

Full-time Faculty Benefits

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

Chapter VI. Full-time Faculty Benefits

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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; edited 2026)

A. Awarding and Eligibility Salary stipends are utilized for the recruitment and retention of faculty members in market-driven business disciplines. The eligibility for and awarding of stipends for these positions will be decided through collaborative conversations between the Dean and the Divisional Dean.

B. Determining Stipend Amounts Rather than relying on rigid mathematical formulas or percentage caps, stipend amounts will be determined using comprehensive market data. Specifically, stipend amounts will be influenced by the Association to Advance Collegiate Schools of Business (AACSB) data for faculty salary positions. Additionally, input from Human Resources regarding appropriate and competitive salary ranges will be factored into the final amount.

C. Maintaining Stipends To continue receiving a market stipend over time, faculty members must maintain their status as AACSB "qualified" in accordance with current AACSB guidelines.

D. Base Salary The foundation of a faculty member's compensation remains standardized. A faculty member's base salary will continue to be set by the established Seaver College salary scale, with the market stipend acting as a supplementary addition where applicable.

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 reference [section 24.6 of the University Policy Manual](#) regarding credit unions.

6.5. RETIREE HEALTH PLAN

(Included since 2006; modified 2017, 2023, 2025)

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 healthcare expenses – the Retiree Health Account. The plan is a tax-exempt VEBA account that allows eligible employees to pay for qualified out-of-pocket healthcare 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 may 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 refer to 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, 2025)

An eligible faculty member whose spouse, parent, or child has a serious health condition which requires their care, or who is having, adopting, or beginning foster care or legal guardianship of a child, may apply for a family leave of absence under the Family and Medical Leave Act (FMLA). An eligible faculty member who has a serious health condition that prevents performance of their job functions may apply for a medical leave of absence under the 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. Certain state laws

expand the list of covered family members for leave of absence benefits. For further details, please visit Human Resources' [Leave of Absence Resource Page](#). Faculty requesting FMLA leave associated with the birth, adoption, or placement of a child should also review the next section of this handbook.

Salary & Benefits during FMLA leave

Salary and benefits during FMLA leaves are governed by federal and state laws. It is important that faculty experiencing FMLA leaves 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 FMLA leave.

Effect of Faculty Parental Leave on Tenure, Promotion & Sabbatical

Faculty members granted FMLA 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 FMLA 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.

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

6.7. FACULTY PARENTAL LEAVE POLICY

(Included since 2014; updated 2017, 2023; modified 2025)

Parental leave for faculty members at Seaver College is governed by the University's Leave of Absence (LOA) Policy. To understand the rights and responsibilities, expectant mothers or fathers and/or adopting parents should first schedule a meeting with the benefits office in Human Resources (HR). The [Expectant Parent Leave Resource Page](#) on the Human Resources website may be helpful as they plan for faculty parental leave. After the faculty member meets with HR, they need to schedule a meeting with their divisional dean to determine specific dates of their leave. Finally, the faculty member will secure a letter from the dean of Seaver College with the approved details of their leave before the leave begins. The following policy briefly describes parental disability and child bonding leave for your convenience but only supplements and does not replace those other policies.

Parental Disability Leave

All full-time female faculty granted pregnancy leave through the California Pregnancy Disability Leave Law (CA PDL) and/or the federal Family and Medical Leave Act (FMLA), as approved by HR, will be released from all teaching, scholarly, and service responsibilities for a period equal in length to the FMLA/PDL leave period.

Child Bonding Leave

Tenured/Tenure Track Faculty

Eligible male and female faculty are granted faculty parental leave for “child bonding” time under the California Family Rights Act (CFRA) and/or the federal Family Medical Leave Act (FMLA) for a maximum period of 12 weeks. Unless already exhausted or ineligible, this leave must be completed within one year from the new child’s date of birth or date of adoption.

As an alternative to taking 12 continuous weeks away from work for “child bonding”, a tenured or tenure track faculty member may choose a modified schedule of a one course load reduction for each six weeks of eligible “bonding leave”. 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. With the permission of the Seaver Dean, an eligible faculty member may also seek a three-course reduction during a single term and teach one summer course within one year from the new child’s date of birth or date of adoption without supplemental compensation.

Visiting/Fixed Term Faculty

Eligible male and female faculty are granted faculty parental leave for “child bonding” time under the California Family Rights Act (CFRA) and/or the federal Family Medical Leave Act (FMLA) for a maximum period of 12 weeks. Unless already exhausted or ineligible, this leave is available to take from the new child’s date of birth or adoption up to the new child’s first birthday.

As an alternative to taking 12 continuous weeks away from work for “child bonding”, a fixed term or visiting faculty member may choose a modified schedule of a one course reduction for each four weeks of eligible “bonding leave”. This modified schedule leave allows an eligible faculty member to elect a three-course reduction for one term or a total of a three-course reduction over two terms. With the permission of the Seaver Dean, an eligible faculty member may also seek a four-course reduction during a single term

and teach one summer course within one year from the new child's date of birth or date of adoption without supplemental compensation.

In addition to meeting with Human Resources, all faculty members should work with their divisional dean and the dean of Seaver College to determine the specific dates of the faculty parental leave period. Faculty seeking parental leave will need to secure a letter from the Seaver Dean confirming the details of their leave prior to the start of their 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 eligibility 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 \$12,000 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. SUPPLEMENTAL MEDICAL LEAVE OF ABSENCE POLICY

(Updated 2017, 2023, 2025)

1. A medical leave of absence is approved time off for faculty members who are unable to work due to a serious 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 they are (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 supplemental leave of absence.
3. Supplemental leaves of absence 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 (reference 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 supplemental 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 PDL, the total combined time may not exceed 6 months in a rolling 12 month period.

5. Salary & Benefits during FMLA leave

Salary and benefits during FMLA leaves are governed by federal and state laws. It is important that faculty experiencing FMLA leaves 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 FMLA leave.

Effect of Faculty Parental Leave on Tenure, Promotion & Sabbatical

Faculty members granted FMLA 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 FMLA 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.

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

6. 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 supplemental medical leave of absence due to the birth of a child should also review section 6.6 of this handbook.

7. University benefits under the Health and Welfare Plan will be continued during a supplemental 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.

8. All full-time University employees are automatically signed up for Voluntary Disability Insurance (VDI), Pepperdine's lower-cost disability insurance program, alternative to that of the State Disability Insurance Program (SDI). An employee may opt to enroll in SDI instead. For additional information on benefits provided, reference [Section 26 of the University Policy Manual](#) or contact Human Resources.

6.12. 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, or an authorized designee, of the University are permitted 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 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.

6.13. 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.

6.14. RETIREMENT

(Modified 2012, 2017; updated 2021, 2023, 2025)

Eligible employees may participate in the University's 403(b) 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](#).

6.15. 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.

6.16. 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](#).

6.17. 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.

6.18. 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](#).

6.19. 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.