Law 103-353, the Texas Government Code, Section 431.005, and other state laws where applicable. Leaves of absence and reemployment rights are provided by the University based on these laws. To the extent that this policy may conflict with Federal statutes, the provisions of USERRA prevail.

For more information, refer to Appendix H.

6. Returning Veterans Rights Act

Public Law 103-353, and the Uniformed Services Employment and Re-employment Rights Act of 1994 (USERRA), expands returning veterans’ rights, including those for health care benefits. The Act prohibits the denial of initial employment, re-employment, retention in employment, promotion, or any benefit of employment by an employer against any member of the armed forces, including employed individuals who are called back to active duty. Any person re-employed after military service is entitled to all seniority and other rights and benefits, including health benefits and health coverage that would have been attained if the employment had not been interrupted by military service.

Individuals are required to give advance notice to their employers, unless military necessity makes such notice impossible or unreasonable. The veterans re-employment rights are effective unless the cumulative length of the current absence plus any previous absences exceeds five years.

7. Bereavement Leave

In the event of death of a member of an employee’s immediate family, an employee may be granted a bereavement leave of absence of up to three normally scheduled consecutive days off with pay immediately following the death to arrange for and/or attend the funeral. “Immediate family” is defined as the employee’s current: spouse, mother, stepmother, father, stepfather, child, stepchild, sister, brother, grandparents, grandchildren, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, and daughter-in-law. Additional days beyond three may be used from accrued vacation time, with the approval of the employee’s immediate supervisor.

8. Voting Time
Polling hours allow sufficient time for voting before or after work. If an employee needs extra time off to vote because of unusual circumstances, he/she should check with their supervisor.

9. **Family and Medical Leave Act of 1993 "FMLA"**

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to "eligible" employees for certain family and medical reasons. This leave covers maternity leave and sick leave as specified by the law. Employees are eligible if they have worked for a covered employer for at least one year and for 1,250 hours over the previous 12 months.

Family or Medical Leave is defined as an approved absence available to eligible employees for up to twelve (12) weeks of leave in a twelve-month period. For parental leave (for the birth or adoption of a child), the University will allow the federally required 12 weeks of FMLA and will provide up to an additional four (4) weeks of unpaid leave for an available total of sixteen (16) weeks parental leave (paid and unpaid leave must be used concurrently for a total of sixteen (16) weeks). For military leave, the University will allow 26 weeks to care for a qualified member of the Armed Forces. The "twelve-month period" for any one, or combination, of the above described situations is a "rolling" period; measured backward from the date an employee uses Family or Medical Leave. The military caregiver leave is available during "a single 12-month period" during which an eligible employee is entitled to a combined total of 26 weeks of all types of FMLA leave.

Employees requesting Family or Medical Leave are required to expend at least 75% of their paid accrued leave before taking unpaid Family or Medical Leave. The use of paid leave will not extend the twelve-week maximum or 16-week maximum length of Family or Medical Leave.

Leave may be taken:

1. for the birth and care of an employee’s child (up to 16 weeks);

2. for the placement of a child with the employee, for the purposes of adoption or foster care (up to 16 weeks);

3. when the employee is needed to care for a child, employee’s spouse or parent who has a serious health problem (up to 12 weeks);

4. when the employee is unable to perform his or her duties because of a serious health problem (up to 12 weeks);

5. to care for an active member of the Armed Forces, including a member of the National Guard or Reserves (or who has been notified of an impending call to active duty status), who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness (26 weeks). Eligible employees are considered spouse, son, daughter, parent or next of kin.

Leave entitlements for the birth or adoption of a child or the placement of a child expire at the end of the twelve (12) month period beginning on the date of birth or date of placement.
This policy applies only to those health problems which are serious health conditions (see attached definitions #5). All other health-related problems of a non-serious nature are covered under the University’s sick leave policy.

Eligibility

To be eligible for leave under this policy, an employee must have been employed at least twelve months in total, and must have worked at least 1,250 hours during the twelve months preceding the beginning of the leave period. Employees who meet the leave criteria are required to provide the following documentation in support of their requested leave:

1. Medical certification to support a claim for leave for an employee’s own serious health problem. The certification must include a statement that the employee is unable to perform the functions of the position. For leave to care for a seriously ill child, spouse or parent, the certification must include an estimate of time the employee may be needed to provide care. Periodic re-certifications may be required during the leave.

2. When medically necessary, an employee may take leave on an intermittent or reduced leave schedule. If leave is requested on this basis, Southwestern reserves the right to re-assign or transfer the employee to another position temporarily to accommodate the employee’s request and to meet the University’s needs when necessary. Employees will be re-assigned to positions that are equivalent in pay and benefits. Upon return from leave, employees will be returned to their former position or to an equivalent position with equivalent pay, benefits, and other employment terms and conditions. Intermittent and reduced schedule leave is not available for leave following the birth or placement of a child.

3. Spouses who are both employed by Southwestern University are entitled to a combined total of sixteen weeks (rather than sixteen weeks each) for the birth or adoption of a child. They are entitled to twelve weeks individually when caring for their spouse, child, parent, or if they themselves have a serious health problem.

Reporting Requirements

When the need for leave is foreseeable, such as births, adoptions, or elective surgery, the employee must provide reasonable prior notice (30 days, or as much as practicable) and make every effort to schedule leave so that it does not disrupt University operations. In cases of employee illness, employees are required to provide periodic updates (on the 1st and 15th of each month) on their leave status and intent to return to work.

Employee Benefits

Employees who are granted leave under this policy are advised that the University will continue to provide and pay for individual employee health care coverage. The University will also continue life/AD&D, and LTD insurance payments for the University's portion of those premiums. In situations where an employee may not be able to continue to pay dependent health care premiums, or the employee’s share of life insurance premiums, the University will establish a reimbursement schedule with the employee for the repayment of their portion of the life insurance premiums and dependent premiums, if applicable, once they return to work. All other benefit costs normally paid by the employee are the responsibility of the employee. An
employee on unpaid Family or Medical Leave will not accrue vacation or sick leave. However, the time an employee is on Family or Medical Leave will be counted as continued service (i.e., no break in service) for other benefit plans.

Procedures

Employees requesting leave under this policy must complete the Family and Medical Leave form available from the Human Resources department. Whenever possible, employees should submit their request at least thirty days or as much as practicable prior to the commencement of the requested leave. The request should be forwarded to their immediate supervisor for initial approval and then forwarded accordingly to the member of the President's Senior Staff who will confer with the Human Resources department before granting final approval. All requests for Family and Medical Leaves due to serious health condition shall include the following:

- the date that the condition began,
- the probable duration of the condition,
- the appropriate medical factors from the health care provider regarding the illness or condition.

In addition, for the purposes of leave to care for a child, spouse, or parent, an estimate of the duration of time needed must be provided by the employee from the health care provider. When the leave request is for the employee, the health care provider must state that the employee is unable to perform the functions of his or her position. In the case of intermittent leave or leave on a reduced schedule for planned medical treatment, the dates on which the treatment is expected to be given and the duration of the treatment must be stated.

Definitions of Terms

1. **Eligible employee:** an employee who has been employed at least twelve months and has worked at least 1,250 hours with Southwestern during the previous twelve months.

2. **Health care provider:** a doctor of medicine or osteopathy, or podiatrist, dentist, clinical psychologist, optometrist, chiropractor, nurse practitioner or nurse-midwife who is authorized to practice under state law and who is performing within the scope of their practice as defined under state law.

3. **Parent:** the biological parent of an employee or an individual who stood in *loco parentis* to the employee when he or she was a child.

4. **Reduced leave schedule:** a leave schedule that reduces the usual number of hours worked per week or day.

5. **Serious health condition:** an illness, injury, impairment or physical or mental condition that involves a period of incapacity or treatment connected with in-patient care (i.e. an overnight stay) in a hospital, hospice, or residential medical care facility; *or*

   any period of incapacity requiring absences of more than three calendar days from work, school or other regular daily activities that also involves continuing treatment by (or under the supervision of) a health care provider; *or*
continuing treatment by (or under the supervision of) a health care provider for a chronic or long-term health condition that is incurable or so serious that, if not treated, would likely result in a period of incapacity or more than three calendar days, or prenatal care.

6. **Intermittent leave**: is leave taken in separate blocks of time due to a single illness or injury, rather than one continuous period of time and may include leave taken in periods from an hour or more to several weeks. Intermittent leave may not be taken in increments of less than an hour.

**Reinstatement from FMLA**

An employee is entitled to return from qualifying FMLA leave to the same or an equivalent position with equivalent benefits, pay and other terms and conditions of employment, and without loss of job seniority or any other status or benefits accrued prior to FMLA leave, if all FMLA requirements are met.

An employee who gives notice of intent not to return to work will be considered to have voluntarily resigned. Such notice may be a qualifying event entitling the employee to continuation of health coverage under COBRA.

In addition, any employee who does not return to work from FMLA for reasons other than the continuation, recurrence or onset of a serious health condition or other circumstances beyond the control of the employee, is obligated to reimburse the institution for the premium the institution paid for maintaining coverage on the institution’s health plan.

Please refer to FMLA Policy and Procedure (Appendix D).

10. **Personal/Unpaid Leave of Absence**

The University recognizes there may be times when an employee may need to be away from their job for an extended period of time for reasons that do not fall under the Family and Medical Leave Act of 1993. Requests for a Personal/Unpaid Leave of Absence is granted only in emergency circumstances and after an employee has exhausted all paid sick or vacation leave, as applicable. Requests for an Unpaid Leave of Absence will be considered on the basis of the employee’s length of service, performance, responsibility level, reason for the request, and the University’s ability to obtain a satisfactory replacement during the time the employee will be absent from work. Requests for extensions of Leaves of Absence are discouraged, but will be considered on the basis of these same factors. At no time can leave without pay be used to extend vacation time.

All requests for a Personal/Unpaid Leave of Absence must be initiated in writing through an employee’s supervisor and the appropriate member of the President's Senior Staff. The request must state the type of leave, the length of leave, and the reason for leave.

While on a Personal/Unpaid Leave of Absence, premium payments by the University for fringe benefits will end on the last day of the first month of such leave. Employees on an approved Personal/Unpaid Leave of Absence may continue their fringe benefits if they request continuation of coverage from the Human Resources department and remit in a timely manner the full monthly premiums required.
While on a Personal/Unpaid Leave of Absence, all other benefits will end immediately. Vacation credit is not accrued while on an unpaid leave. An employee that is on a Personal/Unpaid Leave of Absence will not be paid for University holidays occurring during the leave. Unemployment insurance benefits cannot be collected while on a Personal/Unpaid Leave of Absence.

The granting of a Personal/Unpaid Leave of Absence by the University does not mean that the employee’s position will be held open during the leave, or that there will be a position available for the employee at the end of the leave. When an employee is placed on a Personal/Unpaid Leave of Absence, an effort will be made to hold the position open until the employee returns to work. However, there may be situations when positions cannot be held open due to business necessity or operational needs. The University cannot and does not guarantee reinstatement after a Personal/Unpaid Leave of Absence or an extension of a Personal/Unpaid Leave of Absence.

An employee who accepts other employment or who fails to return to work promptly on the next regularly scheduled workday following the expiration of their Personal/Unpaid Leave of Absence will be considered to have voluntarily resigned their employment.

So that an employee’s return to work can be properly scheduled, an employee on Unpaid Leave of Absence is requested to provide the University with at least two weeks advance notice of the date he/she intends to return to work.

11. Catastrophic Health Condition Leave Benefit for Staff

The University recognizes that in exceptional circumstances an employee may experience a personal catastrophic health event which causes him/her to be absent from work for an extended period of time. In such circumstances, an employee may be eligible to apply for a catastrophic health condition leave benefit from the University. For details regarding this leave benefit, see Appendix J.

N. OTHER FRINGE BENEFITS

The University provides employees with the following additional opportunities, which programs may from time-to-time be modified, deleted, or amended at the sole discretion of the University with or without prior notice.

1. Faculty and Staff Scholarship Program

Employees and their dependents who are accepted for enrollment at Southwestern University may receive tuition scholarships after one (1) year of service. The funds for this benefit are provided by the Grace Pate Downs Scholarship fund. While it is not required, employees are encouraged to contribute to the fund through the University to ensure the continued level of contributions needed to offset the cost of this benefit.

The University also participates in tuition assistance programs that enable employees and their dependents to attend other member institutions subject to the continuance of the program by the participating institutions and/or to changes in the programs (the "Continuance"). The receiving institution awards scholarships to the matriculating students based upon guidelines agreed to by the participating institutions. Southwestern University also has bilateral tuition scholarship arrangements with a number of other institutions, including Austin College and Lon Morris
College, subject to Continuance as stated herein above. Additional information may be obtained from the Financial Aid department.

As with other employee benefits, employees must work a minimum of thirty hours per week (75% FTE) to be eligible for this benefit. The value of the benefit is prorated according to the employee’s FTE. This benefit for part-time employees extends only to Southwestern University. Other colleges do not allow part-time scholarships.

The following supplemental changes or amendments to the current tuition assistance policy are effective February 9, 2005:

The Employee Tuition Assistance Policy will be unchanged for dependents currently certified and enrolled in other colleges for the 2004-2005 academic year. For all others, the following changes are effective immediately:

a. Southwestern will limit the number of exports that may be certified each year. This change is required by, and the limits will be based on the information we receive from, the Tuition Exchange, Inc. program regarding the balance of our “imports” and “exports”. If the University must limit the number of exports that may be certified, the University will use continuous employment longevity as the criterion establishing a priority list of dependents to be certified.

b. A one (1) year waiting period for eligibility will continue to apply to current employees, subject to the limits expressed in number 1 above. All new employees beginning employment with Southwestern after February 9, 2005 will have a three (3) year waiting period for the Tuition Exchange, Inc. program benefit before they or their dependents will be eligible for the benefits, subject to the limits expressed in number 1 above.

c. Application Requirement for dependents as they begin their sophomore year in high school (or its equivalent for students being home schooled, the “Equivalent”): All employees must notify the Financial Aid department and complete the application for a Tuition Exchange benefit by September 1st of the year the dependent they wish to enroll begins his or her sophomore year in high school (or Equivalent).

In order to be eligible to apply for the benefit, the applicable one (1) or three (3) year waiting period would have to be met at the beginning of the first semester when the Tuition Exchange Inc. program benefit will be used.

This application requirement change will help the Financial Aid department plan and estimate the number of “exports” that can be offered each year under the Tuition Exchange, Inc. program.

See Appendix F for Southwestern University’s official policy.

2. **Flextime Schedules Policy and Guidelines**

The University recognizes that employees may have personal preferences or obligations outside of the workplace which may affect their ability to work within the University’s Official Hours of Operation, therefore the University will support, where practicable for employees and the University, Flextime Schedules as described in the Flextime Schedules Policy and Guidelines. It is important to note that certain departments may not be able to offer such Flextime Schedules and that nothing contained within this policy guarantees employees the opportunity to work under a Flextime Schedule. See Appendix K for the complete policy and guidelines.
3. **Computer Purchase Program**

Southwestern University offers a computer purchase program, as may be amended from time to time, for benefit eligible employees interested in obtaining a no-interest loan for a home computer system. Benefit eligible employees currently may borrow up to $2,000 for a computer and may repay the loan on an approved schedule for up to twenty (20) months through payroll deduction. This program operates on a funds available basis.

4. **Seminars, Special Training**

New demands in particular job fields frequently require employees to develop new skills. When these skills are considered essential to the success of the University, employees may be sent to seminars or for special training at University expense. Prior authorization by the employee’s supervisor or department head must be obtained.

5. **Check Cashing**

The Business Office will cash personal checks (including second and third-party checks) for University employees for up to one hundred dollars ($100.00) between the hours of 8:30 a.m. and 4:00 p.m. Monday through Friday.

6. **Parking**

Employees parking their vehicles on campus must have a parking permit affixed to their vehicles for identification. A parking permit may be obtained by contacting the Campus Police department during regular working hours. The Campus Police department establishes the campus parking regulations. Violation of the parking regulations may result in fines or the loss of parking privileges.

7. **Corbin J. Robertson Center**

The wellness programs offered at the Corbin J. Robertson Center provide opportunities for employees and their families to develop healthy lifestyles through various educational programs such as aerobics, aqua fitness classes, yoga, self-defense classes and more. The Corbin J. Robertson Center provides facilities such as a swimming pool, weight rooms, exercise machines and an indoor walking track.

The Robertson Center also offers opportunities to work with employees for wellness and leisure. Most services are free of charge to the employee; however, there may be a minimal charge for some of the educational programs.

Employees and their family members must have a Southwestern University ID card in order to have access to the facility.

8. **Identification Cards**

Employees and their dependents should obtain a Southwestern University Pirate Card through the Pirate Card Office. This picture ID is needed for access to University facilities.
The Southwestern University Pirate Card is the convenient, cashless way to pay on campus. As a prepaid, stored-value account, card-holders may use it for whatever they need, whenever they need it. The Pirate card also serves as an identification card, copy card, and library card.

The Pirate Card includes a declining balance (debit account) feature called Pirate Buc$. As a form of payment Pirate Buc$ will allow card-holders to pay for meals, goods and services and much, much more. It’s the way to pay for almost everything card-holders need on campus. The cardholders’ Pirate Buc$ account may be activated by depositing funds into the account via the Web site, at the Pirate Card Office, Business Office or an automated card management machines (located in the McCombs Center and the Library). Pirate Buc$ can be used at any location on campus which accepts the Pirate Card, including the Commons, Cove, Korouva Milk Bar, Library coffee shop, Bookstore, vending, laundry, photocopiers, and payment of library fines. Please see the Pirate Card Web site at http://piratecard.southwestern.edu for more information.

9. Dining Services

Discounts are offered off the door rate at all meals for faculty and staff who choose to take advantage of the dining services.

10. Other Privileges

Employees and their families may attend fine arts activities as well as athletic events, many without charge. Some, however, may require an admission ticket. The Kurth-Landrum Golf Course and the Marvin D. Henderson, Sr. Tennis Courts are also available for use by employees and their families. Southwestern University ID cards (Pirate Card) are necessary for the use of these facilities.

VII. FOR EMPLOYEE GUIDANCE

A. PERFORMANCE MANAGEMENT

The University fully commits to the success of every employee. In return, employees are expected to meet University performance expectations and standards for each position. If an employee’s performance or conduct does not meet University expectations and standards, the University will, whenever possible, follow the guidelines set forth in this Performance Management section, and it is expected that the employee will participate directly in the process of attaining a resolution. The University believes that the Progressive Discipline approach outlined in item number 2, will foster an understanding of, and a commitment to, correcting a performance or conduct problem, and that it increases the likelihood of reaching a satisfactory resolution. However, circumstances may arise which make it inadvisable or inappropriate to follow the general Performance Management guidelines and progressive discipline procedures. When circumstances warrant, University administration may decide, at its sole discretion, that some or all of the steps in the Performance Management process should not be followed and that immediate corrective action, including termination of employment, is necessary.

Generally, the Performance Management process is intended to document problems in a formal manner, while providing the employee with reasonable time within which to improve their performance. The process is designed to encourage development by providing employees with guidance in areas that need improvement such as poor work performance, attendance problems,
personal conduct, general compliance with the University’s policies and procedures and/or disciplinary problems.

1. Basis for use of Performance Management Procedures

It is not the intention of Southwestern University to restrict the privileges of any employee by listing guidelines for conduct. The University’s purpose is to make clear what is expected of every employee so that all may enjoy consistent treatment.

Performance Management action is primarily preventative or corrective. To this end, supervisors are available to answer employee questions and to advise employees regarding work performance issues. Serious or repeat offenses, however, may result in immediate termination of employment. Under all circumstances, an appropriate administrative officer and the Associate Vice President for Human Resources must approve all terminations in advance.

Some specific types of problems requiring a resolution action could include the following items:

Poor quality of work would include any type of incompetent, inefficient, inaccurate, careless, or unsafe work practices, including neglect of job or insufficient quantity of work produced, which is carefully substantiated or documented over a reasonable period of time.

Misconduct could include a variety of actions, many of which may actually be subject to immediate termination. Some examples include damage or misuse of University property; intoxication; possession or use of illegal drugs or controlled substances; possession or use of any weapon, (i.e., handguns, rifles, knives other than pocket knives, etc.); dishonesty; gambling; theft; leaving the job without permission; fighting; falsification of time sheets, employment application or other records or documents; inappropriate use of Southwestern University letterhead or other supplies for personal use; sexual harassment; any action that is detrimental to job performance, or to a harmonious and cooperative workplace, or that interferes with the work of others which includes behavior which affects suitability for the job; unevenness of temperament; inappropriate reaction under stress or strain; or, inability to work under pressure or to respond appropriately to unpleasant situations.

Insubordination could include the refusal to comply with the instructions or directions of the supervisor or other designated representative(s) of management; or the refusal to adhere to published regulations.

Absenteism would include the violation of stated policies and procedures relating to attendance and tardiness. This could mean leaving the job without permission, or taking extended lunch or break times.

Lack of dependability could include the inability to adapt to new ideas or improve on work methods. It could also include lack of care for equipment or the inability to take on tasks independently.

Unreliable behavior could include a lack of a sense of duty to one’s job or work unit.

Poor judgment could include the inability to analyze problems, reach solid conclusions, and use initiative or productive imagination.
Lack of cooperation could include the inability to work for, or with, others. It could also include the inability to accept discipline or to conform to policies of management, and an unwillingness to help others.

Lack of job knowledge would also warrant Performance Management Procedures and this category might include an inadequate background to perform the job, or the inability to utilize the training provided.

In addition, any other reason deemed appropriate by the University might be used as the basis for use of the Performance Management Procedures.

2. Performance Management Procedures and Progressive Discipline

Generally, the University attempts to follow a policy of progressive discipline that provides employees with notice of infractions and an opportunity to improve. In most instances, progressive discipline will involve a multi-phase process. In instances where serious performance deficiencies exist such that continuation of this poor performance would result in discharge, a supervisor will generally use the following “WARNING” procedure (while it is considered that an informal meeting to discuss a problem will have a positive effect, a supervisor may take the option of officially documenting the performance deficiency in writing):

1. Verbal Warning
   A private explanation and discussion of the performance deficiency (e.g. poor attendance, excessive tardiness, unsatisfactory performance, disruptive working relationships, etc.) will include how this deficiency is to be rectified and an indication of time will be set by which the deficiency must be rectified.

2. Written Warning
   This second warning will include the same elements as the verbal warning but will be in writing and given to the employee with a copy sent to the Human Resources department. The written warning should clearly identify the problem and outline a course of corrective action within a specific time frame. The employee should clearly understand both the corrective action and the consequence (i.e., termination of employment) if the problem is not corrected or reoccurs.

3. Final Warning
   A notice of termination will be given unless the deficiency is immediately rectified. This will also be in writing and signed by the employee with a copy provided to the Human Resources department.

4. Termination/Dismissal
   After other disciplinary measures have failed, or when a first time incident occurs that is extremely serious, termination of an employee’s employment may be necessary. When this action is taken because of misconduct or continued poor performance, coordination with the Human Resources department is necessary. Employees against whom termination action is taken may be advised in writing and/or in person of the reason(s) for termination/dismissal and the effective date.
3. Basis for Immediate Termination/Dismissal

Termination/dismissal will occur if certain behavior or the violation of certain policies or procedures is so extreme that immediate termination of employment is the only reasonable solution. Examples of incidents for which an employee may be dismissed without prior notice include, but are not limited to:

- Willful or inexcusable negligent acts.
- Gross insubordination such as refusing to accept a reasonable job assignment.
- Dishonesty, which includes, but is not limited to, thefts as well as falsification of records such as the application for employment or reports.
- Intoxication, possession, or use of alcohol or illegal drugs as defined by the Drug-Free Workplace Act, and the Drug-Free Schools and Communities Act Amendments of 1989, while on the job.
- Failure to respect the confidential nature of University records, payroll information, or information about students, faculty, and/or employees, and any other member of the University Community (trustees, alumni, etc.).
- Disorderly conduct, including abusive or profane language, immoral conduct, and threat or use of personal violence.
- Absence from work for three (3) consecutive working days without notification to the employee’s supervisor.

This list is not exhaustive and is provided for illustration purposes only.

In the event of termination/dismissal for misconduct, all benefits end immediately. Continuation of Benefits, COBRA, may not be available to anyone dismissed from Southwestern University for gross misconduct.

If employees have any questions regarding the Performance Management process, they should speak to their supervisor or the Human Resources department.

B. GRIEVANCE PROCEDURE

Southwestern University anticipates that each employee will have a successful employment experience. There may be an occasion when a problem relative to an employee’s working conditions or the administration of human resource policies may occur. A grievance is an allegation, by a person or persons covered by this Handbook, that there has been a violation, misinterpretation or misapplication of the terms of the Handbook.

It is in the best interest of the University and its employees to resolve any such problems quickly and at a level as close as possible to where the grievance occurred. The University encourages communication between the employee and his/her supervisor so that problems can be resolved quickly and in a manner which enhances mutual understanding. In most instances, an informal discussion with an employee’s supervisor will solve a problem. An employee may contact the Human Resources department at any time to discuss work-related problems or issues.

A grievance procedure has been established so that employees may be assured of fair consideration to establish if the alleged grievance is of substance. A means of appeal without prejudice from the immediate supervisor has been provided for this reason. Nothing within the
Grievance Procedure is contractually enforceable and nothing within the Grievance Procedure shall be interpreted to waive the “at-will” employment status of any employee. The University reserves the right to alter or amend the terms of this Handbook, employment policies, or educational policies at any time, including during or after a Grievance Procedure or based on information or policy concerns raised within the Grievance Procedure itself.

Human resource problems involving appointment, promotion, salary adjustments, terminations, or any matter involving working conditions should be handled in the following manner (please note that for the purpose of the Grievance Procedure, a working day is defined as a day when the Administrative Offices of the University are open).

**Step 1**
**Immediate Supervisor**
An employee should first meet with their immediate supervisor to discuss the alleged problem. This should be done within five (5) working days of the alleged grievable action. The immediate supervisor should document this meeting and discussion. It is in the best interest of both parties to arrive at a mutually agreeable solution at this level. If the alleged grievance is about an employee’s immediate supervisor, the employee should begin with Step 2.

**Step 2**
**Department Head (if applicable)**
If there is no mutual agreement, an employee has three (3) working days from the date of the meeting with the immediate supervisor to complete and file a written grievance with his/her Department Head (if applicable). Upon receipt of the written grievance, the Department Head should advise the Associate Vice President for Human Resources of the problem to be resolved. The Department Head has three (3) working days, from the date of receipt of the written grievance, to meet with the employee and the employee’s immediate supervisor (if appropriate). After the scheduled meeting, the Department Head has five (5) working days to respond to the employee in writing with a decision. It is hoped that a mutually agreeable solution will result at this stage. If the employee is not satisfied, the employee may proceed to Step 3. There may be occasions when this step is eliminated because the Department Head is a member of the President's Senior Staff.

**Step 3**
**Member of the President's Senior Staff**
An employee has three (3) working days from the date he/she receives the written decision from his/her Department Head to appeal that decision to the appropriate member of the President's Senior Staff. An employee must submit his/her case in writing to the appropriate member of the President's Senior Staff. Provided that the member of the President's Senior Staff is in town and/or reasonably available, a meeting with the affected parties will occur within five (5) working days from the date of receipt of the appeal. The member of the President's Senior Staff will make a determination in writing regarding the disposition of the grievance within five (5) working days from the date of the meeting, provided that the member of the President's Senior Staff is in town and/or reasonably available. If a mutually satisfactory solution is not agreed upon, the employee, within three (3) working days from the date of the final decision from the member of the President's Senior Staff, may proceed to Step 4.

**Step 4**
**President**
The employee has three (3) working days from the date he/she received the written decision from the member of the President's Senior Staff to appeal the decision to the President of the University in writing. The President will then investigate the problem. The investigation may include a personal conference with the employee and other parties involved. Provided that the President is in town and reasonably available, within fifteen (15) working days of receiving the appeal, the President will provide the employee with a written final decision. Because the responsibility for the operation of the University has been delegated to the President, any decision rendered by the President in a problem resolution situation must be regarded as final and binding.

The four-step Grievance Procedure is designed so that all potential disputes may be resolved on an informal and nonlitigious basis without the time and expense often wasted through third-party dispute resolution or litigation. All employees are expected to exhaust their remedies available under the University Grievance Procedure prior to instituting any proceeding before a state or federal court agency. Any employee who chooses to institute such a proceeding before a state or federal court or outside agency will be presumed to have determined third party dispute resolution is needed, and thus will be presumed to have voluntarily waived their ability to use the University Grievance Procedure.

C. SAFETY

Southwestern University is committed to providing a recognized safe and healthy campus workplace. Faculty, staff, students, and contractors should practice the highest degree of concern for health and safety issues.

It is the University’s policy to promote and support the health and safety program in order to prevent occupational injury, illness and financial loss to the institution. Health and safety related concerns from the campus community are considered important. If an employee has a question about a safety program, contact the Safety Officer.

It is important to review the safety policies and participate in all applicable safety programs including, but not limited to:

- Emergency Response Plan
- Fire Safety Policy
- Accident Prevention Program
- Youth Interaction Policy
- Specific Safety Programs
- Hazard Communication Program - Formal classroom training required (contact Safety Officer)
- Vehicle Safety Program - Formal classroom training required (contact Safety Officer)
- Personal Protective Equipment - Formal classroom training required (contact Safety Officer)
- Hazard Assessment Program - Formal classroom training required (contact Safety Officer)
- Bloodborne Pathogen Program - Formal classroom training required (contact Safety Officer)
- Hazardous Waste Program - Formal classroom training required (contact Safety Officer)
- Child Sitting Policy
Golf Cart Safety Policy

Safety Policies are available for review at www.southwestern.edu/safety.

D. CAMPUS POLICE DEPARTMENT

Southwestern University seeks to maintain a safe and secure environment in which to work and study. The Southwestern University Police Department (SUPD) strives to accomplish this goal through proactive and conventional law enforcement techniques. Any unsafe conditions observed should be reported immediately to the police.

The Police Department employs full-time officers who are recognized as peace officers under Article 2.12 of the Texas Code of Criminal Procedure and may make arrests for crimes defined in either state or local ordinances. SUPD officers are armed and in uniform to be highly visible for the campus community and to act as a deterrent against crime. Each police officer receives continual in-service training. The Police Department also employs part-time officers on an as needed basis.

Southwestern University is concerned about personal safety on campus and employs security measures to provide protection to members of the community. The SUPD provides crime prevention information, public information, and safety information to the University community. Officers are available to present programs on topics such as substance abuse, sexual assault, crime prevention, hazing, workplace violence, and other safety related topics. Officers will present programs on any law enforcement topic with advance notice. The University Police Department has a close working relationship with the Georgetown Police Department and Williamson County Sheriff’s Office. As a result, the University is kept informed of criminal activities occurring off campus and Homeland Security notices.

The SUPD maintains patrol operations seven days a week, 24 hours a day. Calls for emergency police assistance have priority over general calls. Officers patrol University property and adjacent areas during all shifts. Officers actively enforce all state laws, including state traffic and Driving While Intoxicated (DWI) laws, as well as University rules and regulations. Officers issue citations for traffic offenses:

- Warning citations, which simply remind the driver to practice safe driving.
- University citations, which require an appearance at the Southwestern University Business Office to pay fine(s) levied for offense(s).
- State citations, which may require an appearance in a court of law.

Copies of parking and traffic regulations are available at the SUPD.

E. THEFT PREVENTION

The University has an open campus. Employees are urged to be alert for the entry of unauthorized persons whenever they are on duty or at any time they are on or around campus. If an employee sees anyone in his/her building who does not appear to be an employee or who is outside their regular working area without permission, please offer assistance and direct them to their destination. If an employee sees anyone acting suspiciously, he/she should notify his/her immediate supervisor and SUPD immediately.
The University does not provide insurance for the loss of personal property due to theft or other casualty.

F. OPERATIONAL PROCEDURES

1. University Publications

Purchase orders requesting the use of University funds for the production of publications and advertisements must be approved in the Creative Services department within the Office of University Relations. The Creative Services department will not approve requisitions without thorough review of materials to be produced.

2. Communication Vehicles at Southwestern University

Various vehicles are used to communicate news and events at SU, including Campus Notices, In Focus, The Megaphone, Southwestern Magazine, News from SU for Parents, News from SU for Alumni, News from the Office of the Provost, and the Staff Affairs Council Newsletter. For more detailed information on each of these communication vehicles, please refer to the Newsroom page on our website at http://www.southwestern.edu/newsroom/.

Purchase orders requesting the use of University funds for the production of publications and advertisements must be approved in the Creative Services department within the Office of University Relations. The Creative Services department will not approve requisitions without thorough review of materials to be produced.

3. Information Technology Allocation Policy

Information Technology (IT) resources are one of the types of resources that support the University’s mission and objectives, particularly as stated in the Strategic Plan for 2010. Allocations for projects and functional units may vary from year to year as the strategic plan is implemented. Basic IT infrastructure and services are recognized as essential (non-discretionary) services. With the pervasive infusion of technology resources, using the National Institute for Technology in Liberal Education (NITLE) as just one example, technology resources and services are provided broadly and evenly in much the same way as office space, furniture and utilities. There are no significant unmet needs across the University operations.

All technology-related purchases require the approval of the Associate Vice President for Information Technology Services. Requests for discretionary IT resources are made annually through Senior Staff. These requests are then reviewed by the Associate Vice President for Information Technology Services, the Information Technology Advisory Committee (ITAC), the Provost, and the Vice President for Fiscal Affairs. Final funding decisions are made by the University Budget Committee.

This policy will be reviewed annually and assessed to ensure its effectiveness.

4. Information Security Plan

Southwestern University complies with the Family Educational Rights and Privacy Act (FERPA) and the Federal Trade Commission (FTC) rules regarding safeguarding of employee and student information. The regulations under 16 CFR Part 314 (Code of Federal Regulations) stemming
from the Gramm-Leach-Bliley Act (GLB Act) mandate the safeguarding of customer information including, but not limited to, names, addresses, phone numbers, bank and credit card account numbers, income and credit histories, and social security numbers. Southwestern University implemented an Information Security Plan in May of 2003 which ensures compliance with these regulations. The Associate Vice President for Finance is the designated employee who coordinates and executes this plan. The full Information Security Plan is available in the Business Office.

5. Emergency Preparedness

The University is committed to ensuring continued operations in the event of a significant and sustained interruption of academic or administrative functions. The Business Continuity Plan Task Force has developed a broad plan describing the University’s disaster preparedness, emergency response and recovery, crisis communication, and other related matters. The Emergency Management Team is led by the Provost and Dean of the Faculty, the Vice President for Fiscal Affairs, and the Vice President for Student Life and includes members from all campus constituencies. These same three individuals also lead the Avian Flu Pandemic Planning Committee.

The University encourages each member of the campus community to not only be aware of the mechanisms which are in place to communicate information in the event of an emergency, but to develop their own family preparedness plan.

6. Background Check Policy

The University strives to ensure as safe an educational and employment environment as possible for all of its constituents and will, therefore, conduct a Background Check on all individuals who receive a contingent offer of employment with the University. Additionally, the University reserves the right to conduct a Background Check on any employed individual who has applied for an internal transfer and has been offered the position, as may be necessary to ensure such safe surroundings. This Policy does not include provisions for the University to conduct random Background Checks.

The University’s Human Resources department administers the Background Check Policy. For detailed information about this policy, see the Human Resources web-site at www.southwestern.edu/hr.

VIII. LEAVING SOUTHWESTERN UNIVERSITY

A. Resignation and Separation of Employment

It is hoped that all employees will have a rewarding and productive career at Southwestern University, but it must be recognized that situations arise which may cause the voluntary or involuntary separation of an individual’s employment. When an employee decides to leave, for any reason, his/her supervisor and/or the Associate Vice President for Human Resources would like the opportunity to discuss the resignation before final action is taken to consider whether another alternative is possible or preferable.

If, however, after full consideration, the employee decides to resign in good standing with eligibility for reemployment, it is expected that a nonexempt employee (hourly compensated)
will provide a minimum of a two week advance written notice to his/her supervisor and that all exempt employees (monthly compensated) will provide a minimum of 30 day advance written notice to his/her supervisor. In addition, a copy of the employee’s written resignation notice must be given to the Human Resources department. Please be aware that an employee may not use accrued vacation leave in lieu of the expected advance resignation notice. Once the required resignation notice is provided, the employee will not be able to use accrued vacation time or accrued sick leave, as they will be needed in order to facilitate a smooth transition.

Vacation balances will normally be paid in a lump sum for unused vacation time up to a maximum of 21 vacation days (168 hours). All University benefits such as health insurance, dental insurance, vision insurance, life/AD&D insurance, LTD benefits, and pension benefits will end on the employee’s last day of employment or at the end of the month pursuant to the terms of those plans. Some benefits may be continued or converted to individual policies dependent on the terms, conditions and limitations of such continuation.

The employee’s final pay will be distributed in accordance with applicable state law.

Please be sure to keep the Human Resources department informed of any address changes within the following year after leaving the University. This will ensure proper and timely handling of forms such as IRS Form W-2’s and other communications.

**B. SEPARATION PROCEDURES/CHECKOUT PROCESS**

All employees are required to complete the separation exit process. Employees should begin the process no later than five days before their last day of work. The purpose of the process is to ensure that all University property, including but not limited to, keys, equipment, supplies, University records, books, credit cards, ID cards and other related items are returned to the University. Upon receipt of an employee's written letter (notice) of resignation (or any other type of separation notification), the Human Resources department will prepare an individualized Separation Procedures Packet for the employee.

**C. EXIT INTERVIEW**

The separating employee may schedule an exit interview with the Human Resources department. Some possible reasons for doing this would be to ensure that all separation procedures have been properly completed, to discuss benefits separation and benefit continuation options, or to discuss other employment related matters.

**D. RETURN OF UNIVERSITY PROPERTY**

Separating employees are responsible for all University property, materials such as keys, ID badge, or written information issued to them or in their possession or control. Separating employees must return all University property in satisfactory condition immediately upon request or upon voluntary or involuntary separation of employment. Where permitted by law, the University may withhold from an employee’s current or final paycheck the cost of any items that are not returned when required. The University may also take all action deemed appropriate to recover or protect its property.

**E. BENEFITS CONTINUATION (COBRA AND HIPAA)**
For complete information on benefits continuation after separation from employment, refer to Appendix G.

**F. VACATION PAY UPON SEPARATION**

Vacation pay is calculated in accordance with the vacation leave policy. In order to be paid any unused accrued vacation balance, it is the employee’s responsibility to ensure that the Payroll Office receives his/her last time sheet prior to his/her last day of employment. If an employee took more vacation hours than entitled to under the vacation leave policy, the time taken will be deducted from the final paycheck.

Generally, unused accrued vacation balances will be paid to the separating employee no later than the second pay period following his/her last date of employment.

*Maximum payoff of accrued vacation time is 21 days (168 hours).*

**G. COMPENSATION POLICY FOR SEPARATING EMPLOYEES**

Employees will not be paid for time not worked. An employee who separates from employment in the middle of a pay period will not be paid for the remainder of the pay period.

**H. REFERENCE CHECKS UPON SEPARATION**

All inquiries regarding a current or former Southwestern University employee must be referred to the Human Resources department.

Should an employee receive a written request for a reference, the request should be referred to the Human Resources department for handling. No University employee may issue a reference letter for any current or former employee without the permission of the Associate Vice President for Human Resources.

Under no circumstances should any University employee release any information about any current or former employee over the telephone. All telephone inquiries regarding any current or former employees of the University must be referred to the Human Resources department.

In response to an outside request for information regarding a current or former Southwestern University employee, the Human Resources department will normally furnish or verify only the employee’s name, dates of employment, job title and department. However, the University reserves the right, when it deems appropriate, based on the circumstances, to also include additional information including such items as whether the employee is eligible for rehire, the nature of the employee’s separation from employment, or information that is relevant to the new position of employment being sought. With written authorization from the individual, the Human Resources department verifies earnings for credit checks.

**I. RETIREMENT**

1. **Initiate Retirement Process**

An employee of the University may initiate retirement at any time by submitting his/her intent in writing to the Human Resources department. If an employee is considering retirement, he/she
will need to consult with the Human Resources department in order to ensure maximum benefit opportunities. An employee considering retirement should notify the Social Security Office so that he/she will be aware of earning limitations for the year they initiate the retirement.

2. **Retirement Program 403(b) Regular Retirement Plan**

If the employee has been a participant in the University sponsored retirement plan, the employee will need to notify the provider several months in advance so that the employee will have enough time to complete the retirement application, indicating which payment option he/she elects and return the paperwork for processing.

3. **Retirement Benefits**

   a. **Health Insurance**

   For complete details regarding health insurance for retirees, see section VI Employee Benefits, C1 and C2.

   b. **Retiree Fringe Benefits**

   Qualified retired full-time employees may continue to utilize University facilities, which includes: the Corbin J. Robertson Center, the Kurth-Landrum Golf course, the Kurth Tennis Courts, athletic events, dining services, musical and theatre productions, and library services (all at the employee discount). Retirees and their dependents will need to be issued a new ID card in order to gain access to University facilities. ID cards are provided by the Pirate Card Office.

   *Note: To qualify for these non-ERISA-regulated fringe benefits, employees who retire from the University must have ten (10) consecutive years of service.*

4. **Separation Procedures**

   Retirees are required to go through the normal separation process. See section VIII Leaving Southwestern University, B, C, D, and F.
Appendix A
SEXUAL HARASSMENT POLICY AND PROCEDURE

At the faculty meeting on February 27, 1990, the faculty adopted the following policy and procedures on sexual harassment formulated by the Faculty Affairs Council. The Board of Trustees adopted the same policy and procedures at its regular meeting on April 6, 1990. Amendments to the policy were approved by the faculty on April 28, 1992 and February 15, 1994, and the Board of Trustees on October 30, 1992 and April 15, 1994. On October 31, 2002, the University Council approved a proposal from the Faculty Affairs Council that the Sexual Harassment Advisory Committee report to the University Council effective immediately. Amendments to the procedures were approved by the University Council on February 3, 2003 and subsequently by the faculty on February 11, 2003.

A. Policy and Definition

Sexual harassment in any manner or form, including sexual harassment based on sexual orientation, is expressly prohibited. It is the policy of Southwestern University (the University) to maintain both an academic and a working environment free from all forms of sexual harassment of any employee or applicant for employment, student, donor, former student, volunteer, or any other constituent of the University. Two reasons for this policy are to reaffirm the University's commitment of respect for the person and to enhance the University community's level of consciousness regarding gender issues. Sexual harassment violates both University policy and Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991 and the Texas Commission on Human Rights Act. All reported or suspected occurrences of sexual harassment will be promptly and thoroughly investigated. All investigations will be conducted in a professional manner, and to the fullest extent possible. The University intends that these investigations will be kept confidential within the limits of the law. Where sexual harassment has occurred, the University will take appropriate and timely disciplinary action.

As used in this policy, the term "sexual harassment" means unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

1. submission to such conduct is made, either explicitly or implicitly, a term or condition of a person's employment or education; or

2. submission to or rejection of such conduct by a person is used or threatened as the basis for academic or employment decisions, or evaluations affecting that person; or

3. such conduct has the purpose or effect of a) unreasonably interfering with a person's academic or professional performance or b) of creating an intimidating, hostile, or offensive employment, educational, or campus environment for any person or group of persons.

Other sex-related behaviors, that may or may not be definable as sexual harassment, will hereinafter be referred to as “sex-related misconduct”.

B. Examples of Sexual Harassment

The examples of sexual harassment given below are intended to illustrate inappropriate behavior, but are not all-inclusive. Courts in this country have recognized two types of sexual harassment: The first type is *quid pro quo* ("something for something") harassment, where sexual activity is demanded or offered in exchange for an actual, tangible job or benefit; the second type is hostile environment harassment, where there is not necessarily a loss or gain of a tangible job or benefit. The University intends for this policy to include *quid pro quo* harassment where sexual activity is demanded or offered in exchange for a tangible academic benefit, and hostile environment harassment where there is not necessarily a loss or gain of a tangible academic benefit.
Examples of unacceptable verbal or physical conduct which may constitute sexual harassment include, but are not limited to:

1. Direct or implied threats that submission to sexual advances will be a condition of employment, work status, promotion, grades, or letters of recommendation;

2. Intimidating conduct which exerts pressure for sexual activity;

3. A pattern of conduct in class or in the workplace (not legitimately related to the subject matter of the course or job) which would discomfort or humiliate a reasonable person at whom the conduct was directed, through comments of a sexual nature, such as sexually explicit statements, questions, jokes, anecdotes, or references to sexual orientation.

4. A pattern of conduct that would discomfort or humiliate a reasonable person at whom the conduct was directed, through one or more of the following: a) inappropriate touching, patting, hugging, or brushing against a person's body, b) repeated or unwanted staring, c) remarks of a sexual nature about a person's clothing or body, or d) remarks about a person's sexual orientation, sexual activity, or speculations about previous sexual experience;

5. A pattern of conduct which a reasonable person would identify as one or more of the following: a) inappropriate remarks or humor based on gender stereotypes or sexual orientation, b) inequities in references to males and females (e.g., "men and girls"), c) the assignment according to gender stereotype of tasks that are not gender specific.

This policy is not intended to limit legitimate claims of academic freedom. In particular, the policy does not limit classroom teaching concerning sexual topics legitimately related to the content or purposes of a course, even though such topics may elicit discomfort in some class members.

C. University Administration of Policy

Persons in positions of authority have specific responsibility in the area of sexual harassment. Particular sensitivity should be addressed to such questions as whether consent is as free as it seems, and to the inherent conflicts of interest in personal relationships where professional and educational relationships are also involved.

When faculty or staff members suspect sexual harassment on the part of a person or persons under their jurisdiction, they should immediately take action by contacting the Sexual Harassment Officer to discuss the situation and determine a course of action.

A Sexual Harassment Officer, appointed by the President of the University, is available to assist the University community in dealing with all complaints of sexual harassment and sex-related misconduct (even if the sex-related misconduct is not processed through the Sexual Harassment Policy).

The duties and responsibilities of the Sexual Harassment Officer include:

1. Receiving notification from University officials and/or members of the University community of all allegations of sex-related misconduct including, but not limited to, “sexual harassment” and “sexual misconduct”;

2. Reporting, as needed, to the University community allegations of sexual harassment and sexual misconduct and the subsequent resolution of those reported incidents;

3. Reporting the initiation of any formal complaint to the appropriate member of the University's Senior Staff and to the Associate Vice President for Human Resources;
4. Serving as Chair of the Sexual Harassment Advisory Committee and reporting, as needed, to the University community the activities of the Committee;

5. Arranging for training of Sexual Harassment Advisors;

6. Counseling and assisting Sexual Harassment Advisors throughout the year;

7. Initiating the informal and/or formal complaint processes as appropriate; be involved in resolutions of the incidents as appropriate.

The Sexual Harassment Advisory Committee is appointed by the President of the University and consists of two students, two faculty members, and two staff/administrators. Members of this Sexual Harassment Advisory Committee are hereinafter referred to as "Sexual Harassment Advisors." Members of the University community interested in serving as Sexual Harassment Advisors submit applications to the Provost (faculty), the Vice President for Fiscal Affairs (staff), or the Vice President and Dean of Students (students) during the spring semester prior to the academic year of service. The three ex officio members of the Sexual Harassment Advisory Committee (the Sexual Harassment Officer, the Associate Vice President for Human Resources, and the Associate Vice President for Academic Administration) forward recommendations to the President for approval. Sexual Harassment Advisors are appointed for staggered terms of two academic years, with interim arrangements when necessary for summer.

The Sexual Harassment Advisors responsibilities include:

1. Providing information regarding the procedures for handling complaints to members of the University community;

2. Offering support to persons who suspect that they have been victims of sexual harassment;

3. Offering support to persons who have been accused of sexual harassment;

4. Actively participating in the Sexual Harassment Advisory Committee; and

5. Willingly participating in training for handling sexual harassment situations.

D. General Procedures for Handling Complaints

Members of the Southwestern University community who believe that they have been sexually harassed may turn for assistance to the University's Sexual Harassment Officer, the Associate Vice President for Human Resources, the appropriate supervisor, the appropriate member of the President’s Senior Staff, or any Sexual Harassment Advisor. At this or any subsequent stage, the complainant may ask for the assistance of a Sexual Harassment Advisor, keeping in mind that the role of such an advisor is to provide assistance and support and such advisors are not part of the official University complaint procedure. Whether or not a person consults with a University official or a Sexual Harassment Advisor, she or he has the option of taking an informal or formal action according to the procedures outlined below.

A party accused of sexual harassment may also turn for assistance to any Sexual Harassment Advisor, and, if requested to do so, said advisor shall accompany the accused through any informal and/or formal complaint procedure.

Advisory Option

Any person who believes that she or he has been sexually harassed is encouraged to seek advice from the Sexual Harassment Officer or a Sexual Harassment Advisor. These individuals have been trained and are familiar with the University's procedures for handling such complaints. The
Sexual Harassment Officer or Sexual Harassment Advisor who is contacted will be available to aid a member of the University Community in the following ways:

1. Provide immediate support by listening to and discussing the allegation with the advisee;

2. Discuss with the advisee the definition of sexual harassment to help the advisee reach a reasonable decision whether sexual harassment as defined in this policy has occurred;

3. Outline for the advisee possible courses of action, including the Informal and Formal Complaint Procedures described in this policy and including selection of the authority who should be notified should the advisee wish to make a formal complaint;

4. Discuss with the advisee possible effects of the various courses of action, including consequences to the advisee and to the person against whom the advisee has a complaint;

5. Accompany the advisee through the University's informal and/or formal complaint procedure, if the advisee has decided to follow such a procedure and wants her or his Sexual Harassment Advisor present.

A Sexual Harassment Advisor will maintain confidentiality within the limits of the law. Unless a complainant gives a Sexual Harassment Advisor permission to disclose specific information concerning the alleged act of harassment, a Sexual Harassment Advisor will limit his or her assistance to the items described in 1 through 5 above and will not discuss with or report the alleged act of harassment to any person other than the Sexual Harassment Officer. The complainant should realize, however, that the Sexual Harassment Advisors, the Sexual Harassment Officer, and the University cannot take any actions to attempt to resolve the alleged problem if the complainant desires to keep the allegation and the circumstances surrounding such allegation anonymous. An exception to non-disclosure of anonymous complaints may be made in cases where the Sexual Harassment Officer reasonably believes that the safety of a member of the University community or general public will be at risk; this includes the risk of other individuals being subjected to sexual harassment.

Contact with the Sexual Harassment Officer or a Sexual Harassment Advisor in no way obligates the complainant to pursue an official complaint. The complainant has the option of choosing, upon reflection, not to pursue the matter and not to make contact with the accused. On the other hand, the complainant may pursue an Informal or Formal Complaint Procedure.

Informal Complaint Procedure

A common method of utilizing the informal approach is through a letter written by the alleged victim to the accused person. Other options may include, but are not limited to, the use of a mediator or a facilitated face-to-face meeting between the parties. If a letter is used, it generally should address three matters:

1. The facts of what has occurred, told without evaluation. These facts should be as detailed and precise as possible, with dates, places, and a description of the incident(s).

2. How the writer feels about the events.

3. How the writer wants the matter resolved and within what time frame. This part should include a statement that if the matter is not resolved satisfactorily within a specified amount of time the writer may take formal action.

The writer has the option of preparing such a letter with the assistance of the Sexual Harassment Officer and a Sexual Harassment Advisor. If the writer declines that option, the writer is to have the Sexual Harassment Officer review the communication prior to it being sent. In all cases, the
Sexual Harassment Officer conducts the final review of the letter. The letter may be delivered in person, by registered or certified mail, or by the Sexual Harassment Officer. The accused person may reply to a writer who wishes to remain anonymous through the Sexual Harassment Officer. The writer should keep a copy of the letter, but not send copies to others. If the letter does not achieve its purpose, it can be used to support a formal complaint. Although it is the personal decision of the complainant as to whether she or he wishes to remain anonymous, choosing to remain anonymous may hinder resolution of the matter in circumstances where the accused is unsure or does not clearly recall the incident leading to the complaint.

**Formal Complaint Procedure**

In a formal complaint action, the complainant must notify in writing an appropriate University official, with or without the help of the Sexual Harassment Officer or a Sexual Harassment Advisor. If the complaint involves a student, the Vice President and Dean of Students will be notified; if it involves a faculty member, the Provost; if it involves staff/administration, the Vice President for Fiscal Affairs; in any of the above cases, the University's Sexual Harassment Officer will be notified. Should either the Vice President and Dean of Students, the Provost, or the Vice President for Fiscal Affairs be notified of a complaint involving sexual harassment, such party shall inform the Sexual Harassment Officer in a timely manner of any such allegations and actions regarding sexual harassment. In any situation where the Sexual Harassment Officer is notified of the complaint because the accused is the party set forth above to whom complaints should be given, then the Sexual Harassment Officer will make the determinations described in 1, 2, and 3 below and report directly to the President of the University.

Once the Sexual Harassment Officer is notified of allegations concerning sexual harassment and the complainant's desire to proceed with a formal complaint against the accused, a prompt investigation by the University will follow. The University is committed to investigate formal complaints which it receives and to deal appropriately with any person found to have violated the policy. Proceedings under the Formal Complaint Procedure shall take place in accordance with the following guidelines:

1. **Faculty:** Upon receipt of a formal, written complaint involving a faculty member, the Provost shall determine, with the assistance of the Sexual Harassment Officer, and with or without the assistance of the appropriate Dean or Department Chair, depending on whether or not the Provost elects to notify such Dean or Chair, whether further investigation or recommendation for sanctions is warranted. The Provost shall notify the accused faculty member as soon as reasonably possible of the complaint and the Provost's finding as to whether further investigation or recommendation for sanctions is warranted.

2. **Staff:** Upon receipt of a formal, written complaint involving a staff member/administrator, the Vice President for Fiscal Affairs shall determine, with the assistance of the Sexual Harassment Officer, and with or without the assistance of the appropriate administrator/department head, whether further investigation or recommendation for sanctions is warranted. The Vice President for Fiscal Affairs shall notify the accused staff member/administrator as soon as reasonably possible of the complaint and the finding as to whether further investigation or recommendations for sanctions is warranted.

3. **Students:** Upon receipt of a formal, written complaint involving a student, the Vice President and Dean of Students shall determine, with the assistance of the Sexual Harassment Officer, whether further investigation or recommendation for sanctions is warranted. The Vice President and Dean of Students shall notify the accused student as soon as reasonably possible of the complaint and the finding as to whether further investigation or recommendation for sanctions is warranted.
With respect to any formal written complaint filed involving faculty, staff, or students, as described in 1, 2, or 3 above, if the circumstances warrant it, the Provost, the Vice President for Fiscal Affairs, or the Vice President and Dean of Students, as the case may be, may convene an *ad hoc* committee to investigate, review, and summarize the facts surrounding the case and make recommendations for resolution of the complaint. If appropriate, the Sexual Harassment Officer may recommend an *ad hoc* committee to the respective Senior Staff member. No member of the committee shall have been the complainant or the accused. The Sexual Harassment Officer shall chair any such *ad hoc* committee unless such person is either the complainant or the accused. The *ad hoc* committee will conduct its own inquiry to gather whatever information it deems necessary to assist it in reaching a determination as to the merits of the allegations. The *ad hoc* committee will summarize the information gathered from the inquiry for the appropriate party who convened the committee. The Sexual Harassment Officer, as chair of the *ad hoc* committee, will consult with the appropriate party who convened the committee to discuss recommendations regarding resolution of the complaint(s).

Once the Senior Staff member has received the report of the *ad hoc* committee convened (if he or she has not served on the committee or has otherwise reached a basis for making a decision) and has consulted with the Sexual Harassment Officer, then he or she shall determine the judgement and sanctions, if any, and shall submit his or her decision in writing to the President. The President shall review the decision and if in agreement with the recommendations, the President shall notify the accused faculty, staff, or student, as well as the complainant, of the decision. If the President does not agree with the decision, he or she shall refer it back to the appropriate Senior Staff member. If either side chooses to appeal the decision for any reason, including but not limited to alleged procedural errors or alleged new evidence, such appeals shall be made to the President. Requests for appeals should be made in writing and addressed to the President within 30 days after notification of the original decision.

**E. University Disciplinary Actions and Penalties**

Students found guilty of sexual harassment may receive a warning, specific penalties, disciplinary probation, suspension, or expulsion, as explained in the *Student Handbook* under Personal Conduct Policies.

Faculty members found guilty of sexual harassment may receive penalties ranging from a warning to dismissal with cause. If procedures for dismissal with cause are instituted on the basis of sexual harassment, those procedures must conform to the policy and procedures adopted at the January 27, 1978, meeting of the Board of Trustees and as may be subsequently amended. (See the section in the *Faculty Handbook* on Dismissal with Cause, Section IV.)

Staff and administrative members found guilty of sexual harassment may receive penalties ranging from a warning to immediate dismissal as described within the Performance Management Guidelines section of the *Staff Handbook*.

The University will take timely and appropriate corrective action to end sexual harassment when it is known to have occurred.

**F. Retaliation**

Except in regard to false accusations as detailed below, no retaliation by any member of the Southwestern community may be taken against any person because she or he makes a complaint concerning sexual harassment or against any member of the University community who serves as an advocate for a party in any such complaint. All reasonable action will be taken to assure that the complainant and those testifying or participating in other ways in the complaint resolution process will suffer no retaliation as a result of their participation.

**G. False Accusations**
While the University is committed to preventing and punishing unlawful discrimination, harassment, and retaliation, it also recognizes that false accusations of sexual harassment or retaliation may harm an innocent party who has been falsely accused. Accordingly, any person, who, after an investigation, is found to have knowingly made a false accusation of sexual harassment or retaliation will be subject to appropriate disciplinary action. However, if a person makes a report of what he or she in good faith believes to be sexual harassment or retaliation, the person will not be subject to disciplinary action even if the person turns out to be mistaken or there has been a finding of no sexual harassment or retaliation.

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**Sexual Harassment Advisors**

A listing of Sexual Harassment Advisors will be made available to the University community at the beginning of each academic year. General information regarding the University’s Sexual Harassment Policy, the Sexual Harassment Officer, and the Sexual Harassment Advisory Committee is available on the University’s Web site at http://www.southwestern.edu/shac/.

In conjunction with students, faculty and staff, the University’s Counseling Services department coordinates the publishing of a guidebook entitled “Help for Sexual Assault/Sexual Misconduct”. The most current version of this guidebook can be found on the counseling services Web site at www.southwestern.edu/offices/counseling/.
Appendix B
DRUG-FREE WORKPLACE POLICY

The Federal Drug-Free Workplace Act of 1988 requires institutions that receive federally funded grants, including student aid, to undertake certain actions and adopt various procedures relating to the misuse of controlled substances in the workplace. As required by the statute, the University has adopted the policy printed below:

Southwestern University realizes its commitment to provide a healthy environment to its employees in which informed decisions are made and responsible behavior maintained. For this reason, Southwestern University prohibits the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, alcohol or inhalants by its employees at any time on the University’s premises or when conducting any and all University business. Disciplinary action will be taken against any employee for violation of this policy. Any disciplinary action will depend on the circumstances, but could include termination of employment or could consist of requiring the employee to successfully complete a drug abuse assistance or rehabilitation program. As required by the law, each employee must, as a condition of employment, abide by the terms of this statement, and any employee who is convicted under criminal law of substance abuse while on University property or while performing duties for the University must notify the Human Resources department within five calendar days of such conviction.

In order that there be no misunderstanding of the policy, the following definitions are provided in accordance with the Federal Register:

“Controlled substance” means a controlled substance indicated in schedules I through V of the Federal Controlled Substance Act (21 U.S.C. 812), and as further defined by regulation 21 CFR 1308.11 through 1308.15. Marijuana is a controlled substance, for example.

“Conviction” means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

“Criminal drug statute” means a federal or state statute involving the manufacture, distribution, dispensing, possession or use of any controlled substance.

“Drug-free workplace” means a site for the performance of work by a University employee at which employees are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance or alcohol.

LEGAL SANCTIONS UNDER FEDERAL LAW FOR THE UNLAWFUL POSSESSION OR DISTRIBUTION OF CONTROLLED SUBSTANCES

Federal Penalties and sanctions for illegal possession of a controlled substance:

21 U.S.C. 844(a)

First conviction: Up to 1 year imprisonment and fined at least $1000 but no more than $100,000, or both.
After 1 prior drug conviction: At least 15 days in prison, not to exceed 2 years and fined at least $2,500 but not more than $250,000, or both.

Special sentencing provisions for possession of crack cocaine: Mandatory at least 5 years in prison, not to exceed 20 years and fined up to $250,000, or both, if:
(a) First conviction and the amount of crack possessed exceeds 5 grams.
(b) Second crack conviction and the amount of crack possessed exceeds 3 grams.
(c) Third or subsequent crack conviction and the amount of crack possessed exceeds 1 gram.

21 U.S.C. 853 (a) (2) and 881 (a) (7)

Forfeiture of personal and real property used to possess or to facilitate possession of a controlled substance if that offense is punishable by more than 1-year imprisonment.

21 U.S.C. 881 (a) (4)

Forfeiture of vehicles, boats, aircraft or any other conveyance used to transport or conceal a controlled substance.

21 U.S.C. 884a

Civil fine of up to $10,000.

21 U.S.C. 853a

Denial of federal benefits such as student loans, grants, contracts, and professional and commercial licenses, up to 1 year for first offense, up to 5 years for second and subsequent offenses.

18 U.S.C. 922 (g)

Ineligible to receive or purchase a firearm.

Miscellaneous

Revocation of certain federal licenses and benefits, e.g. pilot’s licenses, public housing tenancy, etc., are vested within the authorities of individual Federal agencies.

LEGAL SANCTIONS UNDER STATE LAW FOR THE UNLAWFUL POSSESSION OR DISTRIBUTION OF CONTROLLED SUBSTANCES

Provided is a list for the benefit of every employee the core legal sanctions imposed by the State. This list is not intended to be a complete list of offenses and penalties. Instead, it summarizes the severe penalties that flow from drug and alcohol abuse.
<table>
<thead>
<tr>
<th>OFFENSES</th>
<th>MINIMUM PUNISHMENT</th>
<th>MAXIMUM PUNISHMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacture or delivery of controlled substances</td>
<td>Confinement in the Texas Department of Criminal Justice (TDCJ) for not more than 10 years or less than 2 years in a community correctional facility for not more than 1 year and a fine not to exceed $10,000, or both.</td>
<td>Confinement in the TDCJ for life or a term more than 99 years or not less than 20 years and a fine not to exceed $500,000.</td>
</tr>
<tr>
<td>Possession of controlled substances</td>
<td>Confinement in jail for a term of not more than 180 days, a fine not to exceed $1,000 or both.</td>
<td>Confinement in TDCJ for life or a term of not more than 99 years or less than 10 years, and a fine not to exceed $100,000.</td>
</tr>
<tr>
<td>Delivery of Marijuana</td>
<td>Confinement in jail for a term of not more than 180 days, a fine not to exceed $1,000, or both.</td>
<td>Confinement in TDCJ for life or for a term of not more than 99 years or less than 15 years, and a fine not to exceed $250,000.</td>
</tr>
<tr>
<td>Possession of Marijuana</td>
<td>Confinement in jail for a term not to exceed 180 days, and a fine not to exceed $1,000.</td>
<td>Confinement in TDCJ for life or for a term of not more than 99 years or less than 15 years, and a fine not to exceed $250,000.</td>
</tr>
<tr>
<td>Driving While Intoxicated (includes intoxication from alcohol, drugs, or both).</td>
<td>Confinement in jail for a term of not more than two years or less than 72 hours, and a fine of not more than $2,000 or less than $100.</td>
<td>Confinement in jail for a term of not more than 2 years or less than 30 days, or confinement in TDCJ for a term of not more than 5 years or less than 60 days, and a fine of not more than $2,000 or less than $500.</td>
</tr>
<tr>
<td>Public Intoxication</td>
<td>A fine not to exceed $200.</td>
<td></td>
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<tr>
<td>Purchase of alcohol by a minor.</td>
<td>Fine of not less than $25 or more than $200.</td>
<td>For a subsequent offense, a fine of not less than $100 or more than $500.</td>
</tr>
<tr>
<td>Consumption of alcohol of a minor</td>
<td></td>
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</tr>
<tr>
<td>OFFENSES</td>
<td>MINIMUM PUNISHMENT</td>
<td>MAXIMUM PUNISHMENT</td>
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<td>----------------------------------------------</td>
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<tr>
<td>Possession of alcohol by a minor</td>
<td>Fine of not less than $100 or more than $500 or confinement in jail for not more than 1 year, or both.</td>
<td>For a subsequent offense, a fine of not less than $500 or more than $1000 or confinement in jail for not more than 1 year, or both.</td>
</tr>
<tr>
<td>Sale of alcohol to a minor</td>
<td>Fine not to exceed $200,000.</td>
<td>Confinement in jail for not more than 10 years or less than 2 years and a fine not to exceed $5,000.</td>
</tr>
<tr>
<td>Possession of or delivery of drug paraphernalia</td>
<td>Fine not to exceed $200,000.</td>
<td>Confinement in jail for not more than 10 years or less than 2 years and a fine not to exceed $5,000.</td>
</tr>
</tbody>
</table>

HEALTH RISKS ASSOCIATED WITH THE USE OF CONTROLLED SUBSTANCES AND ALCOHOL

This Appendix contains a listing of controlled substances and the health risks associated with the substances covered by the Controlled Substance Act (21 U.S.C. 811).

While alcohol consumption is legal over the age of 21, it can be dangerous if abused. Alcohol consumption causes marked changes in behavior. Even low consumption can significantly impair judgement and coordination.

Low to moderate consumption of alcohol can also increase a variety of aggressive acts. Moderate to high doses of alcohol cause marked impairments in higher mental functions, greatly altering a person’s ability to learn and remember information. Very high doses cause respiratory depression and death. If combined with other depressants of the central nervous system, much lower doses of alcohol will produce the effects just described.

Repeated use of alcohol can lead to dependence. Sudden cessation of alcohol intake is likely to produce withdrawal symptoms, including severe anxiety, tremors, hallucination, and convulsions. Alcohol withdrawal can be life threatening. Long-term consumption of large quantities of alcohol, particularly when combined with poor nutrition, can also lead to permanent damage to vital organs such as the brain and the liver.

Mothers who drink alcohol during pregnancy may give birth to infants with fetal alcohol syndrome. These infants have irreversible physical abnormalities and mental retardation. In addition, research indicates that children of alcoholic parents are at greater risk of becoming alcoholics.

Drug and/or alcohol contribute to 65% of all suicides, 70% of all drowning deaths, 83% of all fire deaths, 50% of all motor vehicle accidents, 60% of all fatal automobile accidents, and 70% of all homicides.
ASSISTANCE PROGRAMS AVAILABLE TO EMPLOYEES:

The University is aware of its obligation to employees with regard to providing a drug and alcohol free work environment.

Drug counseling and treatment are available on an outpatient and in-patient basis under our medical insurance program subject to specific contractual provisions.

NOTIFICATION OF CONVICTIONS

Employees must, as a condition of employment, abide by the terms of this policy and report any conviction under a criminal drug statute for violations occurring on or off the University premises while conducting University business. A report of a conviction must be made within five (5) days after the conviction to their immediate supervisor. The immediate supervisor will immediately inform the Associate Vice President for Human Resources. Within ten (10) days of learning of an employee’s criminal conviction for illegal drug activity within the workplace, the Associate Vice President for Human Resources will notify the Federal government of such conviction. Within thirty (30) days of learning of an employee’s criminal conviction for illegal drug activity within the workplace, the Associate Vice President for Human Resources will take appropriate action. (This requirement is mandated by the federally legislated Drug-Free Workplace Act of 1988).

BIENNIAL REVIEW OF THE PROGRAM

The University will conduct a biennial review of the program to: (1) determine its effectiveness and implement changes to the program, if needed, and (2) ensure that University disciplinary sanctions are consistently enforced.

CONCLUSION

A final word - by law, this workplace must be totally free of illegal use of drugs and alcohol. No one is allowed to use, make, sell, distribute or have with them any controlled substances while at work. If this law is violated, the entire institution is affected because of possible loss of funding, which may result in the loss of jobs.

If an employee is involved with drugs, he/she should use the help available. If the employee knows other employees who are involved with drugs, they should be encouraged to seek help.
## Drugs of Abuse/Uses and Effects

**U.S. Department of Justice**  
**Drug Enforcement Administration**

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<th>Drugs</th>
<th>CSA Schedules</th>
<th>Trade or Other Names</th>
<th>Medical Uses</th>
<th>Physical Dependence</th>
<th>Tolerance</th>
<th>Dura-tion (Hours)</th>
<th>Usual Method</th>
<th>Possible Effects</th>
<th>Effects of Overdose</th>
<th>Withdrawal Syndrome</th>
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<tr>
<td>Heroin</td>
<td>Substance I</td>
<td>Diamorphine, Horse, Smack, Black tar, Chiva, Nega (black tar)</td>
<td>None in U.S., Antitussive</td>
<td>High</td>
<td>High</td>
<td>Yes</td>
<td>3-4</td>
<td>Injected, snorted, smoked</td>
<td>Euphoria, drowsiness, respiratory depression, constriicted pupils, coma, possible death</td>
<td>Watery eyes, runny nose, yawning, loss of appetite, irritability, tremors, panic, cramps, nausea, chills and sweating</td>
</tr>
<tr>
<td>Morphine</td>
<td>Substance II</td>
<td>MS-Contin, Roxanol, Oramorph SR, MSIR</td>
<td>Analgesic</td>
<td>High</td>
<td>High</td>
<td>Yes</td>
<td>3-12</td>
<td>Oral, injected</td>
<td></td>
<td></td>
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<tr>
<td>Hydrocodone</td>
<td>Substance II</td>
<td>Hydrocodone w/ Acetaminophen, Vicodin, Vicoprofen, Tussionex, Lortab</td>
<td>Analgesic, Antitussive</td>
<td>High</td>
<td>High</td>
<td>Yes</td>
<td>3-6</td>
<td>Oral</td>
<td></td>
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<tr>
<td>Hydro-morphine</td>
<td>Substance II</td>
<td>Dilaudid</td>
<td>Analgesic</td>
<td>High</td>
<td>High</td>
<td>Yes</td>
<td>3-4</td>
<td>Oral, injected</td>
<td></td>
<td></td>
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<tr>
<td>Oxycodone</td>
<td>Substance II</td>
<td>Oxycet, Oxycodone w/ Acetaminophen, OxyContin, Endocet, Percocet, Percodan</td>
<td>Analgesic</td>
<td>High</td>
<td>High</td>
<td>Yes</td>
<td>3-12</td>
<td>Oral</td>
<td></td>
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<tr>
<td>Codeine</td>
<td>Substance II</td>
<td>Acetaminophen, Guanafesin or Promethazine w/Codeine, Fiorinal, Fiorcet or Tylenol w/Codeine</td>
<td>Analgesic, Antitussive</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Yes</td>
<td>3-4</td>
<td>Oral, injected</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Narcotics</td>
<td>Substance II, III, IV</td>
<td>Fentanyl, Demerol, Methadone, Darvon, Stadol, Talwin, Paregoric, Buprenex</td>
<td>Analgesic, Antidiarrheal, Antitussive</td>
<td>High-Low</td>
<td>High-Low</td>
<td>Yes</td>
<td>Variable</td>
<td>Oral, injected, snorted, smoked</td>
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<td><strong>Depressants</strong></td>
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<td>gamma Hydroxybutyric Acid</td>
<td>Substance I, Product III</td>
<td>GHB, Liquid Ecstasy, Liquid X, Sodium Oxybate, Xyrem®</td>
<td>None in U.S., Anesthetic</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Yes</td>
<td>3-6</td>
<td>Oral</td>
<td>Slurred speech, disorientaiton, drunken behavior without odor of alcohol, impaired memory of events, interacts with alcohol</td>
<td>Anxiety, insomnia, delirium, convulsions, possible death</td>
</tr>
<tr>
<td>Benzodiazepines</td>
<td>Substance IV</td>
<td>Valium, Xanax, Halcion, Alivian, Restoril, Rohypnol (Roofies, R-2), Klonopin</td>
<td>Antianxiety, Sedative, Anti-convulsant, Hypnotic, Muscle Relaxant</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Yes</td>
<td>1-8</td>
<td>Oral, injected</td>
<td>Shallow respiration, clammy skin, dilated pupils, weak and rapid pulse, coma, possible death</td>
<td></td>
</tr>
<tr>
<td>Other Depressants</td>
<td>Substance I, II, III, IV</td>
<td>Ambien, Sonata, Meprobamate, Chloral Hydrate, Barbiturates, Methaqualone (Quaalude)</td>
<td>Antianxiety, Sedative, Hypnotic</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Yes</td>
<td>2-6</td>
<td>Oral</td>
<td></td>
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<tr>
<td><strong>Stimulants</strong></td>
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<tr>
<td>Cocaine</td>
<td>Substance II</td>
<td>Coke, Flake, Snow, Crack, Coca, Blance, Perico, Nieve, Soda</td>
<td>Local anesthetic</td>
<td>Possible</td>
<td>High</td>
<td>Yes</td>
<td>1-2</td>
<td>Snorted, smoked, injected</td>
<td>Increased alertness, excitement, euphoria, increased pulse rate &amp; blood pressure, insomnia, loss of appetite</td>
<td>Agitation, increased body temperature, hallucinations, convulsions, possible death</td>
</tr>
<tr>
<td>Amphetamine/Meth-amphetamine</td>
<td>Substance II</td>
<td>Crank, Ice, Cristal, Krystal Meth, Speed, Adderall, Dextedrine, Desoxyn</td>
<td>Attention deficit/ hyperactivity disorder, narcolepsy, weight control</td>
<td>Possible</td>
<td>High</td>
<td>Yes</td>
<td>2-4</td>
<td>Oral, injected, smoked</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Methylphenidate</td>
<td>Substance II</td>
<td>Ritalin (Jilly’s), Concerta, Focalin, Metadate</td>
<td>Attention deficit/ hyperactivity disorder</td>
<td>Possible</td>
<td>High</td>
<td>Yes</td>
<td>2-4</td>
<td>Oral, injected, snorted, smoked</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Stimulants</td>
<td>Substance III, IV</td>
<td>Adipex P, Ionamin, Prelud-2, Didrex, Provigil</td>
<td>Vaso-constriction</td>
<td>Possible</td>
<td>Moderate</td>
<td>Yes</td>
<td>2-4</td>
<td>Oral</td>
<td></td>
<td></td>
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</tbody>
</table>
# Hallucinogens

<table>
<thead>
<tr>
<th>Substance</th>
<th>Use</th>
<th>Effects</th>
<th>Teratogenicity</th>
<th>Addiction</th>
<th>Abuse Potential</th>
<th>Other Effects</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Substance I (Ecstasy, XTC, Adam), MDA (Love Drug), MDEA (Eve), MDB</td>
<td>None</td>
<td>Moderat</td>
<td>Yes</td>
<td>4-6</td>
<td>Oral, snorted, smoked</td>
<td>Heightened senses, teeth grinding and dehydration</td>
<td>Increased body temperature, electrolyte imbalance, cardiac arrest</td>
</tr>
<tr>
<td>Substance II, III</td>
<td>None</td>
<td>Unknown</td>
<td>Yes</td>
<td>8-12</td>
<td>Oral</td>
<td>Illusions and hallucinations, altered perception of time and distance</td>
<td>(LSD) Longer, more intense &quot;trip&quot; episodes</td>
</tr>
<tr>
<td>Substance I (LSD)</td>
<td>None</td>
<td>Unknown</td>
<td>No</td>
<td>4-8</td>
<td>Oral</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Substance I, II, III (PCP, Angel Dust, Hog, Loveboat, Ketamine (Special K), PCE, PCPy, TCP)</td>
<td>None</td>
<td>Unknown</td>
<td>Yes</td>
<td>1-12</td>
<td>Smoked, oral, injected, snorted</td>
<td>None</td>
<td>Unable to direct movement, feel pain, or remember</td>
</tr>
<tr>
<td>Substance I (Psilocybe mushrooms, Mescaline, Peyote Cactus, Ayahausca, DMT, Dextromethorphan* (DXM))</td>
<td>None</td>
<td>Unknown</td>
<td>No</td>
<td>4-8</td>
<td>Oral</td>
<td>Illusions and hallucinations, altered perception of time and distance</td>
<td>Unable to direct movement, feel pain, or remember</td>
</tr>
<tr>
<td>Substance I, II, III</td>
<td>None</td>
<td>Unknown</td>
<td>Yes</td>
<td>2-4</td>
<td>Smoked, oral</td>
<td>Euphoria, relaxed inhibitions, increased appetite, disorientation</td>
<td>Fatigue, paranoia, possible psychosis</td>
</tr>
<tr>
<td>Substance I, II, III</td>
<td>None</td>
<td>Unknown</td>
<td>Yes</td>
<td>2-4</td>
<td>Smoked, oral</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Substance III</td>
<td>None</td>
<td>Unknown</td>
<td>Unknown</td>
<td>Unknown</td>
<td>14-28 days</td>
<td>Injected</td>
<td>Virilization, edema, testicular atrophy, gynecomastia, acne, aggressive behavior</td>
</tr>
<tr>
<td>Substance I</td>
<td>None</td>
<td>Unknown</td>
<td>Yes</td>
<td>Unknown</td>
<td>Variable</td>
<td>Oral, injected</td>
<td>None</td>
</tr>
<tr>
<td>Substance I</td>
<td>None</td>
<td>Unknown</td>
<td>No</td>
<td>1</td>
<td>Inhaled</td>
<td>Flushing, hypotension, headache</td>
<td>Methemoglobinemia</td>
</tr>
<tr>
<td>Substance I</td>
<td>None</td>
<td>Unknown</td>
<td>Low</td>
<td>No</td>
<td>0.5</td>
<td>Inhaled</td>
<td>Impaired memory, slurred speech, drunken behavior, slow onset vitamin deficiency, organ damage</td>
</tr>
</tbody>
</table>

# Cannabis

<table>
<thead>
<tr>
<th>Substance</th>
<th>Use</th>
<th>Effects</th>
<th>Teratogenicity</th>
<th>Addiction</th>
<th>Abuse Potential</th>
<th>Other Effects</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Substance I (Pot, Grass, Sinsemilla, Blunts, Mota, Yerba, Grifa)</td>
<td>None</td>
<td>Unknown</td>
<td>Yes</td>
<td>2-4</td>
<td>Smoked, oral</td>
<td>Euphoria, relaxed inhibitions, increased appetite, disorientation</td>
<td>Fatigue, paranoia, possible psychosis</td>
</tr>
<tr>
<td>Substance I, II, III (THC, Marinol)</td>
<td>None</td>
<td>Unknown</td>
<td>Yes</td>
<td>2-4</td>
<td>Smoked, oral</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Substance I (Has, Hash oil)</td>
<td>None</td>
<td>Unknown</td>
<td>Yes</td>
<td>2-4</td>
<td>Smoked, oral</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

# Anabolic Steroids

<table>
<thead>
<tr>
<th>Substance</th>
<th>Use</th>
<th>Effects</th>
<th>Teratogenicity</th>
<th>Addiction</th>
<th>Abuse Potential</th>
<th>Other Effects</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Substance III</td>
<td>None</td>
<td>Unknown</td>
<td>Unknown</td>
<td>Unknown</td>
<td>14-28 days</td>
<td>Injected</td>
<td>Virilization, edema, testicular atrophy, gynecomastia, acne, aggressive behavior</td>
</tr>
<tr>
<td>Substance I, II, III (Parabolan, Winstrol, Equipoise, Anadrol, Dianabol, Primabolin-Delo, D-Ball)</td>
<td>None</td>
<td>Unknown</td>
<td>Yes</td>
<td>Unknown</td>
<td>Variable</td>
<td>Oral, injected</td>
<td>None</td>
</tr>
<tr>
<td>Substance III</td>
<td>None</td>
<td>Unknown</td>
<td>No</td>
<td>1</td>
<td>Inhaled</td>
<td>Flushing, hypotension, headache</td>
<td>Methemoglobinemia</td>
</tr>
<tr>
<td>Substance I, II, III</td>
<td>None</td>
<td>Unknown</td>
<td>Low</td>
<td>No</td>
<td>0.5</td>
<td>Inhaled</td>
<td>Impaired memory, slurred speech, drunken behavior, slow onset vitamin deficiency, organ damage</td>
</tr>
</tbody>
</table>

# Inhalants

<table>
<thead>
<tr>
<th>Substance</th>
<th>Use</th>
<th>Effects</th>
<th>Teratogenicity</th>
<th>Addiction</th>
<th>Abuse Potential</th>
<th>Other Effects</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Substance I (Peels, Poppers, Rush, Locker Room)</td>
<td>None</td>
<td>Unknown</td>
<td>Unknown</td>
<td>No</td>
<td>1</td>
<td>Inhaled</td>
<td>Flushing, hypotension, headache</td>
</tr>
<tr>
<td>Substance I, II, III (Nitrous Oxide)</td>
<td>None</td>
<td>Unknown</td>
<td>Unknown</td>
<td>Low</td>
<td>No</td>
<td>0.5</td>
<td>Inhaled</td>
</tr>
<tr>
<td>Substance I, II, III (Other Inhalants)</td>
<td>None</td>
<td>Unknown</td>
<td>High</td>
<td>No</td>
<td>0.5-2</td>
<td>Inhaled</td>
<td>Impaired memory, slurred speech, drunken behavior, slow onset vitamin deficiency, organ damage</td>
</tr>
</tbody>
</table>

# Alcohol

<table>
<thead>
<tr>
<th>Substance</th>
<th>Use</th>
<th>Effects</th>
<th>Teratogenicity</th>
<th>Addiction</th>
<th>Abuse Potential</th>
<th>Other Effects</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Substance I</td>
<td>None</td>
<td>High</td>
<td>High</td>
<td>Yes</td>
<td>1-3</td>
<td>Oral</td>
<td>None</td>
</tr>
</tbody>
</table>
Memorandum of Understanding  
between the  
Texas Department of Public Safety  
and the  
Texas Higher Education Coordinating Board

Pursuant to Texas Health and Safety Code, Section 481.0621 (b), the Texas Department of Public Safety (DPS) and the Texas Higher Education Coordinating Board (THECB) enter into this memorandum of understanding in order to establish the responsibilities of the DPS, the THECB, and the public or private institutions of higher education for implementing and maintaining a program for reporting information concerning controlled substances, controlled substance analogues, chemical precursors, and chemical laboratory apparatus used in education or research activities of institutions of higher education.

1 - DEFINITIONS

(a) Agent – any peace officer or other person who is authorized by law to enforce or administer state or federal drug laws.

(b) Central Location – location within an institution of higher education where records are maintained.

(c) 21 CFR, Part 1301 – 21 Code of Federal Regulations, Part 1301 to End, providing for the Registration of Manufacturers, Distributors, and Dispensers of Controlled Substances and any amendments to these regulations hereafter adopted.

(d) Client – any person or entity to which DPS has issued a permit authorizing the purchase, sale, transfer or furnishing of a controlled item.

(e) Controlled Glassware – condensers; distilling apparatus; vacuum dryers; single, two-and three-necked flasks; distilling flasks; Florence flasks; filter funnels; Buchner funnels; separatory funnels; Erlenmeyer flasks; round-bottom flasks; thermometer flasks; filtering flasks; Soxhlet extractors; and adapter tubes made of glass.

(f) Controlled Item – precursor chemicals and laboratory apparatus listed in Texas Health and Safety Code Section 481.002 (51) and 481.002 (53) and as named by rule by the Director of the Department of Public Safety pursuant to the Texas Health and Safety Code Section 481.077(b) and 481.080(c).
The table below lists the controlled items as of September 1, 2005.

<table>
<thead>
<tr>
<th>Precursor Chemicals</th>
<th>Laboratory Apparatus</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Methylamine</td>
<td>A. Condensers</td>
</tr>
<tr>
<td>2. Ethylamine</td>
<td>B. Distilling apparatus</td>
</tr>
<tr>
<td>3. D-lysergic acid</td>
<td>C. Vacuum dryers</td>
</tr>
<tr>
<td>4. Ergotamine tartrate</td>
<td>D. Three-necked flasks</td>
</tr>
<tr>
<td>5. Diethyl malonate</td>
<td>E. Distilling flasks</td>
</tr>
<tr>
<td>6. Malonic acid</td>
<td>F. Tableting machines</td>
</tr>
<tr>
<td>7. Ethyl malonate</td>
<td>G. Encapsulating machines</td>
</tr>
<tr>
<td>8. Barbituric acid</td>
<td>H. Filter funnels, buchner funnels, and separatory funnels</td>
</tr>
<tr>
<td>9. Piperidine</td>
<td>I. Erlenmyer flasks, two-necked flasks, single neck flasks, round-bottom flasks, Florence flasks, thermometer flasks, and filtering flasks</td>
</tr>
<tr>
<td>10. N-acetylanthranilic acid</td>
<td>J. Soxhlet extractors</td>
</tr>
<tr>
<td>11. Pyrrolidine</td>
<td>K. Transformers</td>
</tr>
<tr>
<td>12. Phenylacetic acid</td>
<td>L. Flask heaters</td>
</tr>
<tr>
<td>13. Anthranilic acid</td>
<td>M. Heating mantles</td>
</tr>
<tr>
<td>14. Hypophosphorus acid</td>
<td>N. Adapter tubes</td>
</tr>
<tr>
<td>15. Ephedrine</td>
<td></td>
</tr>
<tr>
<td>16. Pseudoephedrine</td>
<td></td>
</tr>
<tr>
<td>17. Norpseudoephedrine</td>
<td></td>
</tr>
<tr>
<td>18. Phenylpropanolamine</td>
<td></td>
</tr>
<tr>
<td>19. Red phosphorus</td>
<td></td>
</tr>
</tbody>
</table>

(g) Controlled Substance – a substance, including a drug, an adulterant and a dilutant as defined by the Health and Safety Code, Chapter 481, the Texas Controlled Substances Act.

(h) Controlled Substance Analogue – (1) a substance with a chemical structure substantially similar to the chemical structure of a controlled substance in Schedule I or II or Penalty Group 1, 1-A, or 2 of the Texas Health and Safety Code, Chapter 481, Texas Controlled Substances Act; and (2) a substance specifically designed to produce an effect substantially similar to, or greater than, the effect of a controlled substance in Schedule I or II or Penalty Group 1, 1-A, or 2 of the Texas Health and Safety Code, Chapter 481, Texas Controlled Substances Act.

(i) DPS – Department of Public Safety Narcotics Service Regulatory Program that is charged with the regulation of controlled substances and items listed in this MOU.

(j) Institution of Higher Education or Institution – this term includes an institution of higher education, as defined in Texas Education Code, Section 61.003(8), a private or independent institution of higher education, as defined in Texas Education Code, Section 61.003(15), and a private postsecondary educational institution, as defined in Texas Education Code, Section 61.302(2).

(k) MOU – memorandum of understanding as required by the Texas Health and Safety Code, Section 481.0621(b).

(l) Nar-22 – form prepared and issued by DPS Narcotics Service to clients to report sale, transfer, or furnishing of a controlled substance or item.

(m) Site – a specific location at an institution where controlled items are utilized and/or stored.

(n) THECB – Texas Higher Education Coordinating Board.

(o) Unacceptable Discrepancy – any difference in the amount on hand and the amount documented that cannot reasonably be explained by accidental or normal loss.
2 - PROCEDURES
Institutions of higher education in Texas shall adopt procedures in compliance with this MOU. When requested, the DPS shall provide technical advice to the institution or site, and educational materials or presentations if funds and personnel are available.

3 - RECORDS AND REPORTS

a. The site shall maintain all purchase order records, in accordance with the minimum retention requirements established by the Texas State Library and Archives Commission, of the incoming controlled substances, controlled substance analogues, precursor chemicals and laboratory apparatus (including controlled glassware) covered in this MOU that have been purchased or received by the site or central location.

b. An institution or site that discovers a readily unacceptable discrepancy, loss, pilferage or theft of a controlled substance, controlled substance analogue, precursor chemical or laboratory apparatus (including controlled glassware) shall submit a written report of the incident to the appropriate law enforcement agency no later than 5 business days after the date of discovery of the discrepancy, loss, pilferage or theft. The institution shall forward the report to DPS within 5 additional business days after the report is submitted to the appropriate law enforcement agency.

c. Upon request, the DPS shall assist the law enforcement agency conducting an investigation regarding the pilferage or theft of the controlled substance, precursor chemical, or laboratory apparatus named in this MOU.

d. The DPS may request that an institution or site provide a duplicate of any record(s) covered by this MOU and the institution or site shall provide such record(s) within 10 business days of the request. The record(s) may be provided in electronic or hard copy form.

4 - SALE, TRANSFER OR FURNISHING OF CONTROLLED ITEMS

a. The institution or site shall prohibit the sale, furnishings, or transfer of controlled items, including glassware, covered by this MOU to any person or entity not holding a DPS permit, unless the recipient is specifically exempted by law or rule.

b. The institution shall report to the DPS on a Nar-22 form or any form mutually agreed upon by all parties, every sale, furnishing or transfer of a controlled item leaving the institution. The site shall submit these reports to the DPS within 30 days of the furnishing or transfer of the controlled items. This report shall include the name, address, telephone number, permit number (if applicable), driver license number, and date of birth of the client receiving the controlled items.

5 - CONTROLLED SUBSTANCES AND CONTROLLED SUBSTANCE ANALOGUES

a. The institution or site is responsible for complying with the established procedures as required in 21 CFR, Part 1301 to End and as required by any amendments to 21 CFR Part 1301.

b. Upon request, the DPS shall provide technical advice to the institution or site regarding the inventories required in 21 CFR, Part 1301 to End.

c. Upon request, the DPS shall assist the law enforcement agency conducting any investigation regarding any significant loss, pilferage or theft of the controlled substances or controlled items contained in this MOU.

6 - AUDITS AND INSPECTIONS
The institution or site shall permit any DPS agent to conduct audits and inspections of all records made in accordance with the MOU at any reasonable time and shall not interfere with the discharge of the agent’s duties.

7 - SECURITY AND STORAGE

The institution or site shall ensure the security of the controlled items by cost-effective means that afford a reasonable sense of safety and accountability, such as electronic records keeping and physical security. In addition, the institution or site shall require that the controlled substances and precursor chemicals are stored in accordance with recommendations of the manufacturer, the Texas Commission on Environmental Quality and the Federal Environmental Protection Agency.

8 - CONTACT PERSON(S)

Each institution or site shall appoint one or more individuals, as needed, to be responsible for implementing the security measures established by the institution or site. The institution shall annually provide a list of these individuals to the DPS and shall ensure that these individuals serve as the contact between the institution and the DPS. The initial list of contact persons shall be provided within ninety (90) days after the effective date of this Memorandum of Understanding.
Appendix C
POLICY REGARDING OPERATION OF THE UNIVERSITY DURING INCLEMENT WEATHER AND OTHER EMERGENCY EVENTS

Southwestern University is committed to a year-round operating schedule in pursuit of its mission as an undergraduate residential institution of higher education. The University intends to remain open and adhere to full operations, including normal class schedules, insofar as it is possible. Southwestern faculty and staff are expected to come to work unless otherwise notified by telephone contact from a supervisor or by an announcement on the Southwestern University web site or one of the radio and television stations listed below. Southwestern University, however, does not advise members of the University community to take unwarranted risks when traveling to work in the event of inclement weather or other emergencies. Each person must judge for themselves if it is safe to travel from their particular location, or if it makes more sense to simply take time off.

<table>
<thead>
<tr>
<th>RADIO</th>
<th>TELEVISION (TV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>KASE-FM 100.7</td>
<td>KTBC Austin Channel 7 (Cable-Channel 2)</td>
</tr>
<tr>
<td>KLBJ-AM 590</td>
<td>KVUE Austin Channel 24 (Cable-Channel 3)</td>
</tr>
<tr>
<td>KUT-FM 90.5</td>
<td>KXAN Austin Channel 36 (Cable-Channel 4)</td>
</tr>
<tr>
<td>KVET-AM 1300/FM 98.1</td>
<td>KEYE Austin Channel 42 (Cable-Channel 5)</td>
</tr>
<tr>
<td></td>
<td>News8 Austin Channel 8</td>
</tr>
</tbody>
</table>

Radio and television announcements normally will air before 8:00 a.m., but the news could be delayed due to individual Radio/TV station broadcast priorities.

Information posted on Southwestern’s web site should be available before any other information outlet except when the Emergency Notification System is used for significant emergencies. If the SU Home Page is not functional, the emergency Web site-http://emergency.southwestern.edu/ is your source of information.

Emergency Notification System. The Emergency Notification System (ENS) will only be used in cases of significant emergency. However, if other communication channels are unavailable or an urgent situation exists, the ENS may be activated. Your first source of information remains the University Web site http://www.southwestern.edu/ and the above radio and television stations.

Keep your ENS information current at all times via the Web Advisor tab in the University portal system, https://my.southwestern.edu/.

Sustained Power Outages. In the event the University loses public utility services for a sustained period of time, the University may need to implement emergency management procedures. The telephone system on campus will operate on generator power for an extended period after the loss of power. During this period, relevant information can be relayed, via phone, to faculty and staff about class schedules, building operations, and staffing assignments on campus. If power is lost for a sustained period, all supervisors (students, faculty, and staff) should appoint another person to be "in charge" and assume responsibility for that area; the supervisors should then assemble in the A. Frank Smith, Jr. Library Center Computer Lab for emergency management assignments and coordination. If the telephone system is not operating, Physical Plant staff and
the Campus Police will be assigned to walk the campus and notify building occupants of the need for supervisors to assemble at the Smith Library Center Computer Lab.

**Inclement Weather.** Should inclement weather or the threat of such weather necessitate the closing of the University, an announcement of the early closing will be disseminated from each staff officer and supervisor to faculty and his/her staff members.

The responsibility for making the decision to close the University during inclement weather rests with the Provost and Dean of the Faculty, Vice President for Student Life, and the Vice President for Fiscal Affairs.

If inclement weather occurs and the University remains open, employees who miss work or who leave work early because of inclement weather must use vacation leave or, if vacation leave is not available, leave without pay, for the work time missed. In these cases, the employee must secure prior permission from his/her supervisor to be absent or to leave early from work.

When the University is in session and students are on campus during inclement weather, provision should be made to keep essential services open and available to students. Physical Plant should sustain sufficient staffing to maintain residence halls and keep necessary campus buildings operational. In addition, the University Dining Services, the Bookstore, the Post Office, the Red & Charline McCombs Campus Center, the A. Frank Smith, Jr. Library Center, Computer Labs, and the Corbin J. Robertson Center should remain open. Supervisors of these buildings are responsible for preparing/organizing a plan to provide sufficient staffing to keep these facilities open and available to students.

When Southwestern is not in session and the University has announced a closing because of inclement weather, **certain key personnel must still report to work.** Supervisors will identify key personnel who must report to work in all conditions.

Inclement weather and other emergency information may also be posted at the following number: 1 (800) 992-9751. “Announcements only” will be posted at this number.

The Campus Operator is a vital resource for coordinating campus closings and emergency situations. Because of the need to deal with priority events, members of the campus community should rely on the SU Web site, the radio and television stations, and the 800 number rather than calling the Campus Operator. **Contact your supervisor before calling the Campus Operator.**

**Always check the Web site(s) before you attempt to call the campus operator for information.**

In the event that the University is threatened with severe thunderstorms and/or tornadoes, the Chief of Police, or her designee(s), has full authority to order all faculty, staff, and students to take shelter in designated locations on campus. To ensure the safety for all members of the community, faculty, staff, and students shall adhere to the order(s) of the Chief of Police, or her designee(s), until the threat of severe weather has subsided.
Appendix D
FAMILY AND MEDICAL LEAVE ACT POLICY AND PROCEDURE

LEAVE UNDER THE FAMILY AND MEDICAL LEAVE ACT ("FMLA")

EMPLOYEE ELIGIBILITY CRITERIA

To be eligible for a leave, you must have worked for Southwestern University for at least 12 (consecutive or non-consecutive) months and you must have worked at least 1250 hours during that 12-month period prior to the FMLA leave commencement.

EVENTS WHICH MAY ENTITLE AN EMPLOYEE TO FMLA LEAVE

Eligible employees may be entitled to unpaid FMLA for one or more of the following reasons:

- The birth and care of the newborn child of an employee (16 weeks)
- The placement with the employee of a child for adoption or foster care (16 weeks)
- To care for the employee’s spouse, child, or parent (but not in-law), who has a serious health condition (12 weeks)
- For a serious health condition that makes the employee unable to perform the employee’s job (12 weeks)
- To care for an active member of the Armed Forces, including a member of the National Guard or Reserves (or who has been notified of an impending call to active duty status), who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness. (26 weeks) Eligible employees are considered spouse, son, daughter, parent or next of kin.

A “serious health condition” is an injury, illness, impairment or physical or mental condition that involves inpatient care or continuing treatment by a health care provider.

HOW MUCH FMLA LEAVE MAY BE TAKEN

An eligible employee may take up to 12 weeks for his/her own serious health condition; to care for a spouse, child or parent, 16 weeks of unpaid leave for the birth or adoption of a child, or 26 weeks to care for a qualified member of the Armed Forces during the “12-month period” for any one, or combination, of the above described situations. The “12-month period” in which the 12/16 workweeks (depending on the circumstances) of FMLA may be taken is the 12-month period measured backward from the date an employee uses any FMLA leave (Rolling Backward Method). The military caregiver leave is available during “a single 12-month period” during which an eligible employee is entitled to a combined total of 26 weeks of all types of FMLA leave.

Before an eligible employee may take unpaid FMLA leave, Southwestern University will first substitute for unpaid FMLA leave at least 75% accrued sick leave followed by at least 75% accrued vacation leave. Once all accrued sick leave and vacation leave is exhausted, or at least
the required 75% accrued sick and vacation leave is exhausted, the balance of the 12/16 workweek period will be unpaid.

Any qualifying accrued paid leave, or unpaid FMLA leave, which is approved for FMLA benefits will be charged against an employee’s outstanding FMLA leave entitlement.

FMLA leave for childbirth and care or placement for adoption or foster care must conclude within 12 months after birth or placement.

Furthermore, if a husband and wife are both employed at Southwestern University, they can together take only a combined total of 16 weeks of FMLA leave within the “12-month period” for any birth or adoption which they can split between them in any proportions. Any such leave taken by each employee shall be charged against that employee’s available 12 weeks of FMLA leave for his/her own serious health condition or to care for a child or spouse with a serious health condition.

**MEDICAL CERTIFICATION**

Southwestern University requires an employee seeking leave for any medical purpose (except childbirth) to submit medical documentation on the “Certification of Health Care Provider” form in the following situations:

- An initial request for personal or family medical leave (except childbirth or placement, in which case a birth certificate may be required), including justification for any requested intermittent or reduced schedule FMLA leave;
- Before the employee returns to work from leave for a serious health condition to ensure the employee is fit for duty;
- If Southwestern University has paid the employee’s health care premiums during the FMLA leave and the employee does not return from such leave due to the employee’s own or a spouse’s, child’s or parent’s continuing serious health condition.

Southwestern University may also require employees to provide re-certifications of their health status from the employee’s health care providers on a regular basis during such FMLA leave.

If Southwestern University has reason to doubt the employee’s health care provider’s initial certification, it can seek clarification through its own provider and/or require the employee to undergo a second examination by an independent, Southwestern University designated provider, at the University’s expense.

If a disagreement exists between the employee’s and Southwestern University’s designated health care providers, the matter will be resolved by a third, jointly selected provider, at the University’s expense, whose decision will be final and binding for that particular leave request.

**HOW FMLA LEAVE IS REQUESTED AND SCHEDULED**

Employees seeking to use FMLA leave are required to provide a 30-day advance notice of the need to take FMLA leave when the need is foreseeable and such notice is practicable. A Request for Family Medical Leave form is available in the Human Resources department.
The employee will be notified that the leave has been designated FMLA leave before it starts, or before an extension of leave is granted, unless Southwestern University does not have sufficient information as to the reason for the leave until after it commences.

Employees should provide at least 30 days’ notice, or such shorter notice as is practicable, for foreseeable childbirth, placement or any planned medical treatment for the employee or his/her spouse, child or parent. Medical certification as described should accompany such notice (except for childbirth or placement).

Employees must make reasonable effort to schedule foreseeable planned medical treatments so as not to unduly disrupt Southwestern University’s operations.

In cases of leave for the employee’s own serious health condition or that of a spouse, child or parent, the eligible employee may take FMLA leave intermittently or on a reduced schedule leave for foreseeable planned medical treatment, Southwestern University may temporarily transfer the employee to an alternative position, for which the employee is qualified, which has equivalent compensation and benefits, and which better accommodates such irregular leave. Intermittent and reduced schedule leave is not available for leave following the birth or placement of a child.

**BENEFITS WHILE ON FMLA**

If an employee on FMLA is using sick leave or vacation leave he/she is in a pay status and all benefits continue. Once all paid leave is exhausted and the FMLA becomes an unpaid leave then the University is only responsible for maintaining the employee’s health insurance and the University’s portion of life insurance premiums.

Under FMLA, Southwestern University will maintain coverage under its group health plan for the duration of an employee’s FMLA leave at the level and under the conditions such coverage would have been provided if the employee had continued in employment continuously for such duration. In addition, the University will continue its portion of the life insurance premiums so that life insurance coverage is maintained.

For the portion of FMLA leave which is unpaid, the employee is responsible for payment of his/her portion of insurance premiums during such leave, as if he/she were still on the payroll. Employees will be provided with advance notice of the costs and schedule for such insurance premium payments when he/she returns to work.

If the employee does not return to work from scheduled FMLA leave, except because of his/her own or a spouse’s, child’s or parent’s serious health condition or another circumstance beyond the employee’s control, the University may consider the employee to have voluntarily resigned and recover all health premiums it paid on the employee’s behalf during any unpaid FMLA leave. Southwestern University may require medical certification of any such alleged continued serious health condition.

Only health benefits will be maintained while on FMLA, arrangements will have to be made with the Human Resources Office regarding payment of various benefits and the termination of others.

**EMPLOYEE REINSTATEMENT FROM LEAVE**
An employee is entitled to return from qualifying FMLA leave to the same or an equivalent position with equivalent benefits, pay and other terms and conditions of employment, and without loss of job seniority or any other status or benefits accrued prior to FMLA leave, if all FMLA requirements are met and provided the employee would still be employed if FMLA leave had not been taken.

Seniority and benefits other than group health care do not accrue during unpaid FMLA leave.

**LIMITATIONS ON REINSTATMENT**

Certain “key employees” may be denied reinstatement if necessary to prevent substantial and grievous economic injury to Southwestern University’s operations. A key employee is a salaried eligible employee who is among the highest paid 10% of all employees at any covered worksite. An employee will be advised at the time of a request for or commencement of, FMLA leave, or as soon thereafter as is practicable, that he/she qualifies as a key employee and that reinstatement may be denied if the University decides that substantial and grievous economic injury to its operations would occur if the employee elects not to return to employment.

An employee who gives notice of intent not to return to work will be considered to have voluntarily resigned. Such notice may be a qualifying event entitling the employee to continuation of health care coverage under COBRA.

In addition, any employee who, besides for reasons other than the continuation, recurrence or onset of a serious health condition or other circumstances beyond the control of the employee, does not return to work from FMLA is obligated to reimburse the institution for the premium the institution paid for maintaining coverage on the institution’s health plan.

**FURTHER INFORMATION**

For further information on FMLA leave, contact the Human Resources department.
EMPLOYEE RIGHTS AND RESPONSIBILITIES
UNDER THE FAMILY AND MEDICAL LEAVE ACT

Basic Leave Entitlement
FMLA requires covered employers to provide up to 12 weeks of unpaid, job-
protected leave to eligible employees for the following reasons:
- For incapacity due to pregnancy, prenatal medical care or childbirth;
- To care for the employee’s child after birth, or placement for adoption or foster care;
- To care for the employee’s spouse, son or daughter, or parent, who has a
  serious health condition; or
- For a serious health condition that makes the employee unable to
  perform the employee’s job.

Military Family Leave Entitlements
Eligible employees with a spouse, son, daughter, or parent on active duty or
called to active duty status in the National Guard or Reserves in support of a
contingency operation may use their 12-week leave entitlement to address
a qualifying exigency. Qualifying exigencies may include attending
certain military events, arranging for alternative childcare, addressing certain
legal and financial arrangements, attending counseling sessions, and
attending post-deployment reunification briefings.

FMLA also includes a special leave entitlement that permits eligible
employees to take up to 26 weeks of leave to care for a covered
servicemember during a single 12-month period. A covered servicemember
is a current member of the Armed Forces, including a member of the
National Guard or Reserves, who has a serious injury or illness incurred in the
line of duty on active duty that may render the servicemember medically
unfit to perform his or her duties for which the servicemember is undergoing
medical treatment, recuperation, or therapy; or is in outpatient status; or is on
the temporary disability retire list.

Benefits and Protections
During FMLA leave, the employer must maintain the employee’s health
coverage under any “group health plan” on the same terms as if the employee
had continued to work. Upon return from FMLA leave, most employees
must be restored to their original or equivalent positions with equivalent pay,
benefits, and other employment terms.

Use of FMLA leave cannot result in the loss of any employment benefit that
accrued prior to the start of an employee’s leave.

Eligibility Requirements
Employees are eligible if they have worked for a covered employer for at
least one year, for 1,250 hours over the previous 12 months, and if at least 50
employees are employed by the employer within 75 miles.

Definition of Serious Health Condition
A serious health condition is an illness, injury, impairment, or physical or
mental condition that involves either an overnight stay in a medical care
facility, or continuing treatment by a health care provider for a condition that
either prevents the employee from performing the functions of the
employee’s job, or prevents the qualified family member from participating
in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be
met by a period of incapacity of more than 3 consecutive calendar days
combined with at least two visits to a health care provider or one visit and a
regimen of continuing treatment, or incapacity due to pregnancy, or
incapacity due to a chronic condition. Other conditions may meet the
definition of continuing treatment.

Use of Leave
An employee does not need to use this leave entitlement in one block. Leave
can be taken intermittently or on a reduced leave schedule when medically
necessary. Employees must make reasonable efforts to schedule leave for
planned medical treatment so as not to unduly disrupt the employee’s
operations. Leave due to qualifying exigencies may also be taken on an
intermittent basis.

Substitution of Paid Leave for Unpaid Leave
Employees may choose or may require use of accrued paid leave while
taking FMLA leave. In order to use paid leave for FMLA leave,
employees must comply with the employer’s normal paid leave policies.

Employee Responsibilities
Employees must provide 30 days advance notice of the need to take FMLA
leave when the need is foreseeable. When 30 days notice is not possible,
the employee must provide notice as soon as practicable and generally must
comply with an employer’s normal call-in procedures.

Employees must provide sufficient information for the employer to
determine if the leave may qualify for FMLA protection and the anticipated
timing and duration of the leave. Sufficient information may include that the
employee is unable to perform job functions, the family member is unable to
perform daily activities, the need for hospitalization or continuing treatment
by a health care provider, or circumstances supporting the need for military
family leave. Employees also must inform the employer if the requested
leave is for a reason for which FMLA leave was previously taken or certified.
Employees also may be required to provide a certification and periodic
recertification supporting the need for leave.

Employer Responsibilities
Covered employers must inform employees requesting leave whether they
are eligible under FMLA. If they are, the notice must specify any additional
information required as well as the employee’s rights and responsibilities. If
they are not eligible, the employer must provide a reason for the ineligibility.

Covered employers must inform employees if leave will be designated as
FMLA protected and the amount of leave counted against the employee’s
leave entitlement. If the employer determines that the leave is not FMLA-
protected, the employer must notify the employee.

Unlawful Acts by Employers
FMLA makes it unlawful for any employer to:
- Interfere with, restrain, or deny the exercise of any right provided under
  FMLA;
- Discharge or discriminate against any person for opposing any practice
  made unlawful by FMLA; or for involvement in any proceeding under
  or relating to FMLA.

Enforcement
An employee may file a complaint with the U.S. Department of Labor or
may bring a private lawsuit against an employer.

FMLA does not affect any Federal or State law prohibiting discrimination, or
supersede any State or local law or collective bargaining agreement which
provides greater family or medical leave rights.

FMLA section 109 (29 U.S.C. § 2619) requires FMLA covered employers to post the text of this notice. Regulations 29
C.F.R. § 825.300(a) may require additional disclosures.

For additional information:
WWW.WAGEANDHOUR.DOL.GOV

U.S. Department of Labor | Employment Standards Administration | Wage and Hour Division
WHD Publications 1400. Revised January 2009

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SOUTHWESTERN UNIVERSITY

REGULAR RETIREMENT PLAN FOR ALL EMPLOYEES

Plan Document
(Amended and Restated as of July 1, 2007)

PREAMBLE

This Plan Document sets forth the provisions of the Southwestern University Regular Retirement Plan for All Employees (the “Plan”). The Board of Trustees of Southwestern University (the “University”) established the Plan as of December 1, 1968. The Board amended and restated the Plan, effective December 1, 2000. The University hereby amends and restates the Plan effective July 1, 2007, to comply with recent changes in the law.

Contributions under the Plan are applied to purchase individual annuities issued to each Participant by Annuity Providers. Except as expressly provided otherwise, the provisions of this amended and restated Plan apply only to employees who are employed by the University on or after July 1, 2007. Except as otherwise provided below, any employee who terminated employment with the University, retired, or died prior to July 1, 2007, shall receive whatever benefits, if any, that he or she was entitled to under the versions of the Plan in effect at that time. Capitalized terms used in this Plan are defined in Article I below. The University intends that annuity contracts funded through the Plan will satisfy the requirements of Code Section 403(b) and that the Plan will satisfy any applicable requirements of ERISA. The Plan shall be interpreted accordingly.

ARTICLE I: DEFINITIONS

1.1 Annuity Provider means any issuer of individual annuity contracts or the custodian of any account described in Code Section 403(b)(7) to which Plan Contributions are applied, including Teachers Insurance and Annuity Association (TIAA), College Retirement Equities Fund (CREF), or any additional or successor Annuity Provider designated by the Board.

1.2 Application Date means the date that a fully completed Early Retirement Application is delivered to the University.

1.3 Beneficiary means the individual, institution, trustee, or estate designated by the Participant to receive the Participant’s benefits at the Participant’s death. The spouse of a married Participant shall be the Beneficiary of no less than half the Participant’s benefit, unless the spouse waives that right pursuant to a Qualified Election.

1.4 Board or Board of Trustees means the Board of Trustees of the University.
1.5 **Break in Service** means a computation period in which an employee fails to complete more than 500 Hours of Service with the University. Each such computation period represents a one-year break in service.

1.6 **Code** means the Internal Revenue Code of 1986, as amended.

1.7 **Date of Employment or Reemployment** means, for a faculty member, the effective date of the faculty member’s appointment. For all other employees, the Date of Employment or Reemployment shall be the first day upon which he or she completes an Hour of Service for the University. Under the Plan, the annual computation periods for measuring an employee’s Year of Service will be the 12 consecutive month period beginning on an employee’s Date of Employment or Reemployment and each 12 consecutive month period thereafter that begins on each anniversary of such Date of Employment or Reemployment. Annual computation periods are measured from the Date of Reemployment in those instances when an employee severs his or her employment relationship with the University and incurs a break in Service before resuming employment with the University.

1.8 **Early Retirement Application** means a Participant’s application, on the appropriate form provided by the University, for an Early Retirement Contribution.

1.9 **Early Retirement Contribution** means a contribution to the Plan made by the University as a premium on a Participant’s existing regular annuity contract to the extent that the contribution is within the general contribution limitations of Code Sections 401(a)(4), 403(b), and 415.

1.10 **ERISA** means the Employee Retirement Income Security Act of 1974, as amended.

1.11 **Hour of Service** means:

a. Each hour for which an employee is paid, or entitled to payment, for the performance of duties for the University. These hours will be credited to the employee for the computation period in which the duties are performed; and

b. Each hour for which an employee is paid, or entitled to payment, by the University on account of a period of time during which no duties are performed (irrespective of whether employment has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence. However, any period for which a payment is made or due under a plan maintained solely for the purpose of complying with Workers’ Compensation or unemployment compensation or disability insurance laws, or solely to reimburse the employee for medical or medically-related expenses is excluded. An employee is directly or indirectly paid, or entitled to payment from the University regardless of whether payment is made by or due from the University directly or made indirectly through a trust fund, insurer, or other entity to which the University contributes or pays premiums. No more than 501 Hours of Service will be credited under this paragraph. Hours of Service under this paragraph will be calculated and credited pursuant to 29 C.F.R. § 2530.200b-2, which is incorporated herein by reference; and

c. Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the University. The same Hours of Service will not be credited both under paragraph (1) or paragraph (2), as the case may be, and under
this paragraph (3). These hours will be credited to the employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement, or payment is made.

Hours of Service will be credited for employment with other members of an affiliated service group (under Section 414(m) of the Code), a controlled group of corporations (under Section 414(b) of the Code), a group of trades or businesses under common control (under Section 414(c) of the Code) of which the University is a member, and any other entity required to be aggregated with the University pursuant to Code Section 414(o) and the regulations thereunder. Hours of Service will also be credited for any individual considered an employee for purposes of this Plan under Sections 414(n) or 414(o) of the Code.

Solely for purposes of determining whether a Break in Service for participation purposes has occurred in a computation period, an individual who is absent from work for maternity or paternity reasons shall receive credit for the Hours of Service which would otherwise have been credited to such individual but for such absence, or in any case in which such hours cannot be determined, eight (8) Hours of Service per day of such absence. For purposes of this paragraph, on absence from work for maternity or paternity reasons means an absence (1) by reason of the pregnancy of the individual, (2) by reason of a birth of a child of the individual, (3) by reason of the placement of a child with the individual in connection with the adoption of such child by such individual, or (4) for purposes of caring for such child for a period beginning immediately following such birth or pregnancy. The Hours of Service credited under this paragraph shall be credited (1) in the computation period in which the absence begins if the crediting is necessary to prevent a break in service in that period, or (2) in all other cases, in the following computation period.

Hours of Service are determined on the basis of the following equivalencies under 29 C.F.R. § 2530.200b 3(b):

• For salaried employees, if an employee receives credit for at least one Hour of Service during a month, the employee is credited with 190 hours for that period.
• For hourly paid employees, an employee’s Hours of Service during a computation period are equal to the employee’s total earnings for the period divided by the employee’s lowest hourly rate of compensation payable during that period.
• In the case of an employee whose method of payment changes in a computation period from hourly to salaried or from salaried to hourly, the employee’s credited hours of service for the entire computation period will be determined under (a) as though the employee had been paid a salary throughout the period.

1.12 **Indemnified Person** means each member of the Board of Trustees and each individual employee or officer of the University who is deemed to have any fiduciary responsibility under the Plan.

1.13 **Participant** means any employee who has satisfied the requirements of Articles II and III and is participating in this Plan.
1.14 **Plan** means the Southwestern University Regular Retirement Plan for all Employees, as amended from time to time.

1.15 **Plan Administrator** means Southwestern University.

1.16 **Plan Contribution** means a contribution made under the Plan.

1.17 **Plan Year** means January 1 through December 31 of each year.

1.18 **Qualified Joint and Survivor Annuity** means an immediate annuity for the life of the Participant with a survivor annuity for the life of the spouse that is not less than 50 percent (and not more than 100 percent) of the amount payable during the joint lives of the Participant and the spouse that can be purchased with the Participant’s vested Plan Contributions at the date of death.

1.19 **Qualified Pre-retirement Survivor Annuity** means an annuity for the life of the surviving spouse of a deceased Participant the actuarial equivalent of which is not less than 50 percent of the Participant’s Plan Contributions at the date of death.

1.20 **Regular Salary**, for faculty personnel and administrators with faculty rank, means academic year contract salary that is paid in a Year of Participation. For nonacademic employees, Regular Salary means the basic annual earnings actually paid for a Year of Participation, exclusive of overtime. Regular Salary shall not exceed $220,000, as adjusted for cost-of-living increases in accordance with Code Section 401(a)(17).

1.21 **SPD** means the summary plan description for the Plan, as amended from time to time. This Plan Document shall control to the extent that there is a conflict between this Plan document and the SPD.

1.22 **University** means Southwestern University, a non profit educational institution that is an “exempt organization” within the meaning of Code Section 501(c)(3), or any successor organization.

1.23 **Year of Participation** means any “Year of Service” after participation in the Plan begins, provided that the first Year of Participation will include the Year of Service completed in the computation period which includes the first day of the month on which an employee begins to participate in the Plan pursuant to Article III of the Plan. Years of Participation are measured on the basis of the same computation period defined under “Date of Employment or Reemployment” above.

1.24 **Year of Service** means (i) a twelve consecutive month period starting with the eligible employee’s Date of Employment (or anniversary date of such employment) during which the eligible employee has completed 1,000 or more Hours of Service, or (ii) a twelve consecutive month period starting with the eligible employee’s date of reemployment (or anniversary date of reemployment) during which the eligible employee has completed 1,000 or more hours of service. If any person in an eligible category of employment does not complete the required hours of service as set forth by the first anniversary date of employment, the hours completed do not count toward establishing a Year of Service, and a “new start” must be made toward meeting the hours test during the second year of
Participation in the plan may begin only after the service requirement set forth in Article III has been fulfilled.

For purposes of Article III, in the case of an employee who has not begun to participate in the Plan, all Years of Service with the University are taken into account in determining whether the service requirement of Article III has been fulfilled, except that Years of Service with the University before any period of consecutive 1 year Breaks in Service are not taken into account if the number of consecutive 1 year Breaks in Service within such period equals or exceeds the greater of five (5) or the aggregate number of Years of Service before such period. If any Years of Service are not required to be taken into account by reason of a period of Breaks in Service to which the preceding sentence applies, such Years of Service will not be taken into account in applying the preceding sentence to a subsequent period of Breaks in Service.

ARTICLE II: ELIGIBLE EMPLOYEES

Subject to the conditions stated in Article III of this Plan Document, all employees on the payroll of the University (including those previously covered by the University’s Plan 002 for Nonacademic Employees employed after January 1, 1978) will be eligible to participate in this Plan; provided, however, that employees (i) who also are students enrolled and regularly attending classes at the University and whose employment is incidental to their educational programs or (ii) who normally work fewer than 20 hours per week are not eligible to participate. Any individual who is not an employee on the payroll of the University, regardless of whether such individual is considered a leased employee within the meaning of Sections 414(n) or 414(o) of the Code, is not eligible to participate in this Plan. The determination by any court or administrative agency that an individual not on the payroll of the University is, nevertheless, a common law employee of the University, shall not enable or entitle such individual to participate in this Plan. An employee on an approved sabbatical leave is considered an employee on the payroll of the University for purposes of this Plan.

ARTICLE III: CONDITIONS OF PARTICIPATION

An eligible employee, as defined in Article II of this Plan Document, may begin participation in this Plan on a voluntary basis on or after the first day of the month that immediately follows the employee’s completion of one Year of Service at the University and attainment of age 21. However, an eligible employee who is fully vested in employer contributions made under the terms of a retirement plan sponsored by either (1) the employer that employed the eligible employee immediately prior to the University, or (2) the University may begin participation or recommence participation in the Plan, through the regular annuities used under this Plan, on the first day of the month following employment or reemployment by the University. To enroll in the Plan, an eligible employee must apply for and be issued an annuity contract in accordance with Article VI below.

ARTICLE IV: RETIREMENT AGE

Early retirement under this Plan is permitted when a Participant ceases employment with the University on or after attaining age 55. Normal retirement age under the Plan is reached on the last day of the University’s academic year in which the Participant attains age 65. A Participant may voluntarily retire at or after normal retirement age.

ARTICLE V: PLAN CONTRIBUTIONS
5.1 **Plan Contributions.** Subject to the limitations of Sections 403(b) and 415 of the Code, which are incorporated by reference herein, Plan Contributions will be made on a monthly basis during Years of Participation, except for months in which no Regular Salary is paid, in accordance with the following schedule:

<table>
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<tr>
<th>Plan Contributions as a Percent of Regular Salary</th>
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<tbody>
<tr>
<td>By the Participant</td>
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<td>0%</td>
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Plan Contributions for a Participant will commence each year when the University has determined that the Participant has met the requirements for a Year of Participation. Any part of a year’s Plan Contributions not contributed prior to such determination will be included in contributions made for that Year of Participation after such determination is made, except for months in which no salary was paid. Plan Contributions shall be forwarded to Annuity Providers to be applied as premiums on regular retirement annuity contracts owned and selected by the Participant. Plan Contributions may be allocated between contracts in any whole-number percentages that equal 100 percent pursuant to procedures established by the Plan Administrator. All Plan Contributions are fully and immediately vested.

5.2 **Mistaken Contributions.** Under no circumstances or conditions will any Plan Contributions of the University revert to, be paid to, or inure to the benefit of, directly or indirectly, the University. However, if the Plan Administrator in good faith determines that a Plan Contribution was made by mistake of fact, the amount of the excess Plan Contribution may, upon direction of the Plan Administrator, be returned to the University.

5.3 **Excess Contributions.** If the Code Section 415 contribution limit is exceeded with respect to any Participant, then the Plan Administrator shall have the authority to reduce Plan Contributions for that Participant by the excess amount to the extent permitted by Code Section 415. Notwithstanding any provision in this Plan, the University may take any appropriate action to comply with the contribution limits set forth under the Code, including Code Sections 415 and 403(b). Each Participant shall be solely responsible for any tax, penalty, and/or interest incurred due to exceeding such limits.

**ARTICLE VI: ANNUITY CONTRACTS**

A Participant must complete an application form for his or her annuity contract(s) to be issued. A Participant shall select his or her own annuity contract(s) from those available under the Plan. Each annuity contract issued to or for the benefit of a Participant under this Plan is for the sole purpose of providing a retirement and/or death benefit and is fully vested in and solely the property of the individual Participant. Annuity Providers will provide specific provisions of annuity contracts. All benefits under this Plan are provided solely through individually owned, fully funded annuity contracts.

**ARTICLE VII: LEAVE OF ABSENCE AND SABBATICAL LEAVE**

During an approved paid leave of absence, the University will continue its Plan Contributions to a Participant’s annuities, at the rate specified in Article V, on the basis of the
Regular Salary being paid to the Participant by the University during the period of such approved leave of absence. During an approved sabbatical leave granted in accordance with University policy, subject to the limitations of Sections 403(b) and 415 of the Code, the University will continue its Plan Contributions to a Participant’s annuities, at the rate specified in Article V, on the basis of the Regular Salary that would have been paid to the Participant by the University had the Participant not been awarded the sabbatical leave.

ARTICLE VIII: REPURCHASE

Subject to applicable Code and ERISA requirements, each Participant’s repurchase rights, if any, are set forth in the Participant’s annuity contract and are incorporated herein by reference.

ARTICLE IX: RETIREMENT BENEFITS

9.1 Commencement of Benefits. Upon severance of employment with the University at any age, a Participant shall be entitled, as determined under the terms of his or her annuity contract(s), to receive monthly or other periodic income under one of the options set forth in such contracts. Descriptions of the income options will be provided by Annuity Providers.

9.2 Retirement Benefits. Upon retirement at any age, the Participant shall be entitled under the terms of his or her annuity contracts to receive monthly or other periodic income under one of the options set forth in such contracts. Descriptions of the income options will be provided by Annuity Providers. However, notwithstanding any other provision in this Plan, distributions attributable to amounts accrued in an annuity contract after December 31, 1988 and amounts accrued in a mutual fund custodial account regardless of date may be paid only when a Participant attains age 59½, severs employment with the University, dies, or becomes disabled.

If a Participant dies before the start of retirement benefit payments under the Plan, the full current value of the Participant’s income under the Plan is payable to the Beneficiary(ies) named by the Participant in a single sum or under the options offered by the Annuity Providers. Descriptions of these income options will be provided by the Annuity Providers.

9.3 Commencement of Benefits. Unless the Participant elects otherwise, distribution of benefits will begin no later than the 60th day after the latest of the close of the Plan Year in which:

a. the Participant attains age 65;
b. occurs the 10th anniversary of the year in which the Participant commenced participation in the Plan; or,
c. the Participant severs employment with the University.

Notwithstanding the foregoing, the failure of a Participant and spouse to consent to a distribution while a benefit is immediately distributable shall be deemed to be an election to defer commencement of payment of any benefit sufficient to satisfy this Section.

A Participant who elects to defer receipt of benefits may not do so to the extent that he or she is creating a death benefit that is more than incidental.
Payments to a Participant generally must commence no later than April 1 of the calendar year following the calendar year in which occurs the later of (a) Participant’s retirement or (b) Participant’s attainment of the age of 70½. Payments must occur at least as rapidly as required by Section 401(a)(9) of the Code (generally requiring payments over the life or life expectancy of the Participant or the Participant and his or her Beneficiary). Payments after a Participant’s death must occur at least as rapidly as under the method of payment applicable during the Participant’s lifetime, or, if payments had not commenced prior to death, must either (1) be completely distributed within five years of death or (2) be distributed over the life or life expectancy of the Participant’s Beneficiary, in accordance with Code Section 403(b)(10) and the regulations promulgated thereunder.

9.4 Application for Benefits. An application for benefits shall be initiated by writing directly to the Annuity Provider(s). Benefits will be payable by the Annuity Providers upon receipt of a satisfactorily completed application for benefits and supporting documents, including any waiver of spousal rights to retirement benefits, death benefits, or other benefit payments hereunder. The necessary forms will be provided to the Participant, the surviving spouse, or the Beneficiary(ies) by the Annuity Providers.

9.5 Minimum Distribution Requirements. The requirements of this Section shall apply to any distribution of a Participant’s Plan benefits and will take precedence over any inconsistent provisions of this Plan except as otherwise provided in the “Joint and Survivor Annuity Requirements” section of this Article. Distributions in all cases will satisfy the requirements of Code Section 401(a)(9) and the regulations promulgated thereunder, including Treas. Reg. Sections 1.401(a)(9)-2 through 1.401(a)(9)-9, the provisions of which are incorporated by reference. With respect to distributions under the Plan made for calendar years beginning on or after January 1, 2001 through December 31, 2002, the Plan will apply the minimum distribution requirements of Section 401(a)(9) of the Internal Revenue Code in accordance with the regulations under Section 401(a)(9) that were proposed on January 17, 2001, notwithstanding any provisions of the Plan to the contrary.

9.6 Joint and Survivor Annuity Requirements. The University intends for the distribution options under the Plan to comply with the requirements of ERISA Section 205, and such options shall be interpreted and applied consistent with that intent. Specifically, annuity contracts issued in connection with the Plan must provide that the normal form of payment to an unmarried Participant is an annuity for the life of the Participant and that the normal form of payment to a married Participant is a joint and survivor annuity for the lives of the Participant and his or her surviving spouse, which meets the requirements of ERISA Section 205. Further, any election by a Participant to receive payment in a different form must meet the requirements of ERISA Section 205, including the requirements of a Qualified Election, as described below.

For married Participants, Plan benefits may only be paid as described below, unless a Qualified Election, as described below, is made.

Qualified Election means a waiver of a Qualified Joint and Survivor Annuity or a Qualified Pre-retirement Survivor Annuity. Any waiver of a Qualified Joint and Survivor Annuity or a Qualified Pre-retirement Survivor Annuity shall not be effective unless: (a) the Participant’s spouse consents in writing to the election; (b) the election designates a specific Beneficiary(ies), including any class of Beneficiaries or any contingent
Beneficiaries, which may not be changed without spousal consent (unless the spouse expressly permits designations by the Participant without any further spousal consent); (c) the spouse’s consent acknowledges the effect of the election; and (d) the spouse’s consent is witnessed by a Plan representative or notary public. Additionally, a Participant’s waiver of the Qualified Joint and Survivor Annuity shall not be effective unless the election designates a form of benefit payment that may not be changed without spousal consent (or the spouse expressly permits designations by the Participant without any further spousal consent). If it is established to the satisfaction of a Plan representative that there is no spouse or that the spouse cannot be located, a waiver will be deemed a Qualified Election. The Annuity Provider shall administer procedures for obtaining all spousal consents under this Section 9.6.

Any consent by a spouse obtained under this provision (or establishment that the consent of a spouse may not be obtained) shall be effective only with respect to such spouse. A consent that permits designations by the Participant without any requirement of further consent by such spouse must acknowledge that the spouse has the right to limit consent to a specific Beneficiary(ies), and a specific form of benefit where applicable, and that the spouse voluntarily elects to relinquish either or both of such rights. A revocation of a prior waiver may be made by a Participant without the consent of the spouse at any time before the commencement of benefits. The number of revocations shall not be limited.

**Pre-retirement Spousal Entitlement.** Unless a Qualified Election is made, if a married Participant dies before the date benefits commence, the Participant’s Plan benefits shall be applied toward the purchase of a Qualified Pre-retirement Survivor Annuity. Under the Qualified Pre-retirement Survivor Annuity, the surviving spouse shall receive a benefit that is at least 50% of the full current value of the Participant’s Plan benefits, payable in a single sum or under one of the income options offered by the Annuity Provider(s). The surviving spouse may elect to have such annuity distributed within a reasonable period after the Participant’s death. This Qualified Pre-retirement Survivor Annuity may be waived in favor of payment to a non-spouse Beneficiary at any time, pursuant to a Qualified Election. However, any Qualified Election made prior to the date a Participant attains age 35 will be treated as revoked on that date, and the spouse will thereafter be the Participant’s Beneficiary unless a new Qualified Election is made.

**Post-retirement Spousal Entitlement.** Unless a Qualified Election is made within the 90-day period ending on the date benefits commence, a married Participant’s Plan benefits will be paid in the form of a Qualified Joint and Survivor Annuity, and an unmarried Participant’s Plan benefits will be paid in the form of a single life annuity. Under these circumstances, a Qualified Election may be revoked during 90-day period ending on the date benefits commence. It may not be revoked after the annuity income begins.

**Notification of Post-retirement Spousal Entitlement.** In the case of a Qualified Joint and Survivor Annuity, the University shall no less than 30 days and no more than 90 days before the date benefits commence provide each Participant a written explanation of: (a) the terms and conditions of a Qualified Joint and Survivor Annuity; (b) the Participant’s right to make and the effect of an election to waive the Qualified Joint and Survivor Annuity form of benefit; (c) the rights of a Participant’s spouse; and (d) the right to waive a Qualified Joint and Survivor Annuity.

If the Participant, after receiving the explanation, elects a form of benefit and the spouse consents to the benefit (if necessary), the Plan will not fail to satisfy the requirements of.
this paragraph merely because the annuity starting date is less than 30 days after the written explanation is given to the Participant provided: (1) the explanation is provided prior to the annuity starting date; (2) the distribution does not commence before the expiration of the 7-day period that begins the day after the explanation is provided to the Participant; and (3) prior to the expiration of the 7-day period, or the annuity starting date, if later, the Participant may revoke the distribution election.

9.7 **Direct Rollovers.** Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee’s election under this section, a distributee may elect, at the time and in the manner prescribed by the plan administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

For this section, the following definitions apply:

1. **Eligible rollover distribution:** An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee’s designated Beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

2. **Eligible retirement plan:** Effective January 1, 2002, an eligible retirement plan an eligible retirement plan shall mean a qualified retirement plan described in Sections 401(a) or 403(a) of the Code, a tax sheltered annuity plan described in Section 403(b) of the Code, and an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code.

3. **Distributee:** A distributee includes an employee or former employee. In addition, the employee’s or former employee’s surviving spouse and the employee’s or former employee’s spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.

4. **Direct rollover:** A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

**ARTICLE X: VOLUNTARY EARLY RETIREMENT INCENTIVE**

Any Participant who is employed by the University will be eligible to apply for an “Early Retirement Contribution” to be contributed as a premium on the Participant’s existing regular annuity contract to the extent that the contribution is within the general contribution limitations
of Sections 401(a)(4), 403(b) and 415 of the Code, which are incorporated herein by reference to the extent applicable. The early retirement application (the “Early Retirement Application”) shall be made on a form prepared by the University. The date a fully completed Early Retirement Application is delivered to the University is hereinafter referred to as the “Application Date.” To make an Early Retirement Application, the Participant must:

- Have completed at least ten (10) Years of Service with the University before the payment of the first Early Retirement Contribution, uninterrupted by a Break in Service;
- Be at least 55 years of age at the time the first Early Retirement Contribution is made; and
- Make the Early Retirement Application no less than six months before the payment of any Early Retirement Contribution.

Any Early Retirement Application that requests a retirement date other than those specified in the table below will be denied. A Participant may, however, choose to separate from the University on a date which falls outside the provisions of this Article. If a Break in Service occurs after a Participant submits an Early Retirement Application but before the Participant’s final Early Retirement Contribution, the Participant will forfeit his/her remaining Early Retirement Contributions.

On the Early Retirement Application, the Participant must voluntarily agree in writing to retire on one of the dates specified in the table below:

<table>
<thead>
<tr>
<th>Age of Participant on the Date that is Exactly Six Months After the Application Date</th>
<th>Retirement Date Options</th>
</tr>
</thead>
</table>
| 55                              | a. End of the academic year in which Participant reaches age 60, 61 or 62.  
                                  | b. End of the calendar year in which Participant reaches age 60, 61 or 62.  
                                  | c. Actual date Participant reaches age 60, 61 or 62. |
| 56                              | a. End of the academic year in which Participant reaches age 61 or 62.  
                                  | b. End of the calendar year in which Participant reaches age 61 or 62.  
                                  | c. Actual date Participant reaches age 61 or 62. |
| 57 or Older                     | a. End of the academic year in which Participant reaches age 62.  
                                  | b. End of the calendar year in which Participant reaches age 62.  
                                  | c. Actual date Participant reaches age 62. |

Early Retirement Contributions for a particular Participant shall not begin until each of the following has occurred: (a) the Participant reaches age 55; and (b) six months has transpired from the Application Date. In addition, if there is more than sixty months from the six-month anniversary of the Application Date and the earlier of (i) the date on which the Participant agrees to retire or (ii) the date the Participant will reach age 63, then Early Retirement Contributions will be delayed so that the sixtieth Early Retirement Contribution would be scheduled to be made during the earlier of (x) the month the Participant agrees to retire, or (y) the month immediately preceding the date the Participant will reach age 63.

The amount of the Early Retirement Contribution for the Participant will be a percent of Regular Salary made on a monthly basis, except for months in which no Regular Salary is paid.
The Early Retirement Contribution will be paid for the shorter of (x) the sixty-month period that begins immediately following the commencement of the Early Retirement Contribution or (y) the period beginning when the Participant is first eligible to receive an Early Retirement Contribution and ending with the earlier of (i) the date on which the Participant agreed in writing to retire or (ii) the Participant’s actual termination of employment with the University. Notwithstanding any provision in this Plan to the contrary, in no event will such Early Retirement Contribution exceed sixty (60) months (the maximum Early Retirement Contribution), nor will any Early Retirement Contribution be made after a Participant reaches age 63.

To the extent permissible under the contribution limitations of the Code, the amount of Early Retirement Contributions by the University will be ten percent (10%) of Regular Salary. This contribution is in addition to the ten percent (10%) contribution a Participant will receive under this Plan normally. If the full amount of such contributions is not permissible under the Code, the maximum permissible contribution under the Code will be made.

In keeping with the eligibility for the Early Retirement Contribution, such contributions will not commence prior to a period which is consistent with the Retirement Date Option chosen. Thus, for illustration purposes only:

**Example 1:** Participant A was born on November 1, 1947, and turns age 55 on November 1, 2002. On February 1, 2001 (after Participant A has ten Years of Service with the University without a Break in Service), Participant A makes an Early Retirement Application, and selects his/her sixtieth birthday as his/her early retirement date. (S/he can make this election because s/he will be age 55 or less on the six-month anniversary of the Application Date.) Therefore, Early Retirement Contributions will start in December, 2002 (after s/he has reached age 55), and will continue through November, 2007 (assuming s/he retires on his/her scheduled retirement date), so that the sixtieth Early Retirement Contribution will be in November, 2007.

**Example 2:** Participant B was born on January 1, 1947, and turns age 55 on January 1, 2002. On January 1, 2002 (after Participant B has ten Years of Service with the University), Participant B makes an Early Retirement Application, and selects the end of the calendar year in which s/he will reach age 62 as his/her early retirement date. Thus, s/he has agreed to retire on December 31, 2009. Early Retirement Contributions will start in January, 2005 (s/he will be age 58 that month), so that the sixtieth Early Retirement Contribution will be in December, 2009.

**Example 3:** Participant B, discussed in Example 2 above, makes an Early Retirement Application on February 1, 2007 (at age 60), and elects to retire at the end of the calendar year upon reaching age 62 (December 31, 2009). The Early Retirement Contributions will begin in August, 2007 (six months after the Early Application Date), and will continue through December, 2009.

**Example 4:** Participant B, discussed in Examples 2 and 3 above, makes an Early Retirement Application on February 1, 2007, and elects to retire at the end of the calendar year upon reaching age 61 (December 31, 2008). This is an improper election because Participant B’s age on the six-month anniversary of the Early Retirement Application was 60; thus, his/her only options are: (i) to retire at the end of the academic year in which s/he reaches age 62, (ii) to retire at the end of the calendar year in which s/he reaches age...
62, or (iii) to retire on the date s/he reaches age 62. Thus, the application is void and ineffective and will be denied.

Notwithstanding any provision in this Plan to the contrary, that a Participant is treated under this Plan as being retired shall not create any inference, presumption, or rule that such Participant is retired or has reached retirement age under any other employee benefit plan or employee pension plan sponsored or maintained by the University. In addition, in any event, a Participant who makes an Early Retirement Application but who does not retire on the date specified in his/her Early Retirement Application (irrespective of the reason, including, without limitation, voluntarily or involuntarily separating from the University) shall not be treated as an early retiree of the University under any employee benefit plan sponsored or maintained by the University and thus may adversely affect his/her eligibility for other benefit plans sponsored or maintained by the University.

ARTICLE XI: ADMINISTRATION

11.1 Plan Administrator. Southwestern University, located in Georgetown, Texas 78626 (telephone (512) 863 6511), is the named fiduciary and Plan Administrator for this Plan. The Plan Administrator is responsible for enrolling Participants, sending Plan Contributions for each Participant as premiums for annuity contracts issued for the benefit of each Participant, and for performing other duties required for the operation of the Plan.

11.2 Authority of the University. The University has all the powers and authority expressly conferred upon it herein. When acting as the Plan Administrator, it shall have discretionary and final authority to determine all questions concerning eligibility and contributions under the Plan; to interpret and construe all terms of the Plan, including any uncertain terms; to decide and determine all questions, including, without limitation, questions of fact concerning administration of the Plan; to supply any omissions and reconcile any inconsistencies in the Plan; to correct or make equitable adjustments for any errors made in the administration of the Plan; and to decide any disputes arising under and all questions concerning administration of the Plan. Any determination made by the University shall be given deference if it is subject to judicial review and shall be overturned only if it is arbitrary or capricious. In exercising these powers and authority, the University will always exercise good faith, apply standards of uniform application, and refrain from arbitrary action. The University may employ attorneys, agents, and accountants as it finds necessary or advisable to assist it in carrying out its duties. The University will be a “named fiduciary” as that term is defined in section 402(a)(2) of the Employee Retirement Income Security Act of 1974 (ERISA) for determining eligibility and computing and making Plan Contributions. The University, by action of its Board, may designate a person or persons other than the University to carry out any of its powers, authority, or responsibilities. Any delegation will be set forth in writing.

The University, acting by resolution of the Board (or through written approval of any person(s) duly authorized by the Board to so act), may designate from time to time the Annuity Providers and particular annuity contracts that are available for the investment of Plan Contributions. The Annuity Providers control certain aspects of the provision and payment of benefits, and neither the University, the Board, nor their employees, officers, and agents are responsible for actions of the Annuity Providers.
11.3 **Indemnification.** In the event and to the extent not insured against under any contract of insurance with an insurance company, the University shall indemnify and hold harmless each “Indemnified Person,” as defined below, against any and all claims, demands, suits, proceedings, losses, damages, interest, penalties, expenses (specifically including, but not limited to counsel fees to the extent approved by the University or otherwise provided by law, court costs, and other reasonable expenses of litigation), and liability of every kind, including amounts paid in settlement, with the approval of the University, arising from any action or cause of action related to the Indemnified Person’s act or acts or failure to act. Such indemnity shall apply regardless of whether such claims, demands, suits, proceedings, losses, damages, interest, penalties, expenses, and liability arise in whole or in part from (a) the negligence or other fault of the Indemnified Person, except when the same is judicially determined to be due to gross negligence, fraud, recklessness, willful or intentional misconduct of such Indemnified Person or (b) from the imposition on such Indemnified Person of any penalties imposed by the Secretary of Labor, pursuant to Section 502(l) of ERISA, relating to any breaches of fiduciary responsibility under Part 4 of Title I of ERISA. “Indemnified Person” shall mean each member of the Board of Trustees and each individual employee or officer of the University who is deemed to have any fiduciary responsibility hereunder.

11.4 **Reporting.** Records for each Participant to whom annuity contracts have been issued are maintained on the calendar year basis. The Annuity Provider sends each annuity owner a report of premiums and benefits summarizing the status of his or her annuity contracts as of December 31 of each year. Similar reports or benefit illustrations may be obtained by the annuity owner upon termination of employment or at any other time by writing directly to the Annuity Provider.

11.5 **Request for Information.** Requests for information and claims concerning eligibility, participation, contributions, or other aspects of the operation of the Plan should be in writing and directed to the Plan Administrator.

11.6 **Claims for Benefits.** If a Participant or Beneficiary submits a valid application for benefits to an Annuity Provider and has been denied benefits to which he or she believes he or she is entitled, he or she may file a claim for such benefits with the Plan Administrator within 90 days of the date of the denial. All such claims must be in writing and signed by the claimant. If the claimant does not furnish sufficient information to determine the validity of this claim, the Plan Administrator will indicate to the claimant any additional information that is required.

**Processing the claim.** The Plan Administrator must process the claim within 90 days after the claim is filed. If an extension of time for processing is needed, written notice will be given to the Participant or Beneficiary before the end of the initial 90-day period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render its final decision. In no event will the extension period exceed a period of 90 days from the end of the initial 90-day period.

**Denial of claim.** If a claim is wholly or partially denied, the Plan Administrator will notify the Participant or Beneficiary within 90 days following receipt of the claim (or 180 days in the case of an extension for special circumstances). The notification will state the specific reason or reasons for the denial, specific references to pertinent plan provisions on which the denial is based, a description of any additional material or information necessary to perfect the claim, and appropriate information about the steps to be taken if
the Participant or Beneficiary wishes to submit the claim for review. If notice of the denial of a claim is not furnished within one week of the end of this 90 or 180-day period, the claim is considered denied and the Participant or Beneficiary must be permitted to proceed to the review stage.

**Review Procedure.** The Participant or Beneficiary has 60 days after receipt of a claim denial to appeal the denied claim to the Plan Administrator, or an individual or entity designated by the Plan Administrator, and to receive a full and fair review of the claim. As part of the review, the Participant or Beneficiary will be allowed to review all Plan documents and other papers that affect the claim and to submit issues and comments and argue against the denial in writing.

**Decision on review.** The Plan Administrator or its delegate will conduct the review and decide the appeal within 60 days after the request for review is made. If special circumstances require an extension of time for processing, the Participant or Beneficiary will be furnished with written notice of the extension, which can be no later than 120 days after receipt of a request for review. The decision on review will be written in clear and understandable language and include specific reasons for the decision as well as specific references to the pertinent Plan provisions on which the decision is based. All interpretations, determinations, and decisions of the reviewing entity with respect to any claim will be its sole discretion based upon its interpretation of the Plan documents and will be deemed final and conclusive. If appeal is denied, in whole or in part, however, the Participant or Beneficiary will have a right to file suit in a state or federal court.

**ARTICLE XII: AMENDMENT AND TERMINATION**

While it is expected that this Plan will continue indefinitely, the University reserves the right to amend, modify, discontinue, or terminate the Plan, or discontinue any further contributions or payments under the Plan, at any time by adopting or approving a written instrument. The Board may delegate any of its powers and duties with respect to the Plan to any committee of the Board or to one or more officers or other employees of the University. Any such delegation shall be set forth in writing. Specifically, the Board hereby delegates authority to the President of the University to (i) adopt and amend the provisions of the SPD which are incorporated herein by reference so long as such amendment does not materially increase the obligations of the University and is consistent with the terms of this Plan document, (ii) designate funding vehicles with TIAA-CREF that are available for the investment of Plan Contributions, and (iii) amend provisions of the Plan necessary for the Plan to qualify under Section 403(b) of the Code or to qualify for favorable tax treatment. Any discontinuance, modification or amendment of the Plan may be retroactive, except that it cannot adversely affect the benefits accrued by Participants prior to the date of discontinuance, modification, or amendment. However, no amendment will deprive, take away, or alter any then accrued right of any Participant insofar as Plan Contributions are concerned.

**ARTICLE XIII: MISCELLANEOUS**

13.1 **Plan Non-Contractual.** Nothing in this Plan will be construed as a commitment or agreement on the part of any person to continue his or her employment with the University. Nothing in this Plan will be construed as a commitment on the part of the University to continue the employment or the rate of compensation of any person for any period. All employees of the University will remain subject to discharge to the same extent as if the Plan had never been put into effect. Nothing in this Plan will be construed
to limit the University’s ability to change an employee’s position or the basis or amount of such employee’s compensation.

13.2 **Claims of Other Persons.** The provisions of the Plan will not be construed as giving any Participant or any other person, firm, or corporation, any legal or equitable right against the University, its officers, employees, or directors, except the rights as specifically provided for in this Plan or created in accordance with the terms and provisions of this Plan.

13.3 **Merger, Consolidation, or Transfers of Plan Assets.** In the event of a merger or consolidation with, or transfer of assets to, another plan, each Participant will receive immediately after such action a benefit under the plan that is equal to or greater than the benefit he or she would have received immediately before a merger, consolidation, or transfer of assets or liabilities.

13.4 **Finality of Determination.** All determinations with respect to the crediting of Years of Service under the Plan are made on the basis of the records of the University, and all determinations made are final and conclusive upon employees, former employees, and all other persons claiming a benefit interest under the Plan. Notwithstanding anything to the contrary contained in this Plan, there will be no duplication of Years of Service credited to an Employee for any one period of his or her employment.

13.5 **Contracts Incorporated by Reference.** The terms of each annuity contract issued to a Participant are a part of the Plan as if fully set forth in the Plan Document, and the provisions of each are incorporated by reference into the Plan. The terms of the annuity contract control in any case where there is any inconsistency or ambiguity between the terms of the Plan and the terms of the annuity contract.

13.6 **Non-Alienation of Retirement Rights or Benefits.** No benefit under the Plan may, at any time, be subject in any manner to alienation, encumbrance, the claims of creditors or legal process to the fullest extent permitted by law. No person will have power in any manner to transfer, assign, alienate, or in any way encumber his or her benefits under the Plan, or any part thereof, and any attempt to do so will be void and of no effect. However, payments will be made in accordance with an order which complies with Section 206(d)(3) of ERISA (hereafter called a “qualified domestic relations order”). The Plan Administrator shall determine whether any order is so qualified.

13.7 **Governing Law.** Except to the extent preempted by federal law, the Plan shall be governed by the laws of the State of Texas.

13.8 **Tax Withholding.** All benefits under the Plan are subject to withholding of any taxes the Plan Administrator or an Annuity Provider may determine to be due.

13.9 **Tax Treatment.** Although the University intends that annuity contracts issued in connection with the Plan will qualify for special tax treatment under Code Section 403(b), neither the University nor its trustees, officers, employees, or agents can guarantee that treatment.

13.10 **Uniformed Service Reemployment Rights.** Notwithstanding any provision of the Plan to the contrary, contributions, benefits, and service credit with respect to “qualified military service,” which shall mean any services in the uniformed services (as defined in chapter...
43 of title 38 of the United States Code) by any individual if such individual is entitled to reemployment rights under such chapter with respect to such service, will be provided in accordance with Section 414(u) of the Code.

This amendment and restatement of the Plan is executed this ____ day of ________________, 2007, but effective as previously stated in the Preamble.

IN WITNESS WHEREOF, the Board of Trustees of Southwestern University has caused this instrument to be executed to be generally effective as of July 1, 2007.

SOUTHWESTERN UNIVERSITY

By: ________________________________
Name: ______________________________
Title: _______________________________
AMENDMENT TWO
SOUTHWESTERN UNIVERSITY REGULAR RETIREMENT PLAN FOR ALL
EMPLOYEES

WHEREAS, Southwestern University (the “University”) sponsors the Southwestern
University Regular Retirement Plan for all Employees, (the “Plan”), as restated effective July 1,
2007; and

WHEREAS, Article XII of the Plan permits the University to amend the Plan; and

WHEREAS, the University wishes to amend the Plan to reduce the amount of the Plan
Contribution and the Voluntary Early Retirement Incentive from 10% to 7%; and

WHEREAS, the University wishes to clarify the amendment and investment authority of
delegated under the Plan by the University;

NOW, THEREFORE, the Plan is hereby amended, as follows:

1. Article IV, “Plan Contributions,” is restated effective July 1, 2010 as follows:

   “5.1 Plan Contributions. Subject to the limitations of Sections 403(b) and 415
of the Code, which are incorporated by reference herein, Plan Contributions will be made
on a monthly basis during Years of Participation, except for months in which no Regular
Salary is paid, in accordance with the following schedule:

   Plan Contributions as a Percent of Regular Salary
By the Participant      By the University      Total
 0%                      7%                      7%

Plan Contributions for a Participant will commence each year when the
University has determined that the Participant has met the requirements for a Year of
Participation. Any part of a year’s Plan Contributions not contributed prior to such
determination will be included in contributions made for that Year of Participation after
such determination is made, except for months in which no salary was paid. Plan
Contributions shall be forwarded to Annuity Providers to be applied as premiums on
regular retirement annuity contracts owned and selected by the Participant. Plan
Contributions may be allocated between contracts in any whole-number percentages that
equal 100 percent pursuant to procedures established by the Plan Administrator. All Plan
Contributions are fully and immediately vested.

Notwithstanding the foregoing, a Participant with an Application Date (as defined
in Article X) on or before April 12, 2010 will continue to receive Plan Contributions as
provided under Article X equal to 10% of Regular Salary."

2. Article X, “Voluntary Early Retirement Incentive,” is amended effective on the
date of adoption of this Amendment by adding the following paragraphs:

4844-0211-8917.3

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"For Early Retirement Contributions made to Participants based on Application Dates on or after April 13, 2010, this paragraph applies notwithstanding any other provision in this Article. To the extent permissible under the contribution limitations of the Code, the amount of Early Retirement Contributions by the University will be seven percent (7%) of Regular Salary. This contribution is in addition to the contribution a Participant will receive under this Plan normally. If the full amount of such contributions is not permissible under the Code, the maximum permissible contribution under the Code will be made."

3. Article XII, “Amendment and Termination,” is restated as follows:

"While it is expected that this Plan will continue indefinitely, the University reserves the right to amend, modify, discontinue or terminate the Plan, or discontinue any further contributions or payments under the Plan, at any time by adopting or approving a written instrument. Any discontinuance, modification or amendment of the Plan may be retroactive, except that it cannot adversely affect the benefits accrued by Participants prior to the date of discontinuance, modification or amendment. No amendment will deprive, take away or alter any then accrued right of any Participant insofar as Plan Contributions are concerned. Upon discontinuance of Plan Contributions or full termination of the Plan, the benefits of each affected Participant shall become fully vested and nonforfeitable. Upon partial termination, the benefits of the affected Participants shall be fully vested and nonforfeitable.

The Board may delegate any of its powers and duties with respect to the Plan to any committee of the Board or to one or more officers or other employees of the University. Any such delegation shall be set forth in writing. Specifically, the Board hereby delegates authority to the President of the University or his delegate to (i) amend the provisions of the Plan so long as such amendment does not materially increase the obligations of the University and is consistent with the terms of this Plan document, and (ii) amend provisions of the Plan necessary for the Plan to qualify under Section 403(b) of the Code or to qualify for favorable tax treatment."

The foregoing amendment was adopted this 30th day of MARCH, 2010.

SOUTHWESTERN UNIVERSITY

By RICHARD L. ANDERSON
Name RICHARD L. ANDERSON
Title VP FISCAL AFFAIRS
Appendix F
EMPLOYEE TUITION ASSISTANCE POLICY

POLICY SCOPE: The following policy applies to current faculty, staff, and administration (hereinafter “employees”) at Southwestern University, certain retirees (hereinafter “retirees”) of Southwestern University, and to the bona fide spouses/dependents of those employees or retirees.

POLICY SUMMARY: Southwestern University offers tuition assistance to eligible employees and retirees, and to the bona fide spouses/dependents of employees or retirees, in order to defray the costs associated with enrollment in classes at the University. Assistance is available to employees, retirees or their spouses/dependents under the terms and conditions described below. This policy may from time-to-time be modified, deleted, or amended in the sole discretion of the University with or without prior notice.

POLICY SPECIFICATIONS: Employees, retirees and the bona fide spouses/dependents of employees or retirees must satisfy the following requirements in order to be eligible for tuition assistance:

Employees must:
1. have completed at least one (1) year of uninterrupted service to the institution;
2. must work at least 30 hours per week.
3. maintain the uninterrupted level of service as described in items #1 and #2 immediately above for the full duration of the tuition assistance period; and
4. otherwise meet the academic eligibility requirements for admission to the University.

Retirees must:
1. have completed ten (10) years of uninterrupted employment at Southwestern University;
2. have retired from active employment at Southwestern University to an inactive employment status;
3. have worked at least 30 hours per week and
4. otherwise meet the academic eligibility requirements for admission to the University.

Spouses/dependents must:
1. otherwise meet the academic eligibility requirements for admission to the University; and
2. have been claimed as an exemption on the employee’s or retiree’s Federal Income Tax Return (Form 1040) for the tax year prior to the date of application for tuition assistance.

APPLICATION PROCESS: Eligible persons may apply for tuition assistance by submitting a written request to the appropriate member of the President's Senior Staff. If approved by the member of the President's Senior Staff, the application will be forwarded to the Financial Aid Office for further review. The Human Resources department reviews employee eligibility for this program. The applicant will be notified by the member of the President's Senior Staff of the outcome of the review process. Each application for spouse/dependent tuition assistance must include a copy of IRS Form 1040 for the tax year prior to the date of application or a notarized statement indicating that the individual for whom assistance is sought is a bona fide spouse/dependent of the employee or retiree.
LEVEL OF ASSISTANCE: The tuition assistance provided by the University covers only the cost of tuition and fees. Room and board costs, books and other related costs are not covered by the assistance available under this policy.

ASSISTANCE PRORATION: The level of assistance provided by the University shall vary in proportion with the employment status of the employee. An employee who works at least 40 hours per week may apply for full tuition assistance as described herein for himself/herself or for his or her spouses/dependents. An employee who works between 30 hours but less than 40 hours per week may apply for assistance equivalent to 3/4 tuition. Those employees hired prior to July 1, 1996 who works at least 20 hours per week but less than 30 hours per week may apply for assistance equivalent to 1/2 tuition. An employee who works fewer than 30 hours per week is not eligible for tuition assistance for either himself/herself or his or her spouses/dependents.

The level of assistance provided by the University to eligible retirees and their spouses/dependents shall also vary in proportion with the employment status of the retiree during the majority of the qualifying ten (10) years of employment. The levels of eligibility shall be the same as those described immediately above for eligible employees and their spouses/dependents.

ASSISTANCE LIMITATIONS: The tuition assistance available under this policy has certain time and program limitations. Those limitations include, but may not be limited to, the following:

1. A maximum of 135 credit hours of tuition assistance is available to eligible applicants under this policy. The number of credit hours to which assistance can be applied will automatically be reduced by the number of credit hours transferred to the University from another institution of higher education.

2. Tuition assistance is not available for summer school sessions.

3. Holders of baccalaureate degrees are not eligible for tuition assistance unless they are seeking to fulfill teaching certification requirements. The University will consider a certification request only if the application contains proof of baccalaureate status and the need for certification.

4. A spouse/dependent student need not be seeking a degree at the University in order to be eligible for tuition assistance under this policy.

5. Eligible employees can receive tuition assistance for one course (3-4 credit hours) per semester.

6. Eligible spouses/dependents and retirees can receive tuition assistance for up to eighteen (18) credit hours per semester. Tuition assistance for additional hours per semester may be requested and will be considered on a case-by-case basis.

7. If an employee leaves the employment of the University at any time during which that employee or that employee’s spouse/dependent is participating in the tuition assistance program, the tuition assistance to that employee or spouse/dependent shall cease at the end of the then current semester.
8. An employee may apply for tuition assistance for himself/herself only after previously receiving written approval to do so from his or her supervisor. Employees are permitted release time necessary to attend one three (3) or four (4) credit hour course. Employees need not receive supervisor permission in order to apply for tuition assistance for spouse/dependents.

9. Employees who are not actively employed at the University are not eligible for tuition assistance during their absence from active employment. Similarly, the spouses/dependents of these employees are not eligible for tuition assistance during the period of the employee’s absence from active employment. For the purposes of this policy, employees on sabbatical leave or approved leave of absence are considered to be actively employed.

10. Faculty employees are not eligible for tuition assistance to cover the tuition associated with an undergraduate level course in an area related to their professional discipline.

11. The University reserves the right to limit the level of tuition assistance.

**TAX RAMIFICATIONS:** The University considered the tuition assistance offered under this program to be a non-taxable benefit to employees and their bona fide spouses/dependents under the provisions of Internal Revenue Code, Section 117(d). However, the employee and/or spouse/dependent participating in the program bears full responsibility of responding to any IRS inquiry into the taxability of the benefit in individual situations. The University does not intend with this policy, and more particularly with this paragraph, to offer counsel to employees and/or spouses/dependents regarding the taxability of this benefit in individual cases.

**AUDITING COURSES:** Eligible employees, retirees and/or spouses/dependents may audit courses free of charge as special students. In order to do so, permission must be granted by the professor who offers the course and by the Provost. In addition, employees must receive permission from a supervisor as described in Paragraph 8 above.

**SPECIAL PROVISIONS:** Appeals for exception to this policy, or any provision thereof, must be submitted in writing to the Office of the Provost. A committee appointed by the Provost shall review each appeal on its individual merit. The committee will recommend a course of action to the Provost, whose decision in the case of the appeal is final.

The following supplemental changes or amendments to the current tuition assistance policy are effective February 9, 2005:

The Employee Tuition Assistance Policy will be unchanged for dependents currently certified and enrolled in other colleges for the 2004-2005 academic year. For all others, the following changes are effective immediately:

1. Southwestern will limit the number of exports that may be certified each year. This change is required by, and the limits will be based on the information we receive from, the Tuition Exchange, Inc. program regarding the balance of our “imports” and “exports”. If the University must limit the number of exports that may be certified, the University will use continuous employment longevity as the criterion establishing a priority list of dependents to be certified.

2. A one (1) year waiting period for eligibility will continue to apply to current employees, subject to the limits expressed in number 1 above. All new employees beginning
employment with Southwestern after February 9, 2005 will have a three (3) year waiting period for the Tuition Exchange, Inc. program benefit before they or their dependents will be eligible for the benefits, subject to the limits expressed in number 1 above.

3. Application Requirement for dependents as they begin their sophomore year in high school (or its equivalent for students being home schooled, the “Equivalent”): All employees must notify the Financial Aid department and complete the application for a Tuition Exchange benefit by September 1st of the year the dependent they wish to enroll begins his or her sophomore year in high school (or Equivalent).

In order to be eligible to apply for the benefit, the applicable one (1) or three (3) year waiting period would have to be met at the beginning of the first semester when the Tuition Exchange Inc. program benefit will be used.

This application requirement change will help the Financial Aid department plan and estimate the number of “exports” that can be offered each year under the Tuition Exchange, Inc. program.
Appendix G
BENEFITS CONTINUATION (COBRA AND HIPAA)

COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985, as amended)

A federal law (Public Law 99-272, Title X) known as COBRA, (Consolidated Omnibus Budget Reconciliation Act of 1985 as amended) requires that most employers sponsoring group health plan(s) offer employees and their families the opportunity for a temporary extension of coverage (called "continuation coverage") at group rates in certain instances where coverage under the plan(s) would otherwise end. This notice is intended to inform you, in a summary fashion on your rights and obligations under the continuation coverage provisions of the law. This summary of rights should be reviewed by both you and your spouse (if applicable), retained with other benefit documents, and referred to in the event that any action as required on your part.

If you are an employee of Southwestern University, covered by its group health plan(s), you have a right to choose this continuation coverage if you lose your group health plan(s) coverage because of a reduction in your hours of employment or the termination of your employment (for reasons other than gross misconduct on your part).

If you are the covered spouse of an employee, you have the right to choose continuation coverage for yourself if you lose coverage for any of the following four reasons:

1. the death of the employee;
2. the termination of the employee's employment (for reasons other than gross misconduct) or a reduction in the employee's hours of employment;
3. divorce or legal separation from the employee; or
4. the employee becomes entitled to Medicare.

In the case of a covered dependent child of an employee, he or she has the right to continuation coverage if group health plan(s) coverage is lost for any of the following five reasons:

1. the death of the employee;
2. the termination of the employee's employment (for reasons other than gross misconduct) or a reduction in the employee's hours of employment;
3. divorce or legal separation from the employee;
4. the employee becomes entitled to Medicare; or
5. the dependent ceases to be a "Dependent Child" under the terms of the group health plan(s).

You also have the right to elect continuation coverage if you are covered under the plan(s) as a retiree or spouse or child of a retiree, and lose coverage within one year before or after the commencement of proceedings under Title 11 (bankruptcy), United States Code. Under the law, the employee or a family member has the responsibility to inform Southwestern University of a divorce, legal separation, or a child losing dependent status under the plan. This notification must be made within 60 days of the date of the qualifying event which would cause a loss of coverage.

The notice must be in writing, and should be sent to:

Southwestern University
Human Resources Department
Benefits Coordinator
P.O. Box 770
Georgetown, TX 78627-0770
(512)863-1807
When Southwestern University is notified that one of these events has happened, it will in turn notify you that you have the right to choose continuation coverage. Under the law, you have 60 days from the later of the date you would lose coverage or from the date of the notice to elect continuation coverage. If and when you make the election, coverage will become effective the day after coverage would otherwise be terminated.

If you do not choose continuation coverage, your group health plan(s) coverage will terminate in accordance with the provisions outlined in your benefits handbook or other applicable plan documents.

If you choose continuation coverage, your coverage will be identical to the coverage provided under the plan(s) to similarly situated employees or family members. The law requires that you be afforded the opportunity to maintain continuation coverage for three years unless you lost group health plan(s) coverage because of a termination of employment or reduction in hours. In that case the required continuation coverage period is 18 months (an extension to 29 months is available under certain circumstances to disable person*). However the law also provides that your continuation coverage may be terminated for any of the following reason:

1. the employer/former employer no longer provides group health plan(s) coverage to any of its employees;
2. the premium for your continuation coverage is not paid in a timely manner;
3. you first become, after electing COBRA, covered under any other group health plan(s) (as an employee or otherwise) which does not contain any exclusion or limitation with respect to any pre-existing condition;
4. you first become, after electing COBRA, entitled to Medicare.

*Note: A qualified beneficiary who is determined under Title II or XVI of the Social Security Act, to have been disabled as of the date of a termination of employment or reduction in hours, or within 60 days of COBRA coverage, may be eligible to continue coverage for an additional 11 months (29 months total). You must notify the employer within 60 days of the determination of disability by the Social Security Administration and prior to the end of the 18-month continuation period. The employer can charge up to 150% of the applicable premium during the 11-month extension. The disabled individual must notify the employer within 30 days of any final determination that he or she is no longer disabled. If the coverage is extended to a total of 29 months, extended coverage will cease upon a final determination that the Qualified Beneficiary is no longer disabled.

You do not have to show that you are insurable to choose continuation coverage. However, you will have to pay the group rate premium plus a 2% administrative fee for your continuation coverage. The law also requires that, at the end of the 18-month, 29-month, or 36-month continuation coverage period, you must be allowed to enroll in an individual conversion health plan provided under the current group health plan(s), if the plan provides a conversion privilege.

If you have any questions about this, please contact the person or office shown below. Also, if you have had a change in marital status, or you, your spouse, or any eligible covered dependent have had an address change, please notify in writing, the person or office shown below:

Southwestern University
Human Resources Department
Benefits Coordinator
P.O. Box 770
Georgetown, TX 78627-0770
(512)863-1807
HIPAA NOTICE

In 1996 Congress passed the Health Insurance Portability and Accountability Act of 1996 (HIPAA). HIPAA impacts group health plans by improving the availability and portability of health coverage. HIPAA also requires that group health plan participants be given the following notices.

**Notice of Enrollment Rights** - If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance coverage, you may in the future be able to enroll yourself or your dependents in this plan, provided that you request enrollment within 30 days after your other coverage ends. In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents, provided that you request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.

**Notice of Pre-existing Condition Exclusion** - Under HIPAA, a "pre-existing condition" is a condition for which medical advice, diagnosis, care, or treatment was recommended or received within the six month period ending on the enrollment date in a health plan.

Your plan may exclude a pre-existing condition. If so, the pre-existing condition exclusion waiting period will not exceed 12 months beginning on the enrollment date. (For a late enrollee, the maximum waiting period is 18 months from the date coverage begins.) A pre-existing condition exclusion is inapplicable to a pregnancy or to a newborn child or adopted child under age 18 who becomes covered within 30 days of birth or adoption. A genetic condition without advice, care, or treatment is not a pre-existing condition.

If your plan contains a pre-existing condition exclusion, the existence of a pre-existing condition will be determined using information obtained relating to an individual's health status before his or her enrollment date.

The pre-existing condition waiting period is reduced by any creditable coverage (prior coverage under various plans including, but not limited to, group health plans, individual health policies, Medicare, and Medicaid). You may obtain a certificate of creditable coverage from a prior plan sponsor or health insurance issuer. Should you disagree with the length of creditable coverage determined by your current plan, you have the right to appeal that determination and provide evidence of creditable coverage.

You should read and consult your schedule of benefits to see if your health plan contains a pre-existing condition exclusion.

**HIPAA (The Health Insurance Portability and Accountability Act of 1996)**

**Notice of Health Information Privacy Practices** - This notice describes the HIPAA requirement that health plans notify plan participants and beneficiaries about its policies and practices to protect the confidentiality of their health information.

**Background:** The Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires health plans to notify plan participants and beneficiaries about its policies and practices to protect the confidentiality of their health information. This document is intended to satisfy
HIPAA's notice requirement with respect to all health information created, received or maintained by the Southwestern University Employee Health Plan, (the “Plan”) as sponsored by Southwestern University.

The Plan needs to create, receive, and maintain records that contain health information about you to administer the Plan and provide you with health care benefits. This notice describes the Plan’s health information privacy policy with respect to your Medical, Prescription Drug, and Health Care Flexible Spending Arrangement (FSA) benefits. The notice tells you the ways the Plan may use and disclose health information about you, describes your rights, and the obligations the Plan has regarding the use and disclosure of your health information. However, it does not address the health information policies or practices of your health care providers.

Southwestern University’s Pledge Regarding Health Information Privacy

The privacy policy and practices of the Plan protects confidential health information that identifies you or could be used to identify you, and relates to a physical or mental health condition or the payment of your health care expenses. This individually identifiable health information is known as “protected health information” (PHI). Your PHI will not be used or disclosed without a written authorization from you, except as described in this notice or as otherwise permitted by federal and state health information privacy laws.

Privacy Obligations of the Plan

The Plan is required by law to:

• Make sure that health information that identifies you is kept private;
• Give you this notice of the Plan’s legal duties and privacy practices with respect to health information about you; and
• Follow the terms of the notice that is currently in effect.

How the Plan May Use and Disclose Health Information About You

The following are the different ways the Plan may use and disclose your PHI:

• For Treatment. The Plan may disclose your PHI to a health care provider who renders treatment on your behalf. For example, if you are unable to provide your medical history as the result of an accident, the Plan may advise an emergency room physician about the types of prescription drugs you currently take.

• For Payment. The Plan may use and disclose your PHI so claims for health care treatment, services, and supplies you receive from health care providers may be paid according to the Plan's terms. For example, the Plan may receive and maintain information about surgery you received to enable the Plan to process a hospital’s claim for reimbursement of surgical expenses incurred on your behalf.

• For Health Care Operations. The Plan may use and disclose your PHI to enable it to operate or operate more efficiently or make certain all of the Plan’s participants receive their health benefits. For example, the Plan may use your PHI for case management or to perform population-based studies designed to reduce health care costs. In addition, the Plan may use or disclose your PHI to conduct compliance reviews, audits, actuarial studies, and/or for fraud and abuse detection. The Plan may also combine health
information about many Plan participants and disclose it to the University in summary fashion so it can decide what coverages the Plan should provide. The Plan may remove information that identifies you from health information disclosed to the University so it may be used without the University learning who the specific participants are.

- **To the University.** The Plan may disclose your PHI to designated University personnel so they can carry out their Plan-related administrative functions, including the uses and disclosures described in this notice. Such disclosures will be made only to the University’s Associate Vice President for Human Resources ("the Plan Administrator") and/or the members of the University’s Human Resources Department. These individuals will protect the privacy of your health information and ensure it is used only as described in this notice or as permitted by law. Unless authorized by you in writing, your health information: (1) may not be disclosed by the Plan to any other University employee or department; and (2) will not be used by the University for any employment-related actions and decisions, or in connection with any other employee benefit plan sponsored by the University.

- **To a Business Associate.** Certain services are provided to the Plan by third party administrators known as "business associates." For example, the Plan may input information about your health care treatment into an electronic claims processing system maintained by the Plan's business associate so your claim may be paid. In so doing, the Plan will disclose your PHI to its business associate so it can perform its claims payment function. However, the Plan will require its business associates, through contract, to appropriately safeguard your health information.

- **Treatment Alternatives.** The Plan may use and disclose your PHI to tell you about possible treatment options or alternatives that may be of interest to you.

- **Health-Related Benefits and Services.** The Plan may use and disclose your PHI to tell you about health-related benefits or services that may be of interest to you.

- **Individual Involved in Your Care or Payment of Your Care.** The Plan may disclose PHI to a close friend or family member involved in or who helps pay for your health care. The Plan may also advise a family member or close friend about your condition, your location (for example, that you are in the hospital) or death.

- **As Required By Law.** The Plan will disclose your PHI when required to do so by federal, state or local law, including those that require the reporting of certain types of wounds or physical injuries.

**Special Use and Disclosure Situations**

The Plan may also use or disclose your PHI under the following circumstances:

- **Lawsuits and Disputes.** If you become involved in a lawsuit or other legal action, the Plan may disclose your PHI in response to a court or administrative order, a subpoena, warrant, discovery request, or other lawful due process.

- **Law Enforcement.** The Plan may release your PHI if asked to do so by a law enforcement official, for example, to identify or locate a suspect, material witness, or
missing person or to report a crime, the crime's location or victims, or the identity, description or location of the person who committed the crime.

- **Workers’ Compensation.** The Plan may disclose your PHI to the extent authorized by and to the extent necessary to comply with workers’ compensation laws or other similar programs.

- **Military and Veterans.** If you are or become a member of the U.S. armed forces, the Plan may release medical information about you as deemed necessary by military command authorities.

- **To Avert Serious Threat to Health or Safety.** The Plan may use and disclose your PHI when necessary to prevent a serious threat to your health and safety, or the health and safety of the public or another person.

- **Public Health Risks.** The Plan may disclose health information about you for public health activities. These activities include preventing or controlling disease, injury or disability; reporting births and deaths; reporting child abuse or neglect; or to report reactions to medication or problems with medical products or to notify people of recalls of products they have been using.

- **Health Oversight Activities.** The Plan may disclose your PHI to a health oversight agency for audits, investigations, inspections, and licensure necessary for the government to monitor the health care system and government programs.

- **Research.** Under certain circumstances, the Plan may use and disclose your PHI for medical research purposes.

- **National Security, Intelligence Activities, and Protective Services.** The Plan may release your PHI to authorized federal officials: (1) for intelligence, counterintelligence, and other national security activities authorized by law; and (2) to enable them to provide protection to the members of the U.S. government, or foreign heads of state or to conduct special investigations.

- **Organ and Tissue Donation.** If you are an organ donor, the Plan may release medical information to organizations that handle organ procurement or organ, eye or tissue transplantation or to an organ donation bank to facilitate organ or tissue donation and transplantation.

- **Coroners, Medical Examiners, and Funerals Directors.** The Plan may release your PHI to a coroner or medical examiner. This may be necessary, for example, to identify a deceased person or to determine the cause of death. The Plan may also release your PHI to a funeral director, as necessary, to carry out his/her duty.

**Your Rights Regarding Health Information About You**

Your rights regarding the health information the Plan maintains about you are as follows:

- **Right to Inspect and Copy.** You have the right to inspect and copy your PHI. This includes information about your plan eligibility, claim and appeal records, and billing records, but does not include psychotherapy notes.
To inspect and copy health information maintained by the Plan, submit your request in writing to the Plan Administrator. The Plan may charge a fee for the cost of copying and/or mailing your request. In limited circumstances, the Plan may deny your request to inspect and copy your PHI. Generally, if you are denied access to health information, you may request a review of the denial.

- **Right to Amend.** If you feel that health information the Plan has about you is incorrect or incomplete, you may ask the Plan to amend it. You have the right to request an amendment for as long as the information is kept by or for the Plan.

To request an amendment, send a detailed request in writing to the Plan Administrator. You must provide the reason(s) to support your request. The Plan may deny your request if you ask the Plan to amend health information that was: not created by the Plan; not part of the health information kept by or for the Plan; not information that you would be permitted to inspect and copy; or accurate and complete.

- **Right to An Accounting of Disclosures.** You have the right to request an “accounting of disclosures.” This is a list of disclosures of your PHI that the Plan has made to others, except for those necessary to carry out health care treatment, payment or operations; disclosures made to you; or in certain other situations.

To request an accounting of disclosures, submit your request in writing to the Plan Administrator. Your request must state a time period, which may not be longer than six years prior to the date the accounting was requested.

- **Right to Request Restrictions.** You have the right to request a restriction on the health information the Plan uses or disclosures about you for treatment, payment or health care operations. You also have the right to request a limit on the health information the Plan discloses about you to someone who is involved in your care or the payment for your care, like a family member or friend. For example, you could ask that the Plan not use or disclose information about a surgery you had.

To request restrictions, make your request in writing to the Plan Administrator. You must advise us: (1) what information you want to limit; (2) whether you want to limit the Plan’s use, disclosure or both; and (3) to whom you want the limit(s) to apply.

**Note:** The Plan is not required to agree to your request.

- **Right to Request Confidential Communications.** You have the right to request that the Plan communicate with you about health matters in a certain way or at a certain location. For example, you can ask that the Plan send your explanation of benefits (EOB) forms about your benefit claims to a specified address.

To request confidential communications, make your request in writing to the Plan Administrator. The Plan will make attempt to accommodate all reasonable requests. Your request must specify how or where you wish to be contacted.

- **Right to a Paper Copy of This Notice.** You have the right to a paper copy of this notice. You may write to the Plan Administrator to request a written copy of this notice at any time.
Changes to This Notice

The Plan reserves the right to change this notice at any time and to make the revised or changed notice effective for health information the Plan already has about you, as well as any information the Plan receives in the future. The Plan will post a copy of the current notice in the University’s Human Resources Office at all times.

Complaints

If you believe your privacy rights under this policy have been violated, you may file a written complaint with the Plan Administrator at the address listed below. Alternatively, you may complain to the Secretary of the U.S. Department of Health and Human Services, generally, within 180 days of when the act or omission complained of occurred.

Note: You will not be penalized or retaliated against for filing a complaint.

Other Uses and Disclosures of Health Information

Other uses and disclosures of health information not covered by this notice or by the laws that apply to the Plan will be made only with your written authorization. If you authorize the Plan to use or disclose your PHI, you may revoke the authorization, in writing, at any time. If you revoke your authorization, the Plan will no longer use or disclosure your PHI for the reasons covered by your written authorization; however, the Plan will not reverse any uses or disclosures already made in reliance on your prior authorization.

Contact Information

If you have any questions about this notice, please contact:

Southwestern University Employee Health Plan Administrator
c/o Southwestern University
1001 E. University Avenue
Georgetown, TX 78626
(512) 863-1807

Notice Effective Date: April 8, 2004
Appendix H
MILITARY LEAVE

A. Policy

Southwestern University (“University”) will allow excused absence for its employees to serve in that capacity, in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), Public Law 103-353, the Texas Government Code, Section 431.005, and other state laws where applicable. Leaves of absence and reemployment rights are provided by the University based on these laws. To the extent that this policy may conflict with Federal statutes, the provisions of USERRA prevail.

B. Scope

This policy applies to all regular employees of the University. Employees in temporary positions are excluded from this policy.

C. Definitions

*Armed Forces:* USERRA provides protection to members of the Uniformed Services, including Active Military, Reserve, and National Guard, including the Texas National Guard and the Texas State Guard.

*Temporary Positions:* Positions which are brief or non-recurrent, and that cannot reasonably be expected to continue indefinitely or for a significant period. Generally these are positions of less than one (1) year in duration.

D. Procedure

An employee who is an officer or employee of the University and who is a member of the Uniformed Services is entitled to a leave-of-absence from the employee's duties during periods that the employee is engaged in training or duty ordered or authorized by proper authority.

An employee or appropriate officer of the branch in the military in which the employee will be serving must give the employee's supervisor or Department of Human Resources two (2) weeks’ written notice in advance of military service unless military necessity prevents the giving of notice or notice is otherwise impossible or unreasonable.

With respect to Reservists and members of the National Guard, the employee’s request must indicate which of the following options a) or b) listed below is selected for training periods:

a) Designating the military training period as all or part of their vacation. In this case, employees receive their normal vacation benefits.

b) Taking the employee’s normal vacation at another time. In this case, the employee will be paid the difference between his or her normal weekly gross pay and the military pay received, assuming their University pay is greater, up to a maximum period of 15 days per federal fiscal year. To be eligible for this option, employees must have completed one full year of continuous service with the University. Military pay is construed as including base
pay plus special compensations (flight pay, etc.), but excluding allowances for travel, subsistence, dependents, etc.

E. Reemployment

1. A University employee who is a member of the Uniformed Services and who is ordered to duty by proper authority is entitled, when relieved from duty, to be restored to the position that the employee held when ordered to duty.

2. Military Service of 1 to 30 days – The employee must report back to work by the beginning of the first regularly scheduled work day that would fall 8 hours after the employee returns home from the place of military service. If, due to no fault of the employee, timely reporting back to work would be impossible or unreasonable, the employee must report back to work as soon as possible.

3. Military service of 31 to 180 days - The employee must apply for restoration to employment at the University’s Human Resources office not later than 14 days after military service is completed, or the next full calendar day when application becomes possible. The employee must also provide adequate documentation showing eligibility to return to work.

4. Military service of more than 180 days - The employee must apply for restoration to employment at the University’s Human Resources office not later than 90 days after the military service is completed. The employee must also provide adequate documentation showing eligibility to return to work.

5. The employee’s separation from military service must be under honorable conditions.

6. The cumulative length of the absence and of all previous absences for Military Service cannot exceed 5 years with certain exceptions provided in USERRA. The two-week annual training sessions and monthly weekend drills mandated by statute for Reservists and National Guard members are exempt from the 5 year limitation.

7. The University is not required to re-employ an employee if its circumstances have changed so as to make such reemployment impossible or unreasonable such as, for example, a reduction-in-force.

8. The reporting or application deadlines will be extended up to two years for employees who are hospitalized or convalescing because of a service-connected illness or injury.

9. If it is impossible or unreasonable for the employee to report or re-apply for work within the applicable time frame, the reporting or application period will be extended if necessary to accommodate a circumstance beyond the employee's control.

10. The University will apply its rules governing unexcused absences in cases where an employee fails to report to work or to apply for reemployment rights within the required time limits.

F. Reemployment Position
An employee serving from 1 to 90 days will be re-employed in the position the employee would have held had the employee remained continuously employed, so long as the employee is qualified for the position or can become qualified after reasonable efforts by the supervisor to qualify the employee.

An employee serving 91 days or more will be re-employed in (i) the position the employee would have held had the employee been continuously employed, or (ii) a position of equivalent seniority, status, and pay, so long as the employee is qualified for the position or can become qualified after reasonable efforts to qualify the employee. If the employee is not, and cannot become, qualified under (i) or (ii), the employee may be re-employed in any other position of lesser status and pay that the employee is qualified to perform with full seniority.

The University may request that an employee, who was absent for a period of service of 31 days or more, provide reasonable documentation regarding the period of military service to show that the application for reemployment was timely, the employee has not exceeded the five-year limitation, and the employee’s discharge from service was not dishonorable. If documentation is unavailable, the employer must re-employ the employee. If documentation becomes available that indicates that one or more the reemployment requirements was not met, the employee may then be terminated. Where an employee was absent for 91 days or more, the University may delay making retroactive pension contributions until the employee submits satisfactory documentation of military service.

G. Rights of Re-Employed Employees

Benefits will be continued during a military leave-of-absence according to applicable State and Federal regulations. Service members will be provided all rights and benefits not based on seniority to the extent that those rights and benefits are available to other employees on non-military leave, whether paid or unpaid. If there is a variation among different types of non-military leave, the most favored treatment will be accorded the service member.

If, prior to leaving for military service, an employee knowingly provides written notice of intent not to return to work at the University after military service, the employee waives entitlements to non-seniority leave-of-absence rights and benefits. The employee must be made aware of the specifics and benefits to be lost, or any waiver will be ineffective.

Notice of intent not to return to work can waive only non-seniority leave-of-absence rights and benefits. Service members cannot surrender other rights and benefits that an employee would be entitled to under law, particularly reemployment rights.

H. Health Benefits

Employees who have coverage under the University’s health plan may elect to continue such coverage during a military leave.

In accordance with USERRA, those employees performing service of less than 31 days will pay no more than their current employee premium. Employees performing military service of 31 days or more will pay no more than 102% of the full employee premium. The maximum period of coverage for an employee and the employee’s dependents is the lesser of: (i) 18 months from the day the absence begins; or (ii) the day after the date on which the employee fails to apply for or return to a position of employment within the timeframes specified in USERRA.
During any period of paid leave, the University will continue normal contributions towards the cost of benefits. When military service is unpaid, the employee will pay the cost of benefits. In addition, the employee will be eligible, upon return to work, to receive any general increases in pay, or any approved benefits that occur during their absence.

An employee who is performing military service may elect to make employee contributions or elective deferrals to the University’s pension plan, to the extent allowed by law. The amount may not exceed the amount the employee would have been permitted or required to contribute had he or she remained continuously employed during the period of military service. The employee contribution to the University’s pension plan may be paid either during the period of military service or upon reemployment.

I. Disability

The University will make reasonable efforts to accommodate an employee’s disability so that the employee can be reemployed consistent with the requirements under the USERRA unless such accommodation will be of such difficulty or expense as to cause undue hardship.

J. Discharge

Southwestern University will take appropriate steps to ensure compliance with the reemployment rights extended to military personnel under the USERRA. Accordingly, employees who perform more than 180 days of military service before reemployment may only be discharged for cause for a period of one year from the date of reemployment. Employees who perform military service more than 30 days but less than 181 days before reemployment may only be discharged for cause for a period of 6 months after the date of reemployment. For purposes of this paragraph, a discharge is for “cause” if it satisfies two criteria of reasonableness: (i) it is reasonable to discharge the employee because of certain conduct; and (ii) the employee had fair notice, express or fairly implied, that such conduct would be grounds for discharge. Following the requisite 6 months or one year of reemployment, the Employee’s continued employment with the University will be on an “at will” basis.
Appendix I

STAFF SUGGESTION BOX

The Staff Affairs Council would like your constructive suggestions. Please complete the form below and campus mail to: “Staff Suggestion Box”

Name: __________________________ Phone ext. _______ Date: ___________

Suggestion: __________________________________________________________

____________________________________________________________________

____________________________________________________________________

____________________________________________________________________

____________________________________________________________________

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____________________________________________________________________

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____________________________________________________________________

GUIDELINES

The Staff Affairs Council meets once a month during the academic year. All suggestions received after the academic year (June, July and August) will be reviewed after the Council convenes the following academic year.

**Purpose**: The Staff Affairs Council is committed to improving the quality of working life for employees of the University and to building a sense of community among support staff, faculty, administrators, and students. The purpose of the staff council is to act as a vehicle for effective communication between staff and the administration and to enhance awareness and to promote involvement in matters of policy and action that affect staff.

**Eligibility**: All current staff members at Southwestern University are eligible to submit suggestions to the Staff Suggestion Box. Anonymous suggestions will not be considered.

**Guidelines**: Suggestions that fall into the following areas will be taken into consideration:

- improve working conditions with regards to safety
- improve communication between staff and the administration
- improve procedures, productivity or efficiency
- reduce cost, energy savings
- implement the Core Values in a significant way

Please be very specific when explaining the nature of your suggestion. Suggestions should not be made for things which are considered normal departmental responsibilities. The Council is not a forum for personal grievances.
Appendix J
CATASTROPHIC HEALTH CONDITION LEAVE BENEFIT POLICY FOR STAFF

Policy:

It is the policy of the University for all employees to regularly attend work and comply with the various leave plans provided by the University when scheduling absences from work. The University recognizes that in exceptional circumstances an employee may experience a personal catastrophic health event which causes him/her to be absent from work for an extended period of time. In such circumstances, an employee may be eligible to apply for a catastrophic health condition leave benefit from the University.

Definitions:

For purposes of this benefit, a Catastrophic Illness or Injury is defined as a severe medical condition or combination of conditions which:

- is incurable, or, if not treated, would likely result in the total incapacitation or debilitation of the mental or physical health of the employee for an extended period of time;
- requires continuing treatment by a health care provider;
- requires absence from work for a prolonged period of time;
- renders the employee unable to perform the essential duties of their position for a prolonged period of time; and,
- results in a potential substantial loss of income to the employee because of the exhaustion of all accrued sick and vacation leave time.

A qualifying illness or injury might include, but is not limited to: terminal illness (physical or mental), cancer/cancer treatments, major non-elective surgery, near fatal accident or injury, serious heart conditions, stroke, complications of pregnancy or elective surgery, etc.

Scope:

This policy applies to all benefit-eligible staff employees.

Guidelines:

1. The employee must have been employed for at least one year, be benefit-eligible, and be in current good standing.
2. The employee must have applied for a Family and Medical Leave Act (FMLA) leave under the University’s FMLA Policy and must complete all of the required documentation included in the University’s FMLA Policy.
3. The employee must have exhausted all of their sick leave and vacation leave accruals.
4. The employee must not be receiving worker’s compensation payments, group disability payments, or be on any other pay status with the University.
5. If the employee remains incapacitated after exhausting all leave accruals, the University will advance the employee up to 22 Normal Working Days of sick leave (a Normal Working Day is 8 hours; 22 Normal Working Days would result in a negative leave accrual balance of -176 hours). This amount will be pro-rated for benefit-eligible employees working part-time.
6. If the employee remains incapacitated after exhausting the additional 22 Normal Working Days of advanced sick leave, the University will provide up to 22 Normal Working Days of University-funded short-term disability pay (pro-rated for benefit-eligible employees working part-time). These additional days will NOT increase the employee’s negative sick leave accrual balance.

7. The employee should complete and submit long-term disability paperwork in accordance with the University’s Group Long Term Disability Insurance coverage provisions.

8. If the employee remains incapacitated after exhausting the 22 Normal Working Days of University-funded short-term disability leave pay, no further remuneration will be paid by the University and the employee will only be subject to benefits under the University’s Group Long Term Disability Insurance coverage as determined by the insurance carrier and in accordance with the insurance contract provisions.

Appeals for exceptions to this policy, or any provision thereof, must be submitted in writing to the Vice President for Fiscal Affairs (VPFA). A committee appointed by the VPFA (subject to the restrictions of health information privacy practices) shall review each appeal on its individual merit. The committee will recommend a course of action to the VPFA, whose decision in the case of the appeal is final.

This policy is subject to periodic review by the Senior Staff.

APPROVED BY THE SENIOR STAFF ON APRIL 18, 2005
Appendix K
FLEXTIME SCHEDULES POLICY AND GUIDELINES

Policy:
It is the policy of Southwestern University to establish the time and duration of working hours as required by:

- work load;
- customer service needs;
- management of human resources;
- compliance with applicable laws; and
- Hours of Work and Work Schedules section of the Employment Policies and Procedures found within the Staff Handbook.

The University also recognizes that employees may have personal preferences or obligations outside of the work place which may affect their ability to work within the University’s Official Hours of Operation, therefore the University will support, where practicable for employees and the University, Flextime Schedules as described below. It is important to note that certain departments may not be able to offer such Flextime Schedules and that nothing contained within this policy guarantees employees the opportunity to work under a Flextime Schedule.

Definitions:

- Official Work Week: From 12:01 a.m. Sunday through midnight the following Saturday.
- Normal Work Day: Eight (8) hours with one (1) additional hour meal break.
- Normal Work Week: Forty (40) hours worked within the Official Work Week, usually five eight-hour days.
- Official Hours of Operation: 8:00 a.m. to 5:00 p.m., Monday through Friday (for Administrative Offices).
- Exempt Employee: Employees who are normally paid a monthly salary and are not eligible for overtime pay.
- Non-Exempt Employee: Employees who are normally paid on an hourly basis and are eligible for overtime pay.
- Flextime (Fixed): Generally describes a work scheduling arrangement where the employer allows employees to alter their starting and finishing work times, yet maintains consistent departmental coverage within a certain “core band” of hours within the Normal Work Day and Normal Work Week.
- Flextime (Compressed Work Week): Generally describes a work scheduling arrangement where the employer allows employees to alter their work days and hours worked per work day to fulfill a Normal Work Week (40 hours) which results in fewer than five eight-hour work days, yet maintains consistent departmental coverage within a certain “core band” of hours within the Normal Work Day and Normal Work Week.
- Southwestern University’s “Core Band” of hours: 8:00 a.m. to 5:00 p.m., Monday through Friday (for Administrative Offices).

Scope:
This policy applies to benefit-eligible, non-exempt employees. Non-exempt employees must complete the appropriate application form and receive the necessary approval from their supervisor prior to beginning a Flextime Schedule.

Note: Exempt employees may discuss this Flextime Schedules Policy, as it may apply to their position, with their immediate supervisor. Exempt employees must recognize that, in accordance with the
Employment Categories Section of the Staff Handbook, they are expected to work whatever time is necessary to meet defined job responsibilities.

**Guidelines:**

1. Non-exempt employees wishing to request a Flextime Schedule (fixed or compressed work week) must submit a completed Request for Flextime Schedule Form to their immediate supervisor.

2. The supervisor will review the request, discuss it with the department head (if applicable), make a determination, and inform the employee.

3. Similar to the assignment of job duties and responsibilities, Flextime Schedules may be changed for employees at the sole discretion of the University as the course of business may require at any time and with or without input from the employee. For example, it may be necessary for an employee to work an alternative schedule or additional hours for a period of time as may be required by heightened departmental work load (i.e. work associated with Priority One events).

4. Similar to the assignment of job duties and responsibilities, determinations regarding Flextime Schedule requests may not be grieved by employees under the University’s Grievance Procedure.

5. Non-exempt employees participating in a Flextime Schedule must reflect the actual number of hours worked on each day worked as described in the Timekeeping Section of the Staff Handbook.

6. As described in the Holidays Section of the Staff Handbook, the University recognizes fifteen (15) holidays per year for benefit-eligible employees, based on an 8-hour work day. Flextime Schedules may require employees and supervisors to select alternative holiday days in accordance with the Holidays Section of the Staff Handbook, and/or, in the case of Compressed Work Week schedules, making-up time in excess of the 8-hour holiday day (i.e. working 2 additional hours during the holiday week if the Compressed Work Week schedule has 10-hour work days) or utilizing vacation accrual.

7. It is contemplated that non-exempt employees will submit no more than two (2) Request for Flextime Schedule forms per year. Additional requests will be considered by the supervisor on a case-by-case basis.

8. Non-exempt employees wishing to change or cancel a Flextime Schedule should complete a Request for Flextime Schedule form indicating “Change Current Flextime Schedule” or “Cancel Current Flextime Schedule” and submit it to their immediate supervisor for review and approval.

This policy will become a part of the Staff Handbook and the provisions described under “About the Handbook” shall apply.

This policy is subject to periodic review by the Senior Staff.

APPROVED BY THE SENIOR STAFF ON APRIL 18, 2005
Appendix L
CELLULAR PHONE POLICY AND PROCEDURES
October 1, 2007

Background

This policy describes a simplified approach to cell phone use at Southwestern University and enables the University to be compliant with IRS rules about the taxability of employee cell phones.

The IRS considers cell phones to be listed property. The record keeping requirements for listed property are extremely onerous requiring substantial documentation for every call made. Failure to provide the documentation can result in the cost of all undocumented calls being taxable to the employee. Receiving a taxable allowance for an individually owned phone eliminates the requirement for extensive documentation. Furthermore, the handling of personal calls is simplified because the employee owns the phone.

Policy

The University will not own cell phones for use by individual employees except in limited circumstances. Personal use of any university-owned phone is expressly prohibited.

Employees whose job duties require frequent use of a cell phone may receive extra compensation (a stipend) to cover business-related costs of the cell phone service. Infrequent users of their cell phones for university business may submit reimbursement requests for such calls with proper documentation (date, time, cost and business purpose of the call.)

If an employee receives a cell phone stipend under this policy, and/or if an employee uses a personal-owned cell phone for University business and receives a reimbursement for the cost of calls, the use of the phone or data device (including any data services) is subject to Southwestern University policy and practices in the Staff Handbook and Faculty Handbook, including but not limited to: Telephone Use, Telephone Courtesy, Computer Use, and Internet Code of Conduct.

Effective October 1, 2007, the Staff Handbook and Faculty Handbook are hereby amended and this policy is effective immediately.

Procedures

If a supervisor determines that a University employee’s job duties require frequent use of a cell phone, the employee is eligible for a stipend to pay for business-related cell phone expenses. To receive this stipend, an employee must submit a Cell Phone Stipend Request form. The stipend will be paid biweekly or monthly, as appropriate, through the payroll process. When the request is approved, departmental funds will be transferred to a central payroll account. The monthly stipend is taxable income and will be taxed in the same way that regular wages are taxed.

The stipend does not constitute an increase to base pay and will not be included in calculations of percentage increases due to raises, job upgrades, bonuses or benefits based on a percentage of salary.
Although the allowance is taxable, the benefits of this approach include: 1) no documentation of calls is required, 2) no monthly reporting is required, 3) phones may be used for personal calls, and 4) the employee is free to pick a cell phone plan that is most beneficial.

Supervisors and the respective senior staff members must approve the cell phone stipend. The following guidelines will help in determining whether a cell phone is justified.

- Safety requirements are an essential part of the position’s duties
- More than 50% of work is conducted “in the field”
- Employee is required to be on call and immediately reachable
- Employee is a critical decision maker

Supervisors are responsible for an annual review of business-related cell phone use to determine that the required cell phone plan is still in place and is justified.

**Stipends**

The stipend amount is designed to cover most of the cost of a cell phone plan. As such, the stipend is deemed adequate to cover business-related use of the cell phone. Allowable expenses include the cost of basic equipment and the cost of the employee’s monthly cell phone plan. The stipend will be determined based on the least expensive plan that provides adequate business-related services. Upgrades to basic equipment (cosmetic or unjustifiable technical features) are at the employee’s expense. Determination of the stipend amount is made at the departmental level by the supervisor. The stipend amount must be within the guidelines and dollar limits established in this policy. It is expected that the 450 minute plan will be sufficient for nearly all employees.

<table>
<thead>
<tr>
<th>Plan</th>
<th>Stipend</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 450 minutes</td>
<td>$20</td>
</tr>
<tr>
<td>450 minutes</td>
<td>$50</td>
</tr>
<tr>
<td>1350 minutes</td>
<td>$80</td>
</tr>
<tr>
<td>Data service</td>
<td>$40</td>
</tr>
</tbody>
</table>

Southwestern University will pay only the approved cell phone stipend even if monthly costs exceed the stipend amount. If the stipend amount needs adjustment because of documented business purposes, a new Cell Phone Stipend Request must be submitted and approved.

The cell phone contract will be in the name of the employee who will be solely responsible for all charges incurred including any termination charges should the plan be canceled. Only one stipend will be provided per employee. The University reserves the right to remove a participant from this cell phone program if there is insufficient budget to meet the cost of monthly allowances.

Southwestern University purchasing cards, other credit cards or departmental accounts may no longer be used to acquire cellular services or equipment unless exceptional circumstances exist.

**Use of the Phone**

Southwestern University does not accept any liability for claims, charges or disputes between the employee and the cellular service provider. **Participants in this plan must notify the**
University of the cell phone number and must maintain cell phone service while receiving the stipend.

The employee may, at his or her own expense, add extra services or equipment features as desired. If there is a problem with the service, the employee must work directly with the cellular provider to resolve the issue. ITS provides limited support for Palm Treo devices. Blackberry PDAs are not supported. Please consult with ITS before buying any such device.

Use of the phone in any manner contrary to local, state or federal law will constitute misuse and will result in immediate termination of the cell phone stipend.

**Fees for Contract Changes or Cancellations**

If, prior to the end of the cell phone contract, the employee decides to cancel the contract or loses eligibility for the stipend due to misuse, the employee will be responsible for any early termination or other fees associated with changes in the contract with the cellular provider.

If the University decides to terminate the stipend for reasons other than employee misconduct, the department is responsible for any early termination charges or other fees associated with changes to the contract. For example, an employee’s duties are changed and the cell phone is no longer required. If the employee does not wish to keep the cell phone plan, the department will reimburse the employee for change or cancellation fees.

Individuals who currently have university provided cell phones should be aware that cancellation fees might apply if they decide to switch carriers. ITS will help ensure a smooth transition from university-owned phones to personally owned phones.

**Reimbursement for Business Calls on Personal Cell Phones**

Employee’s not eligible for a cell phone stipend may request reimbursement for the actual expense of business cell phone calls. **Reimbursement for per-minute “air time” is limited to the total “over plan” minutes charged on the invoice. Expenses for minutes included in the cell phone plan will not be reimbursed.** The employee will pay the cell phone carrier and then submit a request for reimbursement.

Reimbursement requests must include a copy of the wireless phone bill detailing the individual calls to be reimbursed. Additionally, the business purpose of the call must be documented.

For more information or to obtain a Cellular Phone Stipend Request form, employee should contact the Business Office.
* See the University Catalog for a detailed directory of Faculty, Administration, and Staff.
August 2010