

As a part of the State of Oregon, Eastern Oregon University employees receive the same or similar benefits of other state agency employees. EOU defines its total compensation as salary and benefits, including health insurance and retirement contributions.

Retirement Options:

EOU offers various defined benefit and defined contribution retirement plans to qualified employees. Specific plan selections depend on year of hire within the State of Oregon and optional selections. All benefits of the system are established by the legislature pursuant to ORS Chapters 238 and 238A.

The projected rates for EOU’s employer contribution to the retirement plans are reflected below:

Percentages contributions are based on monthly pay. The employer contribution percentage is set by actuarially determined rates.

Retirement Plans	FY16	FY17
PERS - Tier1 / Tier2	25.28%	25.28%
PERS - Tier3	19.54%	19.31%
ORP - Tier1 / Tier2	26.45%	25.72%
ORP - Tier3	13.94%	13.94%
ORP - Tier4 ¹	8% plus up to 4% match of 403(b)	8% plus up to 4% match of 403(b)

¹ New employees who are hired after July 1, 2014 and who choose ORP, will be Tier 4, unless they were previously in a retirement system.

Oregon Public Retirement System (PERS) Tier 1 and Tier 2 – Chapter 238 Defined Benefits pension Plan is now closed to new members hired on or after August 29, 2003.

Oregon Public Service Retirement Plan (ORSRP) Tier 3 – Chapter 238A are established by ORS 238A.330 and are credited to an employee’s account in an Individual Account Program (IAP) and may be amended by an act of the Oregon Legislature.

Optional Retirement Plan (ORP) – The 1995 Oregon Legislature enacted legislation for Universities to offer a defined contribution retirement plan as an alternative to PERS. ORP has four tiers, tier 1 and tier 2 were defined by date of employment. Tier three was determined by the date of employment eligible for ORSRP and employees hired after July 1, 2014 are eligible for contributions beginning in January 2015.

Note: Detailed information regarding the retirement plans will be available in the 2015 EOU Financial Statements.

Health Insurance Contribution

Eastern provides and pays an employer contribution for health insurance for all employees employed at an FTE of .5 and above. Currently the Employer Health Insurance Contribution is \$1,297 per month. Rates have increased an average of 3.09% since 2010, as reflected in the table below:

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Employer Health Contribution	\$1,125	\$1,254	\$1,211	\$1,202	\$1,260	\$1,297

Summer Health Care Coverage – Faculty

EOU pays for 12 month coverage on any faculty member with an FTE of .5 or higher. The premium paid by EOU is collected in a clearing fund each month to cover the cost of the employer cost of the premium during the summer months.

Social Security and Medicare Tax

Employer contributions/deductions for Social Security and Medicare tax are based on certain percentage rates set by the Federal government. Rates in 2015 were 6.2% for Social Security tax and 1.45 % for Medicare tax. Annual maximum withholdings are set by the Social Security Administration for subject wages, once the maximum (\$118,500) has been withheld no further Social Security tax is withheld until the next tax year begins in January. Medicare tax has no income limit. Students enrolled at least half time are exempt from Social Security and Medicare taxes.

State Accident Insurance Fund (SAIF) and Workers Compensation

SAIF is an insurance premium paid by EOU to cover injured worker claims. The fund provides insurance to covered employers against liability for employee injury or illness arising out of or in the course of employment at EOU. The SAIF rate is determined by the premium amount divided by subject salaries from the prior year. EOU's rate has decreased from .83% to .026% since FY13. Workers Compensation is based on the number of hours worked, including any overtime hours. Workers Compensation rate has a maximum of \$2.86 per pay period.

Unemployment Insurance

Unemployment tax is required for all employees, except students. The current rate is .6% of the gross salary.

**E&G Salary and Other Payroll Expenses as of October Payroll
2011-2015**

Acct	Title	Oct-2011 YTD Actual	Oct-2012 YTD Actual	Oct-2013 YTD Actual	Oct-2014 YTD Actual	Oct-2015 YTD Actual
	Unclassified Wages	\$ 3,912,025	\$ 4,004,733	\$ 3,830,934	\$ 3,742,023	\$ 3,659,193
	Classified Wages	\$ 1,400,014	\$ 1,415,826	\$ 1,446,563	\$ 1,447,629	\$ 1,500,504
	Student Pay/Graduate Assistants	\$ 273,105	\$ 298,562	\$ 249,303	\$ 258,227	\$ 180,459
	Total Wages	\$ 5,585,144	\$ 5,719,121	\$ 5,526,800	\$ 5,447,879	\$ 5,340,156
		2011	2012	2013	2014	2015
10964	OPE Unclassified Health/Life	\$ 818,020	\$ 780,720	\$ 770,068	\$ 750,763	\$ 789,263
10967	OPE Unclassified Retirement	\$ 660,503	\$ 629,716	\$ 635,107	\$ 632,260	\$ 681,011
10968	OPE Unclassified Other	\$ 338,504	\$ 330,857	\$ 321,470	\$ 309,121	\$ 296,572
10974	OPE Classified Health/Life	\$ 595,492	\$ 577,557	\$ 554,607	\$ 563,546	\$ 591,021
10977	OPE Classified Retirement	\$ 280,327	\$ 281,544	\$ 292,206	\$ 295,131	\$ 314,838
10978	OPE Classified Other	\$ 126,158	\$ 122,119	\$ 126,436	\$ 125,076	\$ 131,000
10987	OPE Student Retirement	\$ -	\$ -	\$ 1	\$ -	\$ 5
10988	OPE Student Other	\$ 14,681	\$ 16,596	\$ 12,113	\$ 13,706	\$ 9,371
10998	OPE Grad Assist Other	\$ -	\$ -	\$ -	\$ -	\$ 78
	Subtotal All OPE	\$ 2,833,685	\$ 2,739,109	\$ 2,712,008	\$ 2,689,603	\$ 2,813,159
	TOTAL LABOR (Wages + OPE)	\$ 8,418,829	\$ 8,458,230	\$ 8,238,808	\$ 8,137,482	\$ 8,153,315

OPE as a Percent of Wages	51%	48%	49%	49%	53%
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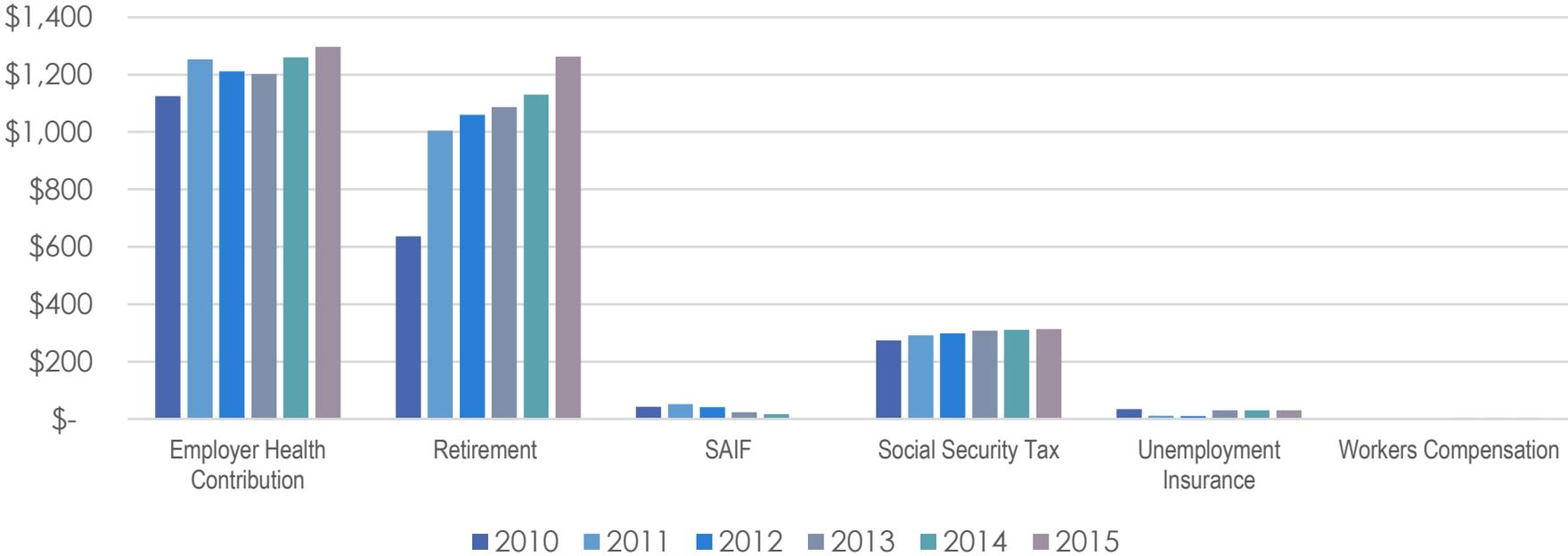
Notes:
The amount of OPE for each employee is based upon their employment classification, gross pay amounts, retirement eligibility, benefits and job location.
OPE rates charged on a percentage of pay are: Social Security, Medicare, Retirement, State Accident Insurance Fund, Unemployment Insurance
OPE rates charged at a fixed rate are: Health Insurance and Workers Compensation.
Workers Compensation is based on number of hours worked and includes a cap.

EOU Other Payroll Expenses
Average of Employee Classes and Employer Costs
Per Month as of October

	2010	2011	2012	2013	2014	2015
Employer Health Contribution	\$ 1,125	\$ 1,254	\$ 1,211	\$ 1,202	\$ 1,260	\$ 1,297
Retirement	\$ 636	\$ 1,005	\$ 1,060	\$ 1,087	\$ 1,130	\$ 1,263
Summer Health Coverage -Faculty	\$ 257	\$ 250	\$ 239	\$ 241	\$ 257	\$ 183
Medicare Tax	\$ 64	\$ 68	\$ 70	\$ 72	\$ 73	\$ 73
SAIF	\$ 43	\$ 52	\$ 41	\$ 24	\$ 17	\$ 1
Social Security Tax	\$ 274	\$ 292	\$ 298	\$ 308	\$ 311	\$ 313
Unemployment Insurance	\$ 34	\$ 12	\$ 10	\$ 30	\$ 30	\$ 30
Workers Compensation	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3
TOTAL	\$ 2,436	\$ 2,936	\$ 2,930	\$ 2,966	\$ 3,081	\$ 3,164

% Change over prior year					
	2011	2012	2013	2014	2015
Employer Health Contribution	11.5%	-3.4%	-0.7%	4.8%	3.0%
Retirement	57.9%	5.5%	2.5%	4.0%	11.7%
Summer Health Coverage -Faculty (1)	-2.5%	-4.5%	0.9%	6.5%	-28.6%
Medicare Tax	6.4%	2.1%	3.3%	1.1%	0.6%
SAIF	21.8%	-21.9%	-40.8%	-30.1%	-92.1%
Social Security Tax	6.4%	2.1%	3.3%	1.1%	0.5%
Unemployment Insurance	-65.0%	-18.1%	207.7%	1.1%	0.4%
Workers Compensation	-5.2%	0.8%	22.8%	0.7%	-0.2%

Other Payroll Expenses by Employer Contribution Category as of October 2010-2015



Total OPE Expenses by Year as of October

