Benefit Notice to Full-time Faculty Appointed to the 2016 Summer Term

You have been identified as a faculty member with an 8-month, 9-month, or 10-month appointment. This notice applies if you have an appointment during the 2016 summer term and/or teach during any of the summer sessions. In the past, faculty were required to complete a benefit election form to identify whether they wanted to include or exclude their third term earnings (summer pay) towards the retirement savings plan and supplemental life insurance. This process has been simplified and an election form is no longer required. Details are as follows:

Retirement Savings Plan Election:

• Your basic retirement contribution, up to 8%, will automatically be taken from your third term pay if you are a full-time less than annual faculty member who is currently participating in the Defined Contribution Plan. A form is NOT required in order to continue your contributions and the University’s matching contributions during the summer term.

• You may change your retirement contribution at any time if you do not wish to have this contribution taken out of your third term pay.
  o Please note that for a change to be effective at the start of your third term appointment, you must make the change the month prior to the effective date. For example, if you are receiving a payment in May, you must make the change on or before April 30, 2016 in order to be reflected in your May paycheck.

• Listed below are the instructions to make a change:

  2. Log in using your username and password.
  3. Click the My Resources tab; then select Human Resources under the drop-down menu.
  4. Click on Retirement Savings Plan Access.
  5. Click on the Manage Elections button if you want to reduce your contribution. (click the Stop Voluntary Contributions link if you want to stop your contributions completely)
  6. You must enter a percentage between 3% and 8% of your salary if you want to reduce your contribution and continue to receive the University match.
  7. Click the Continue button
  8. Review your election, and click the Confirm Elections button.
Important: Please remember that if you elected to stop or lower the retirement contributions for the summer term, but would like to reinstate your contributions for the new academic year, please follow the steps in August to make the change effective for September 1. You can also log into my.pitt.edu at any time, and set up a future change to your retirement plan. To have the change come out of your September pay, you should enter the effective date as August 31.

Supplemental Life Insurance:

- If you are participating in the Optional Group Life Insurance Program, the total value of your benefit will be based on your contract salary plus all third term earnings for May–August. The total amount of your third term earnings will be added to the contract salary effective September 1, and that total will be in effect for life insurance purposes through next August 31.
  - As an example: A member has a contract salary of $60,000 for an eight month period. During the summer, the third term pay equals another $5,000. The total salary of $65,000 is used to calculate your life insurance as of September 1 through the next August 31 unless there is another change to base pay (e.g. promotion).

- Applicable deductions will be withheld from your paycheck starting September 1.

  Note: Changes in optional life coverage can only be made during open enrollment. The multiplier you choose will be applied to your most current salary (that includes third term pay).

Long Term Disability:

- Third term pay will automatically be included in the event of a Long-Term Disability (LTD) claim. No action is necessary on the part of the faculty member. The benefit is based on the contract salary effective September 1, plus earnings from any University appointment in the immediately preceding Summer Term.
  - As an example: A member has a contract salary of $60,000 for an eight month period. During the summer, the third term pay equals another $5,000. The total salary of $65,000 is used to calculate your LTD benefit.

Please contact the Benefits Department at 412-624-8160 if you have any questions about your benefit elections.