

January/February/March 2011

Your HR Team...

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In this issue... Your Illinois Pension—IMPORTANT INFORMATION! Think Wellness- Information about Highland's Wellness Program ◦ 403b Program Information ◦ Nursing Mother's Act ◦ Illinois Civil Union Act ◦ FUN AND GAMES & MORE!

Your Illinois Pension System

Rose Ferguson w/ Craig Pence

Key Points

Illinois Public Act 096-0006, effective April 3, 2009, resulted in considerable changes to the operations of Illinois retirement systems, pension funds and investment boards. The Act amended the [Illinois Pension Code](#) (40 ILCS 5/1-101 et seq.), the [Illinois Governmental Ethics Act](#) (5 ILCS 420/1-101 et seq.), the [State Officials and Employees Ethics Act](#) (5 ILCS 430/1-1 et seq.), and the [State Treasurer Act](#) (15 ILCS 505/0.01 et seq.).

Various amendments to the Act have introduced additional changes including a new two-tiered SURS system, which reduced benefits for new hires beginning January 1, 2011.

The Pension Reform Act has resulted in a number of other changes, which effect you and effect employers. One of those results was the SURS 6% Rule which related to employers being billed for the present value of earnings over 6% over the previous academic year's earnings when paid during the final rate of earnings (FREs) period when a person retires. The Public Act has allowed exemptions to the 6% rule for some payments, such as overloads, overtime and summer contracts. In most cases, these exemptions will end July 1, 2011. A Highland group will begin meeting this month to strategize options to reduce the financial impact to the College after July 1, 2011 due to the 6% rule exemption elimination.

As the State of Illinois fiscal problems continue, proposals for solving the budget crisis will continue to surface. Some newly introduced legislation regarding State Pension system reform, shift the center of attention from new hires to: (1) those of us who are not yet retired, (2) retiree's health insurance, and (3) current retirees. We are now beginning to see a host of proposals designed to lower the pension costs to the state (by reducing the benefits received and/or increasing the costs paid by participants). In his email on January 18, President Kanosky alerted us to House Bill 146 which had been introduced by Rep. Franks from Marengo. This bill would impose the "Tier II" SURS benefits on all of us, and not just those who were hired in 2011 and beyond.

House minority leader Tom Cross has introduced legislation (House Bill 149) which would change the rules for currently working college employees. The bill would require employees, on January 1, 2013, to choose one of three options: (1) stay in the traditional SURS plan, but pay increased contributions, (2) go under the Tier II rules for new hires and avoid the increased cost, or (3) go into a self-managed plan (a 403-b type of plan). It would seem that the cost of remaining in the traditional plan would increase rather dramatically, since the state would agree to contribute only 6% of the employee's salary and the employee would be required to pay the remaining costs of the plan.

- ◇ Effective 4/3/09 changes to Illinois Public Act 096-0006 resulted in changes to SURS
- ◇ New 2 tiered SURS system, reducing benefits for new hires beginning 1/1/11
- ◇ The 6% rule exemptions will end 7/1/11, HCC is meeting to strategize how to lessen financial impact to HCC
- ◇ 2 House Bills, 146 & 149 are being introduced to reduce pension cost to the state and transfer to current employees

Important Links



[http://www.ilga.gov/legislation/fulltext.asp?](http://www.ilga.gov/legislation/fulltext.asp?DocName=&SessionId=84&GA=97&DocTypeId=HB&DocNum=149&GAID=11&LegID=54714&SpecSess=&Session=)

[DocName=&SessionId=84&GA=97&DocTypeId=HB&DocNum=149&GAID=11&LegID=54714&SpecSess=&Session=](http://www.ilga.gov/legislation/fulltext.asp?DocName=&SessionId=84&GA=97&DocTypeId=HB&DocNum=149&GAID=11&LegID=54714&SpecSess=&Session=) (Link to House Bill 149 introduced by Tom Cross)

<http://www.nwherald.com/2011/01/14/new-bill-would-impose-pension-reforms-on-existing-participants/a3iozcf/>. (Article in paper shared by Dr. Kanosky in an email 1/8/11)

http://www.chicagotribune.com/health/ct-met-illinois-retiree-health-insura20110123_0,5363782.story (Link to article in Chicago Tribune regarding proposed changes to retiree insurance eligibility)

http://www.pewcenteronthestates.org/initiatives_detail.aspx?initiativeID=61599 (Link to an interactive map with a state-by-state summary of the pension reforms enacted)

<http://www.ilretirementsecurity.org/news?id=0031> (Link to facts on state pensions)

Your Illinois Pension System *continued*

A recent article in the Chicago Tribune indicates that retirees' health insurance is also under consideration for reform. Senator Jeff Schoenberg, D-Evanston, wants to introduce a means test, so that those who retire before age 65 will be required to pay something for the coverage. Coverage for university employees is now free, but there is a cost to community college employees for coverage under the College Insurance Program.

Unfortunately, the public exposure of some isolated cases of pension abuses have reinforced the myth of "gold-plated public pensions" for all public employees. We are pretty much to the point where most media reports just repeat what "everybody knows" (public employees earn too much, do too little, have gold-plated pensions, and Illinois can't afford to pay them) without regard to any factual analysis. As the focus of the media holds on the outrageous costs of the pension systems to Illinois residents, it is important for you to understand the history of the Illinois Pension systems and to have facts surrounding the public employee retirement systems in Illinois. Craig Pence has been kind enough to share news articles and opinion pieces with me on the "pension crisis" in Illinois for this Pipeline article and for posting to the HR CougarNet site.

It is important for each and every one of us to be aware of the up-to-date legislation that may affect us as participants in the State Universities Retirement System and, of course, legislation is continuously changing!

Thanks to Craig for all his contributions to this article and information!!!

The State Universities Annuity Association is a strong advocate for all SURS retirees, working strong to make sure that legislators and others are knowledgeable about member issues. They are there to preserve your pension and health care benefits for public university and community college employees and retirees. Your support and membership in this group is welcome!

Visit:
<http://www.suaa.org/joinnow.php>

We are expecting SUAA to be on campus in April to discuss legislation affecting pension and health issues!
Watch for details!

STAY INFORMED!!!

Remember to always visit <http://www.surs.org/shepherd.surs?flk=Legal&shp=62> or www.suaa.org for up-to-date legislation affecting you as a participant in the State Universities Retirement System. It is important for each and every one of us to know and can state the facts and get our side of the story out there. More information and links on this topic are available on CougarNet - <http://www.highland.edu/cougarnet/hr/ResourceGuide/Benefits/retirement.asp>

Wellness Program

Christie Lewis

HealthCheck 360°

Total Wellness, Complete Awareness

For the last three years, we have offered eligible employees (all current full-time employees in the Plan who make contributions for their share of the Plan's health insurance) participation in a wellness program. The wellness program combines self-reported information with biometric measurements to give the participant an objective view of existing health risks. The participants receive a comprehensive report containing their results and risk factors.

If you never participated before, you still have the opportunity. This year's testing will take place on May 10th and May 11th! All you have to do is go through a wellness exam (includes full blood panel) and complete the health risk assessment. The exams take place here at Highland and take less than 15 minutes. In order to receive the health insurance premium reduction in subsequent years you will either need to receive a score of 71 (low risk), or increase your score from the score in the preceding year of participation by three points. Aggregate reports of results over the past three years have shown that awareness of risk factors has resulted in overall improved health of Highland's participating employee population. Be on the lookout for information concerning the wellness exams.

First year participants automatically receive a health insurance premium reduction!

(FY11 reduction was \$300)

Additional information concerning the wellness program can be found at:

<http://www.highland.edu/cougarnet/hr/wellness.asp>

Nursing Mother's Act

Tana Gundry

The Patient Protection and Affordable Care Act (PPACA), was signed into law and took effect on March 23, 2010. This act contains a break time requirement for nursing mothers. It states that employers are required to provide reasonable break time for an employee to express breast milk for her nursing child for 1 year after the child's birth each time such employee has need to express the milk. Employers are also required to provide a place, other than a bathroom, that is shielded from view and free from intrusion from coworkers and the public, which may be used to express breast milk.

Primary and secondary locations in each building have been identified for use in complying with this act. At Highland we will have these rooms designated and available to employees, but will also use them if a student should need to have a room for this purpose.

Please look for more communication from Human Resources regarding this important new compliance initiative!!! If you are in need of a location prior to receiving our communication, please contact me at ext. 3426.



For more information on this topic, please visit:

<http://www.dol.gov/whd/regs/compliance/whdfs73.pdf>

Illinois Civil Union Act

Rose Ferguson

On January 31, 2011, Governor Quinn signed into law the Illinois Religious Freedom and Protection and Civil Union Act which provides more than 650 spousal benefits and protections to same sex couples in Illinois. The new law permits both same gender and opposite gender couples to establish civil union partnerships in Illinois. The law will provide to civil union partners the "same legal obligations, responsibility, protections and benefits as are afforded or recognized by the law of Illinois to spouses, whether they derive from statute, administrative rule, policy, common law, or any other source of civil or criminal law."

A civil union may be legally entered into through a licensing and certification process. Both same and opposite sex couples may enter into a civil union in Illinois under the same traditional rules that apply to marriage. A civil union may only be

dissolved through the legal processes that traditionally apply to marriage (divorce or dissolution proceedings). It is my understanding that parties interested in civil unions will be required to complete forms with a county clerk, and any public official authorized to sign off on marriages could then certify the union. Employment laws such as state leave laws, workers compensation laws, bereavement leave requirements and other similar laws might be affected. Federal laws such as COBRA and the Family Medical Leave Act are not affected by the Illinois Civil Union law. Highland, along with other Illinois employers, will be reviewing the affect of this law on benefits programs, plan documents, policies and processes to identify where changes might be required to ensure employees have the same rights with civil union partners as they do with spouses.

**The law
takes effect
June 1, 2011**

- ◇ **Highland's medical Plan currently covers legal spouses and domestic partners (provided they meet certain criteria)**
- ◇ **Highland's plan will be amended June 1, 2011 to cover participants eligible under a civil union**

- ◇ **Fully insured plans are governed under state insurance law, so there is obvious impact to benefits. Many employers self-fund benefits, such as their medical plan.**
- ◇ **Self-funded plans of private employers are subject to ERISA and ERISA pre-empts certain state laws so these employers are not required to comply with pre-empted state laws. Under Federal law marriage is defined under the Defense of Marriage Act (DOMA), which provides "marriage" to be limited to a legal union between one man and one woman, and "spouse" refers to a person of the opposite sex. So, a self-funded plan is not required to recognize same sex civil unions.**
- ◇ **Self-funded benefit plans of most public employers and churches are not governed by ERISA so they will be required to provide the same benefits to civil union partners as they provide to spouses. Churches may apply to avoid this law by subjecting their plans to ERISA.**
- ◇ **Illinois is among 17 states that recognize some form of legal protections to the unions of same-sex couples. Illinois law continues to define marriage as between on man and one woman.**



coming
4.21.11

STAY TUNED FOR
MORE DETAILS...

Dates and Events to Remember

MARCH



| | |
|-------------|------------------------------|
| March 4 | Midterm |
| March 13 | Daylight Savings Time Begins |
| March 17 | St. Patrick's Day |
| March 21-25 | Spring Vacation |
| March 20 | SPRING BEGINS!!! |

Monthly celebrations

March National Women's History Month, National Peanut Month, Music in Our Schools Month, National Craft Month, National Nutrition Month, Poetry Month, Social Workers Month

Service and Excellence Award Winners

5 years

Doug Block...Trustee ∞ Andria Cornelius...Coordinator, Accounting ∞ Tana Gundry...HR Assistant ∞ Melissa Johnson...Coord, Early Childhood Education ∞ Jeremy Monigold...Instructor ∞ Heather Moore...Student Advisor ∞ Anthony Sago...Coord, Academic Services ∞ Michael Skwara...User Services Librarian ∞ Renee Welch...Payroll Specialist ∞ Jim Yeager...Instructor

10 years

Joani Bardell...Admin Assistant ∞ Thompson Brandt...Dean, H&SS ∞ Bill Buehler...Fine Arts Assistant ∞ TJ Jackson...Student Advisor/Transfer Coord ∞ Carolyn Petsche...Dir, Learning Services ∞ Jim Phillips...Instructor ∞ Patti Potter...Data Admin ∞ Ken Rausch...Maintenance Mech ∞ Keith Weiner...Receiving/Shipping/Warehouse Clerk ∞ Nina Whalen...ITS Tech

15 years

Steve Gollmer...Custodian ∞ Sandy Johnson...Executive Assistant ∞ Clint Stansbury...Custodian ∞ Bob Wiederholtz...Manager, Custodial Services ∞ Teresa Williams...Purchasing & Insur-

20 years

Scott Anderson...Dean, Business and Technology ∞
Dana Zimmerman...Student Advisor/Coord., Career Services

25 years

Craig Pence...Instructor

Excellence Awards

Keith Weiner (Classified) ∞ Roger Hicks (Part-time) ∞ John Sullivan (Faculty) ∞ Madonna Keeney (Admin/Prof) ∞ OPEL AWARD WINNER - Pat Dunn

OPEL AWARD

Pat Dunn...Foundation Assistant

Congratulations to all Winners

HR Fun

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"I never promised you a company car.
I promised you a set of wheels."

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"I typed up my résumé on the computer.
The spell-checker accidentally changed
'Mid-State Junior College' to 'Harvard'."

HR Word Scramble

Unscramble each word and find the mystery word by filling in all of the white blanks.

rhie

_ _ _ _

bsitfeen

_ _ _ _ _ _

tangiinr

_ _ _ _ _

scerusmuhaerno

_ _ _ _ _ _ _ _ _ _

lyrasa

_ _ _ _ _

oryplla

_ _ _ _ _ _

sennrepelofli

_ _ _ _ _ _ _ _ _ _

btjoeicndriops

_ _ _ _ _ _ _ _ _ _

Mystery Word:



The first person to correctly complete the scramble and respond to HR with the mystery word, wins a "fabulous" prize!

