

Full-time Faculty Benefits

(Handbook 2023-2025)

The content of this chapter is applicable to only full-time faculty.

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For more information on Human Resources policies, please visit the [Policies and Procedures](#) page on Human Resources' website. For an overview of faculty benefits, please visit the [Faculty and Staff Benefit Package](#) page on Human Resources' website.

6.1. COMPENSATION

(modified 2014; updated 2017, 2023)

1. Faculty members are paid on the basis of a scale established by the dean and the provost and approved by the president. The scale relates salary to academic rank. Within each rank, salaries are further divided into three "steps." Minimal length of service has been set for eligibility to advance in step or rank, but all promotions are based on merit as defined by the Rank, Tenure, and Promotion Committee and the administration. Special stipends for certain academic disciplines may be recommended by a faculty committee and approved by the dean, provost, and president.
2. Faculty contracts are prepared by the Dean's Office. Faculty members are normally paid in twelve equal monthly installments unless specified otherwise and noted on the employment contract. Faculty members are paid by the 26th of each month. When the 26th falls on Saturday or Sunday, payday will be the preceding Friday. Under certain circumstances, payday may be advanced to the last working day prior to a holiday period. For the payroll schedule please visit the [Payroll website](#).
3. An automatic direct deposit of net pay is available to all employees. Payroll strongly encourages the use of direct deposit. A Payroll Direct Deposit Authorization and Agreement form is part of new hire paperwork. Faculty members who wish to make changes or updates to their direct deposit information may do so in the employee self-service module of their WaveNet account.
4. If an error is found in a paycheck, the faculty member should inform the Dean's Office, which will investigate the problem and report to Human Resources. Payroll deductions are made for individual retirement contributions, obligatory taxes, voluntary payroll deductions, insurance premiums, retirement contributions, dependent care, and other voluntary contributions, or for other purposes as announced from time to time by Human Resources.

6.2. MARKET STIPENDS

(Included since 2000; edited 2006, 2008; updated 2012)

A. METHOD FOR DETERMINING ELIGIBILITY FOR STIPENDS

- i. Salary stipends are to be used for both the recruitment and retention of faculty members.
- ii. Faculty members receiving stipends should continue to receive stipends as long as they continue to teach in their discipline or specialty on a full-time basis, subject to the provisions in sections c-f below.
- iii. To qualify for a stipend, newly hired faculty members must have the appropriate degree in the discipline or specialty or have a comparable terminal degree along with a demonstrated track record of excellence in the qualifying discipline or specialty (i.e., publications, teaching, and/or professional experience).
- iv. Stipends should be awarded by discipline, or specialty within a discipline, in areas where a demonstrated problem in hiring and retention has occurred because of market conditions.
- v. The criteria for designating specialties and the recipients within those specialties must be objective and related to market conditions.

B. METHOD FOR AWARDING STIPENDS TO NEW FACULTY MEMBERS

- i. The divisional dean specifies a recruitment/hiring problem, presenting objective data indicating that the market conditions for the discipline justify a stipend.
- ii. The divisional dean submits a potential candidate providing the necessary information:
 - The faculty member to be recruited has an academic specialty or discipline that qualifies for a market stipend.
 - The divisional dean presents the prospective faculty member's vitae, the proposed classes to be taught, and any other pertinent information.
- iii. The Benefits, Salary, and Stipends Committee responds to the divisional dean's request by using its established, accessible guidelines to approve and

award a stipend. The guidelines should be fair, flexible, and rational.

C. METHOD FOR COMPUTING STIPEND AMOUNTS

i. The Association to Advance Collegiate Schools of Business (AACSB) Salary Survey Reports is to be the primary data source for all faculty in the Business Administration Division. The College and University Personnel Association National Faculty Salary Survey by Discipline and Rank in Private Colleges and Universities (CUPA Survey) is to be the primary data source for all remaining Seaver College faculty. The salary factor for a given discipline and rank (discipline-rank) is defined as the ratio of the average salary for the discipline-rank to the all-discipline average salary for that rank.

ii. Specifically, if A_1 denotes the average salary for a given discipline-rank and A denotes the all discipline rank average for all institutions, then (A_1/A) is the numerical value of the salary factor for that discipline-rank. The three-year moving-average salary factor for a discipline-rank is denoted a_1 . The stipend factor for a given discipline-rank is defined as the three-year-average salary factor (a_1) minus 1.05, or $a_1 - 1.05$

iii. The stipend amount for a qualifying discipline-rank is obtained by multiplying the Seaver salary times the stipend factor for the discipline-rank, with the maximum stipend factor to be capped at the following percentages:

- Assistant Professor 15%
-- (New Ph.D., Assistant Professor I: 1st year 22%, 2nd year 18%, 3rd year 15%)
-- (New Assistant Professor II: 1st year 18%, 2nd year 15%)
- Associate Professor 9%
- Professor 11%

iv. In cases where the discipline-rank salary factors exceed the capped percentages, Seaver College may implement market-driven stipends that exceed the caps in order to hire and retain qualifying faculty.

D. METHOD FOR REVIEWING CURRENT STIPEND RECIPIENTS

The Benefits, Salary, and Stipends Committee will recalculate and adjust stipend amounts for faculty members receiving market stipends each year according to the procedure elaborated in Section C.

E. METHOD FOR REVIEWING STIPENDS PROCEDURES

- i. The Benefits, Salary, and Stipends Committee will review the guidelines for awarding stipends every three years, and the guidelines will be modified if the committee recommends and the faculty approves.
- ii. Stipend recipients will have their stipends reevaluated and adjusted to new guidelines.
- iii. Each year the Benefits, Salary, and Stipends Committee will send the relevant AACSB or CUPA discipline-rank salary factors to each faculty member receiving a stipend and to all divisional deans. The committee will provide the AACSB or CUPA data to any faculty member who requests the data.
- iv. Faculty members who have been denied an eligible rank promotion, but are otherwise eligible to receive a stipend, will have their salary frozen until their current salary falls to the Seaver base salary for their particular rank. The salary freeze will not begin until the second year after the promotion was denied, which will give the faculty member one more year to secure the promotion. Faculty members may appeal the decision to the Benefits, Salary, and Stipends Committee.

F. STIPENDS APPEAL POLICY

(Adopted November 2000)

In cases where a faculty member's stipend is reduced due to not being granted a rank promotion for which he or she is eligible, the faculty member may initiate an appeal to have their full stipend reinstated. The following steps outline the procedure by which the appellant can file an appeal and the grounds on which the appeal will be judged.

- i. Upon being notified by the RTP Committee that the faculty member has been denied a rank promotion, the chair of the stipends committee will send a letter informing the affected faculty member that:
 - His/Her salary will be frozen effective with the contract that follows the upcoming academic year until it returns to the salary level designated by his/her rank. (The reason the freeze does not begin with the contract immediately following is to allow the faculty member an opportunity to apply for promotion in the following year.)
 - The faculty member will have his or her stipend reinstated to the full level

allowed by the stipends document when the faculty member receives a favorable rank promotion decision.

- He or she may appeal the reduction in stipend by following the described appeal procedure.

ii. If the faculty member decides to appeal this decision, the faculty member then can seek the support of his or her division chair for the appeal.

iii. In March of the grace year, the division chair shall submit to the stipends committee a statement, along with supporting documentation, attesting that the reduction of the affected faculty member's stipend creates a strong possibility that Seaver College may not be able to retain the faculty member at this reduced salary level.

Documentation should include evidence of marketability of the faculty member, which may include, but is not limited to:

- Recent Seaver search and retention history in the faculty member's discipline;
- Market data for discipline;
- National salary information;
- Measures of vacancies in the field;
- Articles from professional journals and popular publications;
- The difficulty of replacing the appellant if he or she is not retained.

iv. The stipends committee will review the chair's statement and documentation. The goal of the committee's review will be to judge whether or not the appellant's denied promotion reflects a reduced marketability.

If the committee decides to support the appeal, the full stipend to which the faculty member is entitled under the stipends document will be reinstated for two years. The two years of reinstatement will include any sabbatical years, but will not include years for which the faculty member is on leave. After two years, the faculty member may reapply for continued reinstatement of the stipend if he or she still has not received an eligible rank promotion by submitting a letter from the division chair and evidence of marketability.

If the appeal is denied, the faculty member may reapply to the stipends committee the following year.

In view of new evidence of the faculty member's marketability, the case may be

re-evaluated at any time at the request of the faculty member's division chair and the dean of Seaver College.

6.3. CONTINUATION/CONVERSION PRIVILEGES

(Updated 2017, 2023)

1. Following termination of employment or loss of dependent status, benefits continuation and/or conversion options may be available. Contact Human Resources for details.
2. If an employee's status changes from part-time to full-time the employee should receive an explanation of any change in benefits. The employee must contact Human Resources and sign a statement that applicable benefits have been explained.

6.4. CREDIT UNION

(modified 2012; updated 2017)

Pepperdine University faculty members are eligible to join the credit unions that are available at the time of enrollment. For additional information please see [section 24.6 of the University Policy Manual](#) regarding credit unions.

6.5. RETIREE HEALTH PLAN

(Included since 2006; modified 2017, 2023)

1. The Retiree Health Plan provides the following benefit:
 - a. A tax-advantaged way to invest and accumulate assets exclusively to help meet future retiree medical expenses – the Retiree Health Account. The plan is a tax-exempt VEBA account that allows eligible employees to pay for qualified out-of-pocket medical expenses during retirement years.
2. Eligible employees may participate in the University's Retiree Health Plan. Detailed information is set forth in the official plan document that governs the plan. Once eligible, the University will make contributions to the Retiree Health Plan account for the faculty member. The faculty member may also make voluntary after-tax contributions to the account.

For further details, please see the [Summary Plan Description](#) of the University's retiree

health plan.

6.6. FAMILY AND MEDICAL LEAVE ACT POLICY (“FMLA LEAVE”)

(modified 2012, 2014; updated 2017)

An eligible U.S. faculty member whose spouse, parent, or child has a serious health condition which requires his or her care, or who is having, adopting, or beginning foster care of a child, may apply for a family leave under the Family and Medical Leave Act (FMLA). An eligible faculty member who has a serious health condition that prevents performance of his or her job functions may apply for a medical leave of absence under the Family and Medical Leave Act (FMLA). When a leave is taken due to a serious health condition of the faculty member or an eligible family member, the faculty member will be required to provide certification from a qualifying health care provider with the leave request. For further details, please visit Human Resources’ [Medical Leave Resource Page](#). Faculty requesting FMLA leave associated with the birth or adoption of a child should also review the next section of this handbook.

6.7. FACULTY PARENTAL LEAVE POLICY

(Included since 2014; updated 2017, 2023)

Parental leave for faculty members at Seaver College is governed by the University’s Medical Leave of Absence Policy and the Family and Medical Leave Absence (FMLA) Policy. Expectant mothers or fathers and/or adopting parents are encouraged to use the resources on the [Expectant Parent Leave Resource Page](#) on the Human Resources website as they plan for faculty parental leave.

Eligibility

Faculty must fulfill all of the following conditions to be eligible for faculty parental leave for any period beyond that required by FMLA/CFRA (parental leave under FMLA/CFRA is subject to the eligibility conditions defined in the University Policy Manual):

- Hold a continuing faculty appointment (tenure-track or tenured);
- Be approved for parental leave (FMLA/CFRA) to care for a newborn child or for the adoption of a child; and,
- Be the child’s primary caregiver during the period of the leave beyond what is required under FMLA, CFRA, and California PDL.

Visiting faculty members are eligible only for leave periods required under State and

Federal law as set forth in the University Policy Manual. Exceptions are considered on a case-by-case basis for long term, full-time visiting faculty members who have multi-year contracts.

Where both parents are faculty members at Seaver College and meet all eligibility requirements for faculty parental leave, each parent faculty member is eligible for faculty parental leave; however, the leave time must be taken in sequential semesters.

Parental Leave Details

Female faculty granted faculty parental leave through the California Pregnancy Disability Leave Law (CA PDL), California Family Rights Act (CFRA), and/or the federal Family and Medical Leave Act (FMLA) will be released from all teaching, scholarly, and service responsibilities for a period equal in length to the FMLA/CFRA leave period and for no less than one academic semester (or its equivalent). Outside of a female faculty's pre- and postpartum disability period, she may choose a modified schedule leave allowing for a reduced teaching load over a period not exceeding two academic terms. All FMLA/CFRA modified schedule leaves must be concluded within 12 months from the date of birth or adoption as prescribed under the FMLA/CFRA policy.

Male faculty granted faculty parental leave through the FMLA and/or CFRA policy are eligible for leave up to a maximum period of 12 weeks as permitted under FMLA/CFRA law. A male faculty member may choose a modified schedule leave of a one course load reduction for each six weeks of eligible FMLA/CFRA. This modified schedule leave allows an eligible faculty member to elect a two-course reduction for one term or a one course reduction over two terms. All FMLA/CFRA modified schedule leaves must be concluded within 12 months from the date of birth or adoption as prescribed under the FMLA/CFRA policy.

Adoptive parents granted faculty parental leave through the FMLA and/or CFRA policy are eligible for leave up to a maximum period of 12 weeks as permitted under FMLA/CFRA law. An adoptive parent may choose a modified schedule leave of a one course load reduction for each six weeks of eligible FMLA/CFRA. This modified schedule leave allows an eligible faculty member to elect a two-course reduction for one term or a one course reduction over two terms. All FMLA/CFRA modified schedule leaves must be concluded within 12 months from the date of birth or adoption as prescribed under the FMLA/CFRA policy.

Faculty members should work with their division dean and the dean of Seaver College to determine the specific dates of the faculty parental leave period.

Salary & Benefits during Faculty Parental Leave

Salary and benefits during faculty parental leaves are governed by federal and state laws. It is important that expectant parents work closely with the University's Human Resources staff to coordinate between state and University-specific benefits. With proper coordination of benefits, faculty members will receive their full gross salary and benefits during the period of the faculty parental leave.

Effect of Faculty Parental Leave on Tenure, Promotion & Sabbatical

Faculty members granted faculty parental leave may request to extend their tenure and promotion period by one year. Faculty members must inform their divisional dean and the dean of Seaver College in writing if they wish to extend the tenure and promotion period because of faculty parental leave. Faculty members electing to extend the tenure and promotion clock are not eligible to apply for step increases, promotions in rank, tenure, pre-tenure, accelerated promotion, or five-year evaluation reviews during the year when the leave occurs.

The faculty parental leave period is considered a continuous service period with respect to eligibility for sabbatical leave. Faculty parental leave neither halts nor does it reset the count toward the seven years of continuous service required for sabbatical leave.

6.8. FLEXIBLE SPENDING ACCOUNTS

(modified 2012, 2017, 2023)

Flexible Spending Accounts (FSAs) allow a faculty member to pay eligible health care and dependent care expenses with tax free money. Full-time faculty may enroll in an FSA within 30 calendar days of their initial hire and during each subsequent open enrollment period. FSA funds are contributed on a pre-tax basis through convenient payroll deductions, and employees will need to re-enroll each calendar year to take advantage of this benefit.

6.9. HEALTH AND WELFARE PLAN

(modified 2012, updated 2017)

The Health and Welfare Plan provides each employee with a set of core benefits and offers the opportunity to choose from a variety of options in other benefit categories. Information regarding specific benefits and eligibilities can be found on Human Resources' [Benefit Package](#) web page.

6.10. INCOME PROTECTION DURING MEDICAL LEAVE

(updated 2017, 2023)

1. The University provides income protection for faculty members during periods of one's own serious health condition or that of a designated family member. In order to comply with policies of the state and the insurance carrier so that faculty members who are eligible may qualify for State Disability Insurance or the disability terms of the University's long-term disability insurance contract, faculty members who have missed work for more than seven calendar days due to their own or a designated family member's serious health condition should notify the Dean's Office and Human Resources.
2. As a general rule, full salary will be continued up to a maximum of 180 days from the last day of active work (less any state disability payments for which the faculty member is eligible). After 180 days, a faculty member may apply for long-term disability benefits. If approved, the long-term disability insurance plan pays 66.67 percent of the faculty member's base monthly salary up to a maximum benefit of \$10,000 per month. Such benefits may continue until social security's normal retirement age as long as the faculty member's disability status is continuously certified by a medical professional or as specified in the insurance contract.

6.11. JURY DUTY

(Approved 9/16/04 by UMC, 9/17/04 by Steering; updated 2017, 2023)

The University considers jury duty to be an important civic responsibility. Having loyal, conscientious, honest citizens serving on our juries or as a witness is a basic and essential element of our American system of justice. Therefore, it shall be the policy of this University to encourage jury service by its faculty members when their duties to the University permit. For additional information about jury duty please visit [section 21.1 of the University Policy Manual](#).

6.12. MEDICAL LEAVE OF ABSENCE POLICY

(updated 2017, 2023)

1. A medical leave of absence is approved time off for faculty members who are unable to work due to personal illness or injury and who do not qualify for, or have exhausted their medical leave under the Family and Medical Leave Act (FMLA) and/or California

Family Rights Act (CFRA) policy.

2. As soon as a faculty member becomes aware that he or she is (or will become) for any medical reason, temporarily disabled from working, the faculty member must promptly advise the dean and Human Resources in writing of the reason and the anticipated commencement date and duration of the disability. A doctor's certificate specifying the expected duration of the disability is required prior to approval of a medical leave of absence.

3. Medical leaves of absence with pay are available to full-time faculty members for the period of their disabled status, up to a maximum of 6 months following the last day of active work (see section 6.9). However, the University may require periodic verification of a faculty member's inability to work (including, for example, a periodic statement from the faculty member's doctor or examination by a doctor designated by the University). A doctor's release may be required prior to returning to work following an absence of three or more day's duration. Any misrepresentation of requested leave or disability will be grounds for discharge. Faculty members who do not return at the end of their leaves of absence will be deemed to have resigned. Faculty members who return to work at the end of their leaves will be returned to their former positions if they are still available or as prescribed by law.

4. The total medical leave under this policy is available for a maximum of 6 months (180 days) following the last day of active work. If this policy is used in conjunction with a medical leave of absence under FMLA, CFRA, and/or CA PDF, the total combined time may not exceed 6 months.

5. NOTE: This policy applies to all temporary medical disabilities, including pregnancy, childbirth and related conditions. The University's policy for pregnancy leave due to actual disability is the same as its policy for all medical disability leaves. Faculty requesting a medical leave of absence due to the birth of a child should also review section 6.6 of this handbook.

6. University benefits under the Health and Welfare Plan and any voluntary employee programs will be continued during a medical leave of absence, and employees are expected to pay their portion of required premiums. The Human Resources benefits administrator will contact the individual on leave regarding payment of applicable premiums.

7. The faculty member should contact Human Resources for information regarding California State Disability Insurance (SDI) benefits. Application may be made online at the California EDD [website](#), at a local State Disability Office, or by mail using a form

available at Human Resources or the doctor's office.

6.13. PLAN AMENDMENT/TERMINATION PROCEDURES

1. The University reserves the right to change, suspend, amend, or end the benefits program and the terms on which benefits, if any, will be available to its employees. The president and executive vice president of the University are authorized to amend, modify, or terminate the benefits program at any time and from time to time. Any such amendment, modification, or termination will be made by a written amendment executed by the vice president for finance and administration of the University.
2. Please do not interpret any statement in this handbook to mean that a faculty's participation in the University's benefit program is a guarantee of continued employment or is intended to be an employment contract of any form.

6.14. RELOCATION

(modified 2012)

The University will reimburse reasonable relocation expenses for new faculty members as agreed to in writing within the guidelines. These [guidelines](#) can be found on the Provost's website.

6.15. RETIREMENT

(modified 2012 2017; updated 2021, 2023)

1. Sources of retirement income for faculty members at Pepperdine University are twofold:
 - The Social Security program of the federal government and
 - The Pepperdine University Retirement Plan.
2. The Social Security program commences following the 65th birthday of the faculty member or later as determined by the Social Security Administration. The Social Security program is subject to the laws of the federal government, and both the faculty member and the employer contribute equally.
3. Retirement plan income generally begins at the normal retirement age, as determined by the Social Security Administration. However, following termination of employment, the faculty member may begin to receive income at any time which may

be either earlier or later than the normal retirement date. A faculty member may defer taking a distribution from their retirement savings account until April 1 of the calendar year following the year in which he or she attains the age of 73. Faculty who are still employed by the University upon reaching age 73 may defer distributions until retirement.

4. Eligible employees may participate in the University's Retirement Plan. Detailed information is set forth in the official plan document that governs the plan. Additional information about the University's Retirement Plan can be found on Human Resources' [Retirement](#) web page and in [section 29 of the University Policy Manual](#).

6.16. SOCIAL SECURITY / MEDICARE

(modified 2012; updated 2017, 2023)

Faculty members participate in the Social Security and Medicare programs. Deductions are mandatory and are made from each paycheck in the amount prescribed by law. Equal amounts are also contributed by the University.

6.17. SUBSTANCE ABUSE PROGRAM

(modified 2012; updated 2017, 2023)

The University provides assistance to employees who are dealing with personal or family drug or related problems. Faculty members are expected to seek assistance through the Office of the Provost. Information concerning employees who participate in treatment and/or rehabilitation programs will be accorded confidential status. Only those persons who have a need to know shall have access to such information. More detailed information regarding the substance abuse policy can be found in [section 18 of the University Policy Manual](#).

6.18. TUITION REMISSION POLICY AND EXCHANGE POLICIES

(Since 1988; modified 2006, 2012; updated 2017, 2023)

One great advantage of working in higher education is the access to a wealth of concentrated knowledge in the form of distinguished faculty, prominent guests, groundbreaking research, thoughtful discussions, and vast libraries. Pepperdine University is pleased to extend to qualified employees and their dependents one of its most generous benefits of continued education through the faculty/staff tuition remission program. For

the details of this benefit please visit Human Resources' [Tuition Remission and Exchange Programs](#) web page.

6.19. UNEMPLOYMENT COMPENSATION

(modified 2012; updated 2017)

Pepperdine University participates in the California State Unemployment Compensation Plan. Coverage is provided for unemployment transpiring through no disqualifying fault of the faculty member. Decisions regarding eligibility are reserved by the state.

6.20. WORKERS' COMPENSATION INSURANCE

(modified 2012; updated 2017, 2023)

Pepperdine University has complete Workers' Compensation coverage for all of its faculty members for injuries, illness, or death that may occur while at work. This coverage is provided at no cost to the faculty members. Faculty members must report any work-related injury or illness to their divisional dean and Human Resources as soon as practicable to ensure medical treatment. Salary coverage protection is mandated by state law at the rate of 2/3 of regular salary or the state maximum, whichever is less. It is the divisional dean's responsibility to notify Human Resources the day on which a work-related injury or illness occurs. For more information please visit [section 27 of the University Policy Manual](#) and Human Resources' [Workers' Compensation](#) web page.