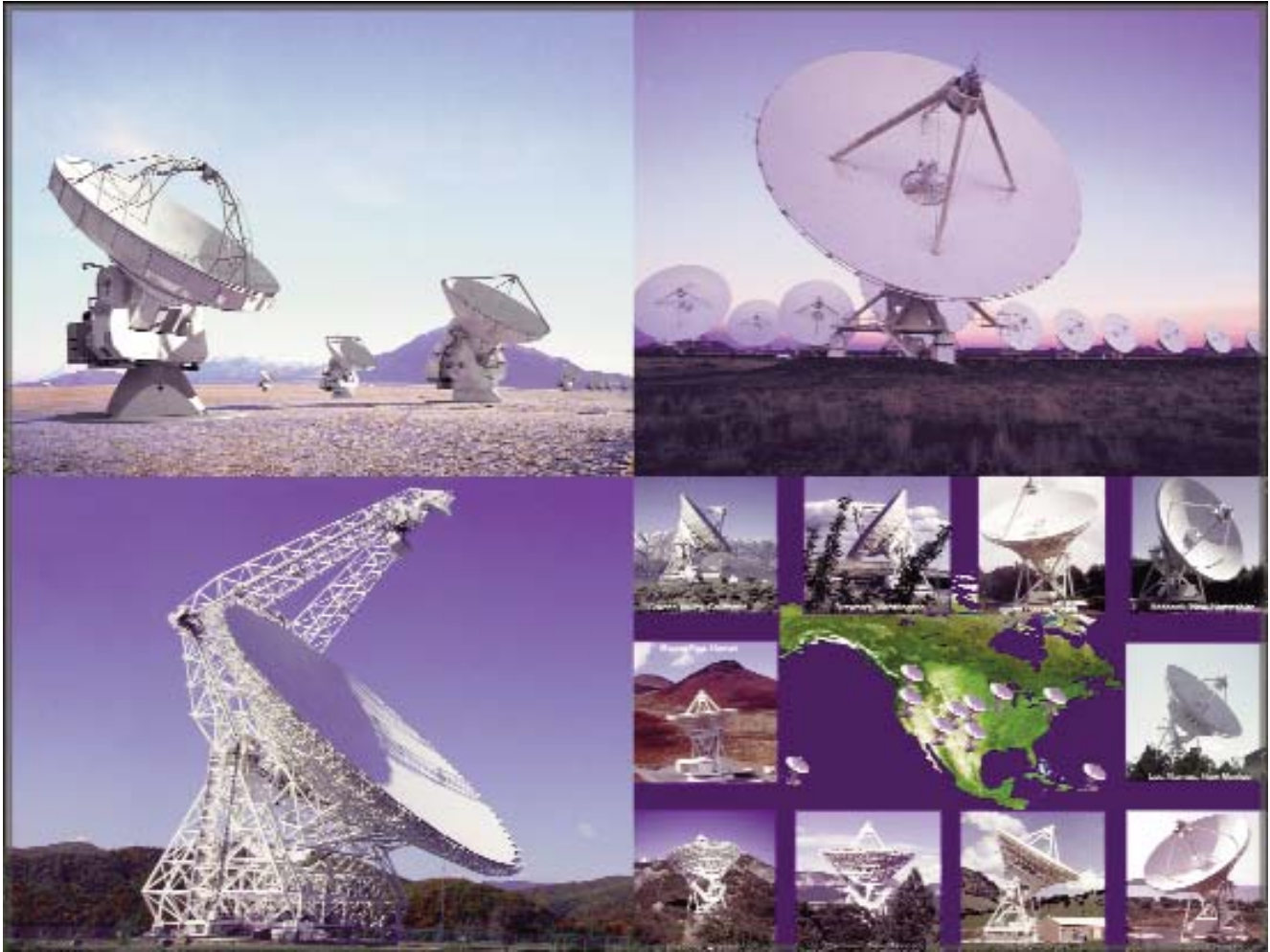


THE NATIONAL RADIO ASTRONOMY OBSERVATORY

2012 Employee Benefit Program Summary



This Summary is designed to provide information about the benefits available to domestic employees of the National Radio Astronomy Observatory. These benefits may be changed at the discretion of the management of the Observatory and the AUI. NRAO employees assigned to work locations outside of the U.S. should refer to the "Expatriate Benefit Summary".

The National Radio Astronomy Observatory is an equal opportunity employer and does not discriminate on the basis of race, creed, color, age, sex, national origin, Vietnam era veteran status, disabled veteran status, mental disability, or physical disability. Reasonable accommodation will be provided to persons with disabilities, if requested.

January 2012



The National Radio Astronomy Observatory is a facility of the National Science Foundation operated by Associated Universities, Inc.



Introduction

The following is a summary of the Benefit Program provided to employees of the National Radio Astronomy Observatory. A more complete summary is included in the ***NRAO Employee Handbook*** (link located on the NRAO Intranet).

All of the benefits described in this summary are available to regular full-time employees. If you regularly work at least 20 hours per week and are approved as such, you are considered an eligible part-time employee. Eligible part-time employees may participate in all employee benefits except Doctor or Dentist Visits and Tuition Reimbursement. For eligible part-time employees, vacation, sick leave, holiday pay and maximum permissible accumulation of vacation and sick leave are prorated according to each employee's official work schedule.

Direct Deposit of Payroll

To enhance the security and timely distribution of payroll checks, the Observatory requires all new employees to participate in payroll direct deposit to a financial institution(s) of their choice. Direct deposit can be made to multiple accounts, if desired.

Vacation

Regular, full-time, exempt employees: Vacation credit accrues at the rate of 16 hours for each full month of service up to a maximum credit of 288 hours.

Regular, full-time, nonexempt employees: Vacation credit accrues at the rate of 8 hours for each full month of service during the first year of employment. After the first year of employment, vacation credit accrues at the rate of 16 hours for each full month of service up to a maximum credit of 288 hours.

Eligible, part-time, employees: Vacation credit accrues per the schedules above, but is prorated based on official work schedule.

Vacation is credited at the end of the first full calendar month of employment and each full month of service thereafter.

Holidays

The NRAO observes twelve paid holidays each year. These include: New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Day, and two additional floating holidays. Holiday pay for eligible part-time employees is prorated based on their official work schedules.

Doctor or Dentist Visits

Regular full-time employees are given 32 hours of doctor or dentist visit absences per year. This leave is to be used when doctor or dentist visits cannot be scheduled outside working hours. Once the 32 hours have been used, it will be necessary to charge any subsequent visits to accrued vacation, sick leave as appropriate, or leave without pay.

Sick Leave

Regular full-time employees accrue ten hours of sick leave each month, up to a maximum credit of 108 days. Eligible part-time employees accrue sick leave as above, but prorated according to their official work schedules.

Group Medical Insurance - CIGNA

www.cigna.com

Employees and their eligible dependents may participate in the Group Medical Insurance program which is an Open Access Plus (OAP) Plan. Networks of health care providers have been established to provide quality care at negotiated rates. Key features of the OAP plan include:

- Covered participants pay a \$20 co-payment for each doctor's visit and pay 10% of the charges for surgical procedures, lab tests, x-ray exams and most other services.
- The prescription drug plan allows medications to be purchased for co-payments as follows: \$10 for generic drugs, \$20 for brand name drugs, and \$40 for non-preferred brand. Maintenance drugs may be purchased through the prescription mail service.
- Mental health and substance abuse treatment out-patient visits are \$20 per visit.
- \$250 co-payment for each in-network hospital stay; emergency room visits are \$75 per visit (waived if admitted).
- No medical claim forms to submit; no physician referral is required.
- No annual deductible for in-network OAP services.
- Covered participants have the option to use medical care out-of-network, however a claim form must be submitted for reimbursement. There is a \$600 individual deductible for out-of-network expenses each calendar year. Once that deductible has been met, the plan provides coverage for 75% of the out of network expenses.
- Dependents under age 26, regardless of student, work, or marital status may be covered by the program.

The required premiums for coverage during 2012 are as follows:

Medical (Monthly - Premium Based on Employee Annual Salary)

COVERED INDIVIDUALS	\$0-39.9K	\$40-59.9K	\$60-79.9K	\$80-99.9K	Over 100K
Employee Only	\$101.23	\$108.08	\$112.36	\$116.63	\$120.92
One Dependent	\$176.34	\$193.41	\$200.54	\$209.05	\$217.61
Family (Two or more)	\$253.17	\$277.32	\$288.73	\$300.09	\$311.44

Medical (Biweekly- Premium Based on Employee Annual Salary)

COVERED INDIVIDUALS	\$0-39.9K	\$40-59.9K	\$60-79.9K	\$80-99.9K	Over 100K
Employee Only	\$46.72	\$49.88	\$51.86	\$53.83	\$55.81
One Dependent	\$81.39	\$89.27	\$92.56	\$96.48	\$100.44
Family (Two or more)	\$116.85	\$127.99	\$133.26	\$138.50	\$143.74

Retiree Medical Plan - Employees hired after January 1, 2012 are not eligible for participation in the retiree medical plan. Employees who are not eligible for the retiree medical plan will be required to participate in the Health Savings Account/High Deductible Health Plan beginning January 1, 2013. This plan is designed to provide active employee medical coverage in addition to a retiree medical savings account.

Group Dental Insurance - DELTA DENTAL

www.deltadentalva.com

Employees may subscribe to dental insurance coverage for themselves and their eligible dependents. This insurance provides comprehensive coverage for preventive (100% in-network), major (80% in-network), and restorative (50% in-network) dental procedures. The premiums for dental insurance are as follows:

COVERED INDIVIDUALS	BI-WEEKLY	MONTHLY
Employee Only	\$ 7.61	\$16.48
One Dependent	15.22	32.97
Family (2 or more deps.)	22.39	48.51

Vision Plan - UNITED HEALTHCARE VISION

Employees may participate in our voluntary vision program. Exams and materials are provided after applicable copays as long as services are administered by an in-network provider. UHC has a network that includes Hour Eyes, Lenscrafters (limited locations - check with provider), Sam's Club, and Walmart. Services at out-of-network providers are also covered, at a set reimbursement amount.

Additional information is available at www.myuhcvision.com.

COVERED INDIVIDUALS	BI-WEEKLY	MONTHLY
Employee Only	\$ 2.97	\$ 6.43
One Dependent	5.20	11.27
Family (2 or more deps.)	8.57	18.56

Reimbursement Accounts

Employees may establish reimbursement accounts, also called flexible spending accounts, which allow them to withdraw tax-free dollars that have been set aside by salary reduction to pay for out-of-pocket health care, dependent care, or commuting expenses. By paying such expenses through reimbursement accounts, the net cost is less because of the savings in income and FICA taxes. Minimum contributions of \$100 are required. Maximums are \$5,000 for health care accounts and \$5,000 for dependent care accounts.

Retirement Plan

The Retirement Plan provides an annuity income for employees upon retirement. The Observatory contributes

an amount equal to 10 percent of each participant's base salary per year. No contributions are required of the employee. The Observatory begins making contributions for regular full-time and eligible part-time employees who are over age 21 after the completion of two years of service, or after 3 months of service if they are age 30 or more.

In addition to the Retirement Plan, the Observatory provides employees with the option to add to their retirement savings through tax deferred investment options. Regular full-time or eligible part-time employees may divert a percentage or set dollar amount of their annual base salary to one or more Voluntary Tax-Deferred Retirement Program option. Employees may choose funds from TIAA-CREF and/or Fidelity for both retirement plan options.

Long Term Disability Insurance

The Observatory provides Long Term Disability Insurance to guard against complete loss of income due to lengthy periods of disabling illness or injury. The monthly income benefit payments provided are equal to 60 percent of the employee's basic monthly earnings less any benefits received from Social Security or Workers' Compensation. Eligible employees age 30 and over are required to participate in the Long Term Disability Plan. Participation is optional for employees under age 30. The employee premium for this coverage is .25 percent of base salary each pay period.

Group Life Insurance Plan

Employees are provided with a basic life insurance plan at no cost. The coverage is equal to the basic annual salary rounded to the next \$1,000. Coverage for eligible part-time employees is based on their part-time annual salary. Optional additional coverage, in amounts equal to one times or two times the basic insurance amount, may be purchased at the following rates:

AGE	PREMIUM PER \$1000	
	BI-WEEKLY	MONTHLY
<25	\$ 0.023	\$ 0.050
25-29	0.024	0.053
30-34	0.023	0.050
35-39	0.032	0.070
40-44	0.046	0.100
45-49	0.069	0.150
50-54	0.106	0.230
55-59	0.192	0.417
60-64	0.276	0.598
65-69	0.549	1.190
70>	0.951	2.060

Accidental Death And Dismemberment Insurance

Each employee is provided with accidental death and dismemberment insurance equal to his/her basic life insurance amount at no cost. If the employee purchases optional additional life insurance coverage, an equal amount of accidental death and dismemberment insurance is included in the cost.

Travel Accident Insurance

The Observatory maintains Travel Accident Insurance for all employees. The plan covers loss from accidental bodily injury, total permanent disability, or death sustained during travel on official business of the NRAO. The plan is provided at no cost to the employee and carries a death benefit equal to five times the employee's basic annual salary, subject to a minimum of \$100,000 and a maximum of \$500,000.

Workers' Compensation

The Observatory maintains Workers' Compensation in accordance with the applicable state laws where it conducts operations.

AUI Trustee Scholarships

At least three college scholarships are awarded each year to dependent children of regular NRAO employees. These scholarships are awarded on merit and provide each recipient with up to \$3,500 for each of four academic years to help defray costs of tuition, lodging, board, etc., provided the student attends an accredited college or university and selects a course of study leading to a degree.

Tuition Reimbursement Program

Regular full-time employees who attend college on their own time are eligible for tuition reimbursement if the coursework they are pursuing is related to their work at the NRAO or will lead to a degree in a field of study pertinent to the work of the NRAO. The reimbursement is 100% of the tuition amount for graduate coursework and 75% of the tuition amount for undergraduate coursework. Upon graduation, the remaining 25 percent of undergraduate tuition is reimbursed for coursework completed within five years of the degree date. All programs must be approved by Human Resources prior to starting the program.