

## **IUB AAUP Policy Review**

Employee Benefit Plans (HR-04-30)

2/2/2026

### **Intro/Commentary**

The employee benefit policy is missing an important piece of information, which was absent in the previous iteration: A definition of “the goals and objectives” of the university, as listed under point 1. Clarifying what these two items are in relation to employee status and benefits is necessary for employees to fully understand the limits of their benefits.

We encourage all employees to reach out to [policies@iu.edu](mailto:policies@iu.edu) and provide feedback.

*IUB-AAUP Executive Committee*

[iubaaup.org](http://iubaaup.org)

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### **Employee Benefit Plans**

Available for review until 2/4/2026

Online here: <https://policies.iu.edu/policies/hr-04-30-employee-benefit-plans/test.html>

### **Policy Statement**

1. Employee benefit plans shall only be established and managed at an institutional-level by ~~the University~~ IU Human Resources ~~office~~, and with the approval of the Vice President and Chief Financial Officer.
2. "Employee benefits" includes all forms of direct or indirect reimbursements, subsidies, payments, employee discounts (e.g. parking, bookstore merchandise, car rentals, athletic and theater events, etc.) for non-business activities, as defined by Internal Revenue Service regulations.
  - a. For staff and part time employees, this also means any paid or unpaid time off not covered in university personnel policies.
  - b. For academic employees, this does not apply to paid or unpaid time off, sabbatical, and other leaves which require approval of the President or their delegate.

3. Exceptions to this policy must be approved by both the Vice President and Chief Human Resources Officer and the Vice President and Chief Financial Officer.
  - a. Exceptions typically involve broad-based campus-wide discounts, which must also receive initial approval by the campus Chancellor.
  - b. All exception requests are to be directed to IU Human Resources which is responsible for coordinating with IU Finance, including the Office of the University Controller.
  - c. State and federal income tax implications, along with other legal and regulatory factors, will be taken into consideration before an exception is approved.
4. Any ~~current department or campus~~ employee benefit that has not been ~~officially~~ approved by ~~both the Vice President and Chief Human Resources Officer and the Vice President Chief Financial Officer~~ University Human Resources, including complimentary or discounted tickets, discounts provided for activities/services provided by a unit should ~~must~~ be discontinued. ~~Requests for exceptions to this policy should be directed to UHR, which is responsible for making a recommendation to the VPCFO for final disposition.~~

~~This policy does not apply to paid or unpaid time-off, sabbatical, and other leaves for Academic employees; these benefits require that approval of the President or their delegate.~~

~~“Employee benefits” includes all forms of direct or indirect reimbursements, subsidies, payments, etc. for non-business activities, as defined by Internal Revenue regulations. For staff and part time employees, this also means any paid or unpaid time-off leave outside of time-off covered in University personnel policies.~~

~~This policy generally applies to employee discounts, but does not apply to broad based campus or University discounts for such items as parking, bookstore merchandise, car rentals, and athletic and theater events.~~

~~Financial Management Services should be consulted regarding state and federal income tax implications of any broad based discounts provided to employees.~~

### **Reason for Policy**

1. Employee benefit plans must be consistent with the goals and objectives of the university as well as~~Indiana University intends for employee benefit plans to~~ comply with all state and federal laws and regulations. This includes meeting the requirements of the Indiana State Board of Accounts to have specific policies for personnel compensation actions, including salary, wages, and benefits. ~~Indiana University also~~

~~intends for employee benefit plans to be consistent with the institution's goals and objectives.~~

~~Indiana University must comply with varied state and federal requirements related to establishing and administering employee benefit plans. Examples for illustrative purposes only: FMLA, ADA, COBRA, ADEA, ERISA, HIPAA, USERRA, OWBPA, Social Security, various equal employment laws, state of Indiana tax codes, and federal tax codes.~~

~~The Indiana State Board of Accounts expects Indiana University to have specific enabling policies for personnel compensation actions, including salary, wages, and benefits.~~

2. Indiana University intends to treat employees in a fair and equitable manner and is mindful of perceptions by external constituencies.

3. Benefit plans are  university-wide, with no distinctions for campuses, schools, or other units.

4. Indiana University reserves the right to establish, terminate, or amend benefit plans at its sole discretion.

### **Sanctions**

Managers, supervisors, and employees who violate this policy are subject to disciplinary action, up to and including termination.