

NATIONAL AMERICAN UNIVERSITY

Employee Benefit Summary

National American University offers a comprehensive benefit package to provide employees and their families with a broad range of employer and employee paid benefit options. Eligibility for the following benefits may vary depending on the employee's job classification and whether he or she is part-time or full-time. The information provided in this document is merely meant to summarize benefits provided or sponsored by the university. Please consult the respective plan summary or document or employee handbook for more detailed information.

Group Health and Dental Insurance – The university provides a noncompulsory group major medical, hospital and surgical insurance plan for all full-time university employees. Employees may elect either individual or family coverage under the plan. The employee must apply for participation in the plan during the first sixty (60) calendar days of employment with the university or open enrollment each year in order to be considered for acceptance by the plan administrator. The insurance shall become effective on the first day of the month following completion of the eligibility waiting period. In order to be eligible for dental insurance, employees must participate in the health plan.

You may directly access health insurance information from the university's third party administrator, GMS, Inc., at <http://www.gmsonline.com/402/> or by contacting the university's human resources department.

Flexible Spending Accounts – Full-time employees are eligible to participate in the Flex 125 Plan or more commonly known as flexible spending accounts. The accounts are designed to provide participants with the ability to pay health and/or dependent care expenses with pre-tax money. Participants will reduce individual tax liability and therefore increase exposable income.

Eligible employees are able to participate in this program on the first day of the month following completion of the 60-day waiting period. For further information on flexible spending accounts, please contact the human resources department.

Life – The university provides a group life insurance program (\$50,000) for all full-time university employees through a life insurance company designated by the university. Fifty-five (55) percent of the premium is paid by the university and forty-five (45) percent of the premium is paid by the employee. For employees who participate in the health insurance plan, there is no additional cost for the life insurance coverage. For employees who do not participate in the health plan, the monthly life insurance premium is minimal.

Eligible employees are able to participate in this program on the first day of the month following completion of the 60-day eligibility waiting period. For further information on the life insurance benefits, please refer to <http://www.national.edu/hr/images/life-insurance.pdf>

Retirement – The university offers a 401(k) plan to its eligible employees. Employees will become eligible to participate in the plan once the employee satisfies the plan's age and service requirements. For more information on eligibility, review the 401(k) general information memorandum at <http://www.national.edu/hr/images/401k%20Gen%20Info.pdf>.

All eligible employees are 100% vested upon enrollment. The university's 401(k) match is discretionary. In that regard, if the university makes a 15% pre-tax profit margin, the university will match up to 5% of the participating employee's gross wages. Detailed information regarding the 401(k) plan and provisions may be obtained by contacting the university's human resources department.

AFLAC -- National American University offers a program of supplemental insurance benefits through the American Family Life Assurance Company of Columbus (AFLAC). The ten supplemental benefit programs available through AFLAC include: Personal Cancer Protector Plan, Personal Hospital Intensive Care Protection, Personal Accident Expense Plan, Personal Short-Term Disability, Vision Plan, Term and Whole Life Assurance Plan, Long-Term Care Insurance, Personal Recovery Plus Plan, Voluntary Indemnity Plan and Dental Plan. These AFLAC supplemental benefit programs are being offered to full-time employees and are arranged through an AFLAC representative.

Pre-Tax Option(s) -- Pre-tax options are available to university employees allowing for payment for certain benefits, such as group health insurance premiums, group supplemental insurance premiums and 401(k) contributions with "before tax" dollars. Certain qualifications apply. Please see section 3-14 of the Employee Handbook for further information.

Direct Deposit -- National American University offers direct deposit to all full-and part-time employees.

Vacation -- Full-time employees earn one week (5 working days) paid vacation for every six months of full-time employment through eight years of employment (maximum of two ((2)) weeks annually). See section 5-10 of the Employee Handbook for further information.

Sick Leave -- Full-time employees are eligible to receive sick leave which may be used for personal injury, illness, pregnancy, and related disabilities of the employee. Sick leave may also be used for emergency leave and maternity leave. One day (eight hours) for each full calendar month of service is earned (12 days/year maximum). After accumulating 720 hours (90) days, sick leave accrues without limit at the rate of one-third per calendar month of service. Employees must work 30 days before sick leave hours are credited to their accounts. See sections 3-5, 3-7 and 3-8 of the Employee Handbook for further information.

Family Medical Leave Act (FMLA) -- FMLA provides up to twelve (12) weeks per calendar year of leave for eligible employees. This leave runs concurrently with other applicable university leaves. Certain eligibility requirements apply. See section 3-9 of the Employee Handbook for further information.

Holidays -- Full-time employees receive nine (9) paid holidays throughout the course of a calendar year. Employees must be employed for a minimum of 30 days to be eligible. See section 5-9 of the Employee Handbook for further information on eligibility requirements. The holidays observed are: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day following Thanksgiving Day, Christmas Eve and Christmas Day.

Education Benefit -- Upon completion of one year (12 months) of service with the university, full- and part-time employees and their eligible dependents are eligible for undergraduate tuition assistance for classes offered by National American University. The amount of tuition reduction is based upon the employee's number of years of accumulated full- or part-time service to the university. Upon completion of six (6) months of service with National American University, full-time employees are eligible for a 50% tuition reduction of undergraduate coursework. See section 6-1 of the Employee Handbook for further information.

Additionally, full-time employees can seek tuition assistance for university-provided graduate level classes. Eligibility is also based on the employee's accumulated years of service to the university. See section 6-1 of the Employee Handbook for further information.

For graduate education provided by non-National American University campuses, the university will reimburse an eligible employee for tuition and fee costs up to a maximum of 50% per class or \$2,000 per NAU fiscal year, whichever is lower. The employee must have been employed by the institution on a full-time basis for at least twenty-four (24) months in order to be eligible for this assistance program. Other eligibility requirements apply as well. See section 6-2 of the Employee Handbook for further information.

For additional questions, please contact the university's human resources department at 605-721-5217. You may also view employee benefit information at www.national.edu/hr.htm.