# **REPORT ON**

# EXTENSION OF EMPLOYEE BENEFITS TO PERMANENT PART-TIME SALARIED EMPLOYEES OF THE COMMONWEALTH

**TO** 

## THE COURTS GOVERNOR

**AND** 

## THE GENERAL ASSEMBLY OF VIRGINIA



**HOUSE DOCUMENT NO. 19** 

COMMONWEALTH OF VIRGINIA DIVISION OF PURCHASES AND SUPPLY RICHMOND 1979



# COMMONWEALTH of VIRGINIA

# Department of Personnel and Training

302 STATE FINANCE BUILDING

January 16, 1979

TO: The Honorable John N. Dalton, Governor of Virginia and
Members of the 1979 General Assembly of Virginia

Pursuant to House Joint Resolution No. 140, adopted by the 1978 General Assembly, the Department of Personnel and Training has studied the extension of benefits to permanent part-time salaried employees.

The study reveals that approximately 1,300 employees are providing services to the Commonwealth on a permanent part-time basis.

These employees currently receive all employee benefits with the exception of coverage by the medical and group life insurance plans, and the retirement system.

The attached report provides for the extension of medical insurance plan benefits to those employees pending legislative action by the General Assembly.

Group Life and Retirement Plan coverage require additional joint review by the Department of Personnel and Training and the Virginia Supplemental Retirement System to be completed prior to the 1980 Session of the General Assembly.

Respectfully submitted,

Kenneth B. Yancey, Director

Department of Personnel and Training

FOST OF SERVICE

FENNETH B VANCEY

#### I. PERMANENT PART-TIME SALARIED EMPLOYEES

As of December 31, 1978, there were 1,304 permanent part-time (PPT) salaried employees in the service of the Commonwealth.

These employees held positions in 40 separate state agencies, 90% of whom were assigned as follows:

Univ. of Va.		358
Academic	324	
Hospital	34	
Engineering and Buildings		240
VCU		154
Health Sciences	72	
MCV Hospital	56	
Academic	26	
VPI & SU		120
Academic	66	
Research Division	29	
Extension	25	
Community Colleges		100
Corrections		83
Mental Health and Mental		
Retardation		68
Health		24
George Mason University		21
Welfare		16

The distribution of these employees by the type of work assigned is revealed in the following breakdown.

Clerical	27.3%
Faculty	26.2
Custodial	21.5
Medical (professional & para-professional)	15.2
Other	9.8

#### II. CURRENT BENEFIT COVERAGE

Current permanent part-time salaried employees receive the following employee benefits.

Annual Leave
Sick Leave
Holidays
Rest periods
Compensatory Leave
Civil Leave
Military Leave
Leave Without Pay
Workman's Compensation (in the same manner as full-time employees)
Social Security Coverage
Unemployment Compensation Coverage

Current permanent part-time salaried employees do not receive the following employee benefit coverage.

Medical Insurance Plan Group Life Insurance Plan Virginia Supplemental Retirement System

#### III. FUTURE PLANS & RECOMMENDATIONS

The following recommendations are made as a result of our review of the eligibility requirements of the health insurance plan, the group life insurance program, and the Virginia Supplemental Retirement System.

#### A. Health Insurance

Permanent part-time salaried employees who work a minimum of 20 hours per week should be included in this program with the Commonwealth paying one-half of the employees' coverage. The minimum annual cost to provide this benefit to 1,304 employees is estimated at \$222,650 based on the 1978 contribution level for individual coverage.

Since health plan coverage is not linked to the Retirement System, these employees could be made eligible by amending the health insurance statute. The following language is suggested as an addition to Section 2.1-201 of the Code of Virginia.

State employees as otherwise defined in Section 51-111.10 includes persons employed on a salary basis whose employment is less than full-time, but not less than one-half of full-time and whose tenure is not restricted as to temporary or provisional appointment. For employees eligible under this provision, the State shall pay one-half the cost of employee coverage only.

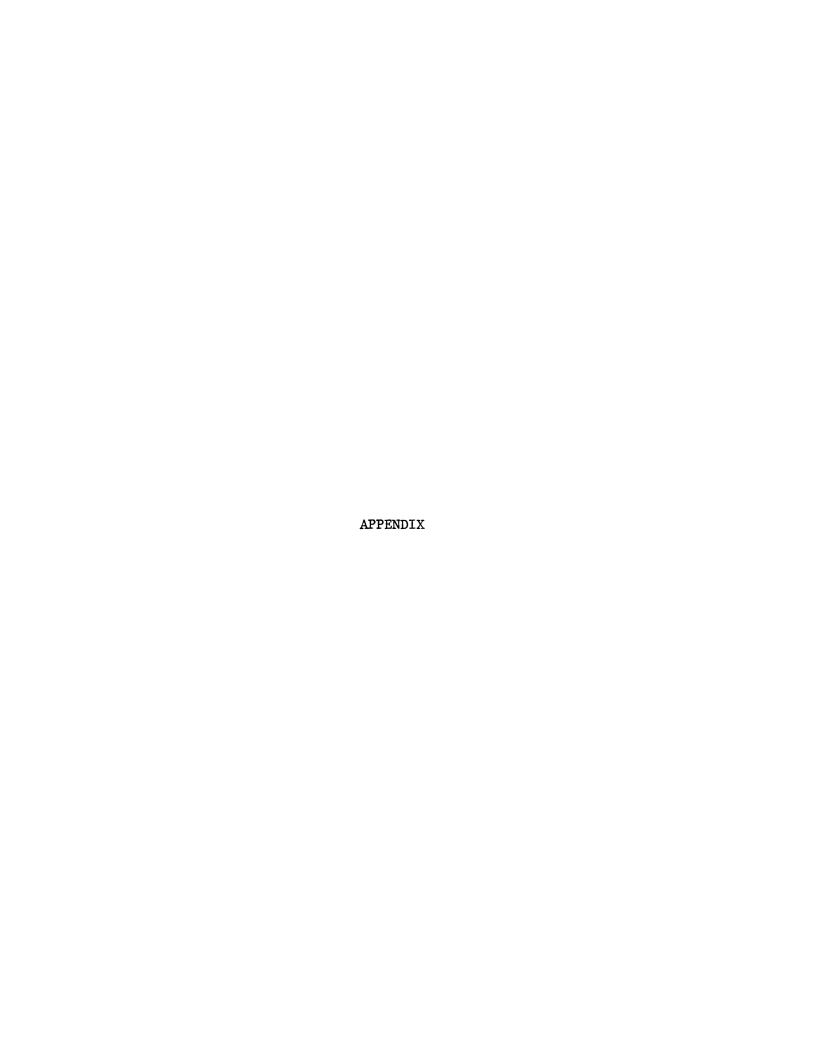
#### B. Group Life Insurance Program

Participation in this program should be extended to those permanent part-time salaried employees who work at least 20 hours per week with the level of benefit being one-half of full-time employment.

### C. Supplemental Retirement System

Membership in the Retirement System for employees who work less than full-time but at least 20 hours per week is recommended. Such membership should be based on one-half the normal service credit and one-half the annual full-time salary rate for contributions.

Additional review concerning costs and necessary legislative action needed to effect changes in the group life insurance program and the Supplemental Retirement System will be conducted by the Virginia Supplemental Retirement System and the Department of Personnel and Training and presented to the 1980 Session of the General Assembly.



1	HOUSE JOINT RESOLUTION NO. 140			
2	Offered February 6, 1978			
3	Requesting the Director of Personnel and Training to study the			
4	feasibility of offering certain benefits to permanent part-time			
5	salaried employees.			
6				
7	Patron-Paul			
8				
9	Referred to the Committee on Labor and Commerce			
10				
11	WHEREAS, it is the policy of the Commonwealth to encourage			
12	full-time employment so as to qualify the majority of employees for			
13	employment related benefits; and			
14	WHEREAS, the Commonwealth of Virginia has a substantial			
15	number of employees who work less than forty hours per week, but			
16	whose jobs are nevertheless of permanent nature; and			
17	WHEREAS, it would appear that the morale and loyalty of such			
18	personnel could be improved by granting certain employee benefits,			
19	such as vacation and sick leave, health insurance and retirement			
20	benefits to such employees; and			
21	WHEREAS, an increase in the availability of positions requiring			
22	less than forty hours a week would provide more varied			
23	opportunities for those persons within the work force especially			
24	among those working parents; now, therefore, be it			
25	RESOLVED by the House of Delegates, the Senate concurring,			
26	That it is the sense of this body that the Department of Personnel			
27	and Training is requested to study the feasibility of creating and			
28	implementing "permanent part-time salaried" positions with			
29	job-related benefits and that, as a part of such study, the			
30	Department shall consider such factors as the types of jobs which			
31	could be filled in such a manner and the essential revenue impacts			
32	thereof. The Department shall report its findings to the Governor			
33	and the General Assembly no later than November one, nineteen			
34	hundred seventy-eight.			
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