



# Oklahoma Conservation Commission

## District Directors' Responsibilities

### A 10-Minute Guide Series

This is one in a continuing series of informational/discussion topics designed to help conservation district directors become more informed and knowledgeable about their responsibilities. It is suggested that board members review these guides before a board meeting, and then have a ten minute discussion on them at a meeting.

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## *Guide No. 11 - Understanding Employee Benefits*

Compensation is one of the areas of greatest interest to employees. Regardless of other factors, such as job satisfaction and good working relationships with fellow workers, employees are primarily concerned with their own welfare and that of their families. For this reason, pay and fringe benefits must be competitive if districts are to attract and retain high quality personnel.

### **Employee Benefits**

An employee compensation package consists of both salary and benefits. For comparability purposes, the value of benefits should be included with the salary when discussing compensation. On average the current value of the conservation district employee benefit package is an additional 33 percent of an employee's salary.

### **History**

Prior to 1988, conservation district employees worked with no health insurance benefits. The next year, OCC was able to include employees in the state employees group insurance program as well as the state retirement system.

While conservation district employees in many states have the option to purchase insurance benefits, to our knowledge there are no other states that provide a benefit allowance to employees.

### **Employee Benefit Allowance**

Each year that employees have had insurance, OCC has been able to provide a benefit allowance to help offset the cost of these benefits. This allowance is given to each eligible employee to pay for the core benefits. If an employee has a spouse or children, the employee has the option of enrolling them for benefits.

Approximately 75% of the dependent's health insurance is paid by the benefit allowance. If an employee does not use all of the benefit allowance afforded them, the balance is added into the employee's salary. If an employee spends more than the benefit allowance, they are responsible for paying the difference.

For example, effective January 1, 2008, an employee with no dependents will receive a benefit allowance of \$554.48 each month for the core benefits. If an employee only spends \$400.00 of the allowance, \$154.48 will be added to their salary each month.

### **Core Benefits**

The core benefits for district employees are health, dental, basic life, and disability insurance. Depending on the location in which an employee works or lives, they have up to five choices of health insurance and seven choices of dental insurance. In order to be eligible for benefits, an employee must work at least 1,000 hours in a year and not be classified as a temporary or seasonal employee.

### **Optional Benefits**

Employees have the option of enrolling in additional benefits. Those include supplemental life insurance, vision insurance, AFLAC policies, as well as medical and dependent care reimbursement accounts.

**Option Period**

Employee insurance benefits are managed by the Oklahoma State and Employee Group Insurance Board (OSEEGIB). Each year OSEEGIB sets the cost of the insurance premiums. The benefit allowance is set by statute.

The Commission's Human Resources Specialist serves as the district employee benefit's coordinator. During the month of October, employees have the opportunity to enroll in plans, make changes to plans, increase life insurance, and add or drop eligible family members to coverage.

The benefits employees elect are in effect from January 1 to December 31. OCC holds meetings around the state in order for employees to meet with the benefit's coordinator and sign the appropriate paperwork. Because employee benefits are so personal in nature it is very important employees attend one of these meetings.

**Retirement**

The district employee retirement plan is managed by the Oklahoma Public Employees Retirement System (OPERS). The retirement plan is a defined benefit retirement plan. OPERS provides its members with a lifetime retirement benefit when they meet certain eligibility requirements.

An employee participates in OPERS by contributing a certain portion of their salary each month. The employer also contributes on the employee's behalf. The amount of contribution does not determine the amount of retirement benefit. The retirement benefit is determined by a formula which includes the member's salary and the number of years of credited services.

OCC contributes the employer's portion of retirement on reimbursable salaries. If a district pays an employee from local funds, the district is responsible for paying the employer's share of retirement. This includes any hourly increases from local funds as well as one time pay increases.

**Longevity**

District employees who have been continuously employed for a minimum of two years, working more than 1,000 hours a year, without a break in service are eligible for an annual longevity payment based on the schedule set by the legislature.

Eligible employees will be paid a lump sum annual payment after the first of the month following the anniversary date of their most current entry on duty date with the district.

**Additional information**

For specific questions or information about the employee benefit package please contact the OCC Human Resources Specialist.