

Dear colleague

All members of staff have an opportunity, from 11 December 2015 to 15 January 2016, to revise the components of their cost of employment, as applicable from January 2016, on the relevant web page. (Log in on SUN-e-HR "Employee Self-Service" and click on package structuring.) Once you have accepted the component composition on the web page, and the University's proxy has also accepted it as being permissible, it will be viewed as a valid agreement of acceptance by both parties of the changes made to the structuring. Should you fail to accept the component composition by way of the intranet, you will be deemed to have accepted the previous structuring unchanged.

The USRF board of trustees decided in 2014 to automatically increase the USRF contribution rate of all employees who currently contribute 10% and 12,5%, to 12,5% and 15% respectively from January 2016. If you were appointed prior to 1 July 2014, however, you still have the option of retaining your current contribution rate. Send an e-mail with your choice to Peter Kirsten (pkirsten@sun.ac.za). For record-keeping purposes, Human Resources can respond to written requests only.

In October 2015, Simeka tested the market for the best premiums on group life and spouse's insurance, disability cover and spouse's and children's pension. The findings of the market research are discussed below per benefit.

1. Spouse's and children's pension

Current insurer:	Old Mutual
Benefit:	Spouse's pension (35% of pensionable remuneration) and children's pension (maximum three children, 10% of pensionable remuneration), but with a minimum benefit of two times the yearly pensionable remuneration
Current tariff:	1,40% of pensionable remuneration
New tariff:	1,48% of pensionable remuneration

Monthly cost of the benefit based on a pensionable income of R120 000 per year:

Current cost:	R140
New cost:	R148

2. Group life insurance

Current insurer:	Old Mutual
Benefit:	Five times the pensionable remuneration
Current tariff:	R0,289 per R1 000 cover (members aged 65 and younger)
New tariff:	R0,270 per R1 000 cover (members aged 65 and younger)

Monthly cost of benefit based on a pensionable income of R120 000 per year for members aged 65 and younger:

Current cost: R173
New cost: R162

3. Disability cover

Current insurer: Capital Alliance
Benefit: 75% of cost of employment, with a waiting period of three months
Current tariff: 0,390% of pensionable remuneration
New tariff: 0,476% of pensionable remuneration

The underwriter of this benefit has moved to Old Mutual as of 1 January 2016.
Monthly cost of benefit based on a pensionable income of R120 000 per year:

Current cost: R39
New cost: R48

4. Spouse's insurance

Current insurer: Old Mutual
Benefit: Two times the pensionable remuneration
Current tariff: R0,275 per R1 000 cover
New tariff: R0,160 per R1 000 cover

Monthly cost of benefit based on a cost of employment of R100 000 per year:

Current cost: R66
New cost: R38

Kindly distribute this notice among all staff in your section who do not have access to electronic communication.

For any enquiries, please contact the Human Resources client service centre on 021 808 4207 or sun-e-hr@sun.ac.za.