

Staff and Faculty: Full-time to Part-time Employment Change Overview

Benefit-eligible staff and faculty employees changing from full-time to part-time employment status should consider the following benefits and leave impacts on their employment.

Definitions

Benefit-eligible full-time employees: scheduled to work for 30 or more hours per week for at least 4.5 months (135 days). Must be eligible to contribute to either the Teacher Retirement System of Texas or Optional Retirement Program, unless the position requires academic graduate student status as a condition of employment. For other purposes, full-time employment remains 40 hours per week.

Benefit-eligible part-time employees: scheduled to work for at least 20 hours per week, but less than 30 hours per week, for at least 4.5 months (135 days).

ACA eligible full-time employees: certain employees who experience a reduction of scheduled weekly hours to below 30 (and even below 20) may still be considered full-time employees for insurance purposes only, if they meet the definition of a full-time employee under the Affordable Care Act (ACA).

- If an employee has 1,560 hours of work and/or paid leave during the annual ACA measurement period (June 4 – June 3), the University must treat the employee as a full-time employee during the following stability period (September 1 – August 31).
- New employees have an initial 12-month measurement period starting on their date of hire and if they have 1,560 hours of work and/or paid leave, the University must treat the

employee as a full-time employee during a 12-month stability period that begins immediately after the measurement period.

Insurance

MEDICAL INSURANCE

UT SELECT Medical coverage will be automatically cancelled for enrolled staff and faculty employees, if they do not meet ACA eligibility when they change to part-time employment. **Employees must re-elect coverage in My UT Benefits at the new part-time premium rate within 31 days of the date they change to part-time employment.** If coverage is not elected, coverage will remain cancelled. Part-time employees pay 50% of their medical premium and 75% of their dependent(s) medical premium. Please review the UT SELECT Medical Plan Monthly Premiums for specific rates. Medical premium rates may change for all employees at the start of the new plan year (September 1).

OTHER INSURANCE AND UT FLEX ACCOUNTS

Enrollment in all other plans will automatically continue. Premiums will not change for dental or vision coverage because of the change to part-time employment. Premiums and coverage amounts for the salary-based plans, which includes voluntary life, voluntary AD&D, and disability, will not change for the remainder of the plan year that includes the change. However, at the start of the new plan year (September 1), premiums and coverage for the salary-based plans will be based on the new proportional salary amount. Additionally, plan premiums may change for all employees at the start of the new plan year.

MID-YEAR CHANGE OF STATUS

A full-time to part-time employment change may allow an employee to make certain insurance enrollment changes within 31 days of the date of change in My UT Benefits. Please review Mid-Year Change of Status for more information about enrollment changes.

An employee may not cancel or elect dental or vision coverage due to a change to part-time employment and may reduce their UT FLEX Account contribution amount or make any change for voluntary life, voluntary AD&D, or disability coverage. **Mid-year change of status events do not require approved Evidence of Insurability (EOI) to enroll in up to 3x voluntary life coverage**

or the disability plans. An approved EOI is generally required to enroll in these plans during Annual Enrollment.

Insurance changes may also be made during [Annual Enrollment](#), from July 15 – 31 each year, for the next plan year.

Retirement

MANDATORY RETIREMENT PROGRAMS

Employee and employer contribution rates for the Teacher Retirement System of Texas (TRS) and the Optional Retirement Program (ORP) are percentages of eligible compensation and will be proportional based on the new salary amount. Please review the [Retirement Programs Overview](#) for current TRS and ORP contribution rates.

For members of TRS, the calculation of the average of your highest salaries to determine your retirement annuity benefit may be impacted by a reduced salary. TRS uses the average of the highest three or five salaries, depending upon your Tier. Please review the [TRS Benefits Tier Guide](#) for more details.

The calculation of retirement service credit, used for [TRS retirement](#) and [UT retiree insurance](#) eligibility, is not impacted by a change to part-time employment status. Please review [Retirement Service Credit](#) for more information about how it is calculated.

VOLUNTARY RETIREMENT PROGRAMS

Employees contributing to a [UTSaver voluntary retirement program](#) may consider changing their monthly contribution amount based upon the new part-time salary. A reduction or stop contributions change may be made in [UTRetirement Manager](#). Changes made by the 14th of the month are effective for the paycheck received on the first of the following month.

Leave

SICK TIME OFF

The monthly sick time off accrual is proportional based on the number of scheduled part-time hours.

VACATION TIME OFF (STAFF)

For staff, the monthly vacation time off accrual is also proportional based on the number of part-time hours. For example, an employee scheduled for 30 hours per week will receive 75% of their full-time accrual rate, and an employee scheduled for 20 hours per week will receive 50% of their full-time accrual rate.

The vacation carryover limit is also proportional based on the scheduled part-time hours. Keep this in mind for planning time off for the remainder of the fiscal year in which the change to part-time occurs. The carryover limit is applied on August 31 and is based on an employee's part-time or full-time employment status on that date. If the change to part-time is effective on September 1, the proportional carryover limit isn't effective until the following August 31.

WELLNESS TIME OFF

The annual wellness time off accrual is proportional based on the number of scheduled part-time hours.

STATE SERVICE

The calculation of state service is not impacted by a change to part-time employment. State service is the number of months and days of employment with state agencies and public institutions of higher education in Texas. It determines the vacation time off accrual rate for staff and the longevity pay rate for full-time staff.

HOLIDAY PAY

Holiday pay is proportional based on the number of scheduled part-time hours.

LONGEVITY PAY/HAZARDOUS DUTY PAY (STAFF)

Staff are not eligible to receive longevity pay while scheduled below 40 hours per week. Eligible employees are paid proportional hazardous duty pay, based on their scheduled part-time hours.

STATE COMPENSATORY TIME (STAFF)

Exempt employees will receive compensatory time when their hours worked and paid time off exceed their scheduled part-time hours.

Non-exempt employees do not receive compensatory time and must be paid for hours worked over their scheduled part-time hours.

FEDERAL OVERTIME (STAFF)

Non-exempt employees may only receive banked overtime hours when they work more than 40 hours in a week. Any hours worked over the scheduled part-time hours and up to 40 hours will be paid as hours worked.