

# Something More Than Pay

Because a company is only as good as the people in it, Sandia Corporation has always tried to be the kind of company that would attract—and hold—the best people.

This is a big order, if you stop to think about it. It includes—but goes far beyond—paying good wages and salaries. It means providing efficient tools and satisfactory physical surroundings. It includes maintaining the integrity of the company's name and its products. And, perhaps most of all, it includes employee policies that are accepted as fair.

### Benefits

One test of fairness is the question: Does the company do all that it can reasonably be expected to do to aid employees and their families when the employee is at work, when he is sick, when he retires, when he dies?

We're talking about Sandia's employee benefits "package."

Sandia Corporation benefits package dates back to the early days of the Corporation. Since that time changes have been made in the package to maintain our favorable position in comparison with other industry. The improved benefits presented here are the result of the most recent review.

This package, even without the improvements explained on these pages, is worth about one-fourth of the average base pay of Sandia employees.

Not included in this presentation are benefits which employers are required to provide by law, such as disability pay, federal old age insurance (Social Security) and unemployment compensation.

### We Forget

Being human beings we sometimes forget such matters as the Sandia retirement plan, free group life insurance, sickness benefits and special insurance. We forget them until some milestone in our lives or some crisis brings them to our attention. It is hoped that this summary will increase your understanding of the benefits available to Sandia employees.

Explained in brief form are the following improved benefits: Increased group life insurance, credit for previous service and lay-off allowance. For employees not represented by a union, these benefits become effective April 1.

### Discussions

On two of these items, namely, credit for previous service and lay-off allowance, discussions have been initiated with representatives of the Atomic Projects and Production Workers, Metal Trades Council, AFL-CIO, Albuquerque Guards Union, Local 27, IGUA and Office Employees International Union, Local 251, AFL-CIO.

Representatives of the Guards Union have indicated that these items are acceptable and therefore these benefits become effective April 1 for employees represented by this Union.

Until contractual arrangements satisfactory to both parties have



published every other friday for the employees of sandia corporation, contractor to the atomic energy commission

APRIL 4, 1958

ALBUQUERQUE, NEW MEXICO

BENEFITS ISSUE

been negotiated with the Metal Trades Council and the Office Employees Union, they cannot become effective for employees represented by the Council and the Union.

In the case of the Group Insurance Plan no revision in the contracts is required since the present articles specify that the consent of the Unions is required only when a change would reduce benefits. However, the Unions have been advised of the contemplated action and the change becomes effective April 1, 1958, for all Sandia employees.

### Health Care Plan

Recognizing the need for improved hospital, medical and surgical coverage, the Corporation has completed arrangements to make a new Health Care Plan available to Sandia employees.

Although the reopening provisions of the current contracts with all three Unions include "negotiating on hospital, medical and surgical plan," the Corporation has indicated to the Unions that the new

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## Group Life Insurance Plan Now Gives More Protection Quicker

The Group Life Insurance Plan which is currently provided by Sandia Corporation at no cost to the employee is being revised to provide more life insurance at an earlier date than the existing plan.

As the table indicates, employees with five years term of employment or more will now be covered by life insurance equal to one year's base pay, instead of after 10 years service as in the past.

Term of Employment	New Coverage In Months of Pay	Old Coverage In Months of Pay
6 months—2 years	4	0
2 years—3 years	6	6
3 years—4 years	8	6
4 years—5 years	10	6
5 years—7 years	12	6
7 years—10 years	12	9
10 years and over	12	12

## Home Disposal Plan To Assist In Transfers

With a possibility of a number of Sandia Corporation employees being transferred between cities at the request of the Corporation in the next few years, especially to the Livermore Branch, a plan is in effect to help them finance the move.

The employee will be reimbursed for the following costs of the sale of his home: the brokers selling commission: legal fees up to \$125; documentary stamps, title policy fees, real estate transfer taxes and abstract title fees up to \$200; and mortgage prepayment penalty up to \$200.

A Sandia Corporation instruction covering details of this benefit was published Feb. 25, 1958, and the plan applies to employees whose effective date of transfer is Feb. 25 or later.

# Health Care Plan Will Help Ease Money Strain of Illness

## Indications of Things to Come—

The new dimensions of the "benefits package" are described in this issue.

Sandia employee benefits, which have been growing in value and number over the years, place an unusual worth on a Corporation job. These so-called "fringe" benefits cost the Corporation about one fourth of the amount paid as wages and salaries. So much on the matter of benefits, but what of the project itself?

Crystal ball gazing is not a specialty of the **Lab News**, so rather than make a guess about the future we looked for some good sound indicators.

We didn't have far to look.

These following facts, almost all of which have already been reported in the **Lab News**, indicate pretty clearly that long range planning is based on a firm future for Sandia Laboratory.

**Item One:** In Albuquerque, we already have 1,000,000 square feet of floor space in permanent buildings, and 100,000 more square feet authorized in new permanent buildings. And designers are busy at the drawing boards preparing plans for more building proposals.

**Item Two:** A \$5,000,000 building program is underway at the Livermore Branch of Sandia Corporation.

**Item Three:** Today, the Livermore Branch has about 250 employees and it is anticipated that this number will more than double by July 1959.

**Item Four:** Today, Sandia has about 7,100 employees. Personnel recruiting is being geared to increasing the total to more than 8,000 by July 1959, including the increase for Livermore.

**Item Five:** Such programs as on-the-job training, evening school courses, apprenticeship, educational aids, and supervisory development also indicate that plans are being made at Sandia for a long and vigorous future.

**Item Six:** A start has been made toward the development of a program of peacetime applications in which Sandia Laboratory could render a needed service. To explore this and other project possibilities a committee called "Overall Program Planning" has been formed under the chairmanship of J. W. McRae.

Duties and responsibilities of the Committee are worded thus:

"To generate ideas and make proposals relating to future planning of Corporation operations in such areas as future work program, buildings and facilities, applications for modernized devices in laboratory, office and production organizations, and planning for emergency operations."

Again, let us emphasize that no one can read the future with accuracy. But, in studying the signs of today we may see a good indication of the shape of things tomorrow.

## Rehired Employees To Have Benefits Restored Without Requalification

A plan has been adopted to restore benefits to rehired employees rather than require them to requalify with an additional period of service. An employee rehired after lay-off due to lack of work will be given credit immediately in term of employment for previous service if reinstated within two years. If his absence is six months or less he will also be given credit for the period of absence, as though he had been continuously on the roll.

This means that the following employee benefits will be reinstated: Group Life Insurance, Retirement Plan, and Sick Leave credits.

Group Life Insurance will be reinstated immediately if term of employment is six months or more.

The Retirement Plan will also be reinstated immediately if the employee's term of employment is at least one year. The employee will also have the option of restoring previous retirement credit by

replacing the money he withdrew at the time he terminated.

Sick leave credits which the employee had at time of termination will be reinstated for periods of service included in term of employment up to the maximum accruals permitted.

A faculty member or college recruit with previous temporary employment in a staff classification will receive full credit for such previous employment when hired as a staff member on a permanent basis.

An employee rehired following any absence not previously credited will receive credit for his prior service after re-employment period totals five years. (No credit is allowed for previous service periods of less than six months.) After that time, all benefit credits accumulated for Group Life Insurance, Retirement Plan and Sick Leave during previous service would be revised.

In recent years inflation has increased the costs of hospital, surgical and medical expenses and supplies. At the same time many improved methods of treatment have resulted in higher costs not adequately covered by basic hospital-surgical plans. These costs come from more expensive equipment and facilities, drugs, services of specialists, private nurses and considerable outpatient treatment.

The present plan provides coverage for only limited hospital and surgical benefits. Many Sandia employees have found this coverage quite inadequate. The \$35 deductible provision which applies to each hospital visit has been a particular burden.

Sandia Corporation's new Health Care Plan is designed to minimize financial worries in case of catastrophic illness while eliminating the objectionable feature of \$35 deductible on each hospital visit.

This plan is offered as an option to the employees who have the present Hospital-Surgical Benefit plan, and will also be offered to those employees who are not under the present plan. Both plans are with the Equitable Life Assurance Society of America.

A summary of the main features of the new Health Care Plan follows. This condensation of coverage is not intended to be all-inclusive. Details pertaining to coverage in specific situations will appear in a booklet being readied for distribution to all employees. Individual certificates to be issued to covered employees will contain even more detailed information.

**1. Hospital Charges:** 80 per cent of covered hospital charges, including local ambulance fees, will be paid. The 80-20 provisions of the Plan give all participants the same protection regardless of variation of fees found in different hospitals. Room and board payments are limited to the cost of a semi-private room.

**2. Surgical Procedures:** 80 per cent of all covered surgical and medical charges, including doctor visits in the hospital, will be paid. This eliminates all dollar limitations on surgery which are imposed by the present plan.

**3. Maternity:** Normal maternity cases are limited to \$150. If complications are encountered the insurance covers 80 per cent of the charges resulting from such complications. Newborn infants are covered from time of birth.

**4. Medical Expense Benefits:** Payment will be made for 80 per cent of medical expenses such as doctors' fees for visits in the home or office, or for prescribed medication in excess of the \$100 cash deductible. This means that the first \$100 of covered medical expenses incurred must be paid by you for each individual only once per calendar year. However, any part of a year's deductible incurred during the last three



months of the year will be applied toward the following calendar year's deduction.

**5. Maximum Payment:** The maximum cumulative benefit to any individual is \$15,000. However, after at least \$1,000 in benefits has been received under this plan by an individual, the full \$15,000 credit will be reinstated providing the employee receives approval from the Sandia Corporation Medical Department to return to work. Satisfactory medical evidence of insurability is required of dependents.

**6. Exclusions:** There are a few exclusions and limitations to the Plan. Normal dental work is not covered. Neither are routine physical examinations, eye refractions, eye glasses and hearing aids. Injuries resulting from future wars are not covered. Transportation, except local ambulance charges, is not paid and neither are charges made by rest homes. If an employee is entitled to any benefits under another Group Plan, or to benefits under the California Unemployment Compensation Insurance Code, these will be deducted before benefits apply under the new plan.

**7. Cost:** Premiums for the employee only are \$4.25 per month; for an employee and one dependent \$13.25 per month and for the employee and two or more dependents \$14.40 per month.

**8. Retired Employees:** Retired employees are eligible for enrollment in the Plan and get the same coverage as active employees except that they may receive maximum benefits of \$1,000 per year and a lifetime maximum of \$2,500 with no reinstatement privilege.

Those who are already retired are eligible as well as those who retire in the future.

# Extensive Building Program Planned for Near Future

Sandia Corporation is continuing to expand its laboratory facilities to accommodate the increasing number of persons and equipment involved in technical programs at the Laboratory.

By July 1 of this year construction will have begun on two new technical buildings and laboratory facilities to cost more than three million dollars. On the drawing boards at the moment are proposals for still more buildings to meet projected growth requirements.

In the past year, impressive new buildings being completed in the Tech Area indicated the progress being made to relieve crowded conditions in the research and development organizations and service groups.

Among new buildings recently completed or nearing completion are Bldg. 836, the Van de Graaff Building (803), a new Engineering Mock Up Building (809) and a Research and Development Storage Building (893). Contract costs of these projects total more than \$1,880,000.

Not as obvious have been major modifications to existing buildings, including extensive changes in Bldg. 880 in preparation for the installation of the IBM 705 Electronic Data Processing Machine and occupancy by the Field Test organization. Completed modifications include addition of office and laboratory facilities in Bldg. 894, and an extension of the Wind Tunnel Building (865).

Ground will be broken about July 1 for the construction of a new Materials and Standards Laboratory to house the 1620 and 1650 organizations. The building, to be three stories high and contain 73,500 square feet, will cost more than \$1,642,000. At the same time work is expected to start on the

construction of a climatic chamber and high temperature test facility in Area III, to cost more than \$1,600,000.

The biggest single project now on the drawing boards is the construction of the Sandia Engineering Reactor Facility, which will cost \$2,900,000 and be completed in September of 1959.

While Sandia's building program is going ahead full steam in Albuquerque, still more buildings are going up at Sandia's Livermore Branch in California, under a current \$5,000,000 building program.

Seven structures are included in the Livermore project. They are: central steam plant, office and laboratory building, security and personnel building (now completed and occupied), shop building, environmental test building, warehouse, service station and motor pool shop.

All of the permanent buildings in Albuquerque are replacing, as necessary, temporary buildings remaining from the early days of Sandia Laboratory. When the Laboratory was founded in 1946 a few wooden barracks buildings proved adequate for the original 300 employees. In 1949, Sandia had only 161,000 square feet of permanent floor space. Today the square footage on Sandia Base exceeds one million and more than 100,000 square feet of new construction is scheduled to begin about July 1.

Since those early days Sandia's staff has grown to 7,100 with physical facilities valued at more than \$60,000,000 and still increasing.

Final architectural and engineering design and actual construction of the facilities mentioned are accomplished under contracts issued by the Albuquerque or San Francisco Operations office of AEC.

**NEW STANDARDS BUILDING**, shown in this artist's sketch, will be erected soon to accommodate the 1620 and 1650 organizations. Work is expected to begin on the building July 1 and is estimated to cost more than \$1,642,000. The first three-story structure to be built since Bldg. 802 at Sandia Corporation, it will measure 75 feet by 300 feet and contain 73,500 square feet of floor space. The building will be humidity and temperature controlled.

## 'Benefits Package' Gets Strength From Lay-off Allowances

A review of industrial practices indicates that most companies have established policies for the payment of allowances in case it is necessary to make adjustments in the work force. Such a situation has never arisen at Sandia and there is no indication that this might occur in the foreseeable future. However, to meet our objective of maintaining a proper relationship to the practices followed by other industries, we believe it proper to include in the Corporation's established policies provisions which will provide an allowance to employees with one or more years of service who are laid off due to lack of work.

A lay-off allowance would be paid employees with at least one year of service who are laid off due to lack of work, as follows:

Term of Employment	Allowance Equivalent To Number of Weeks Pay
1-2 years	1
2-3 years	2
3-4 years	3
4-5 years	4
5-6 years	5
6-7 years	6
7-8 years	7

For those employees with terms of employment from 8 to 15 years the allowance increase is equivalent to two weeks of pay per year above eight.

For those with 15 years and more the equivalent to three weeks of pay is added for each year of employment up to a maximum of 39 weeks under this plan.

If an employee who has received lay-off allowance is re-employed, and the number of weeks since lay-off is less than the number of weeks covered by the lay-off allowance, the excess amount will be deducted from the employee's pay at the rate of 10 per cent of his current wage.

## Employees Going On Military Leave Get Liberal Benefits

Employees who enter military service for extended active duty are granted liberal benefits including payment of a differential allowance, continued accrual of sick leave while in military service (up to the maximum of 90 days) and full reinstatement rights upon their return.

The differential allowance makes up for the difference in income for up to six months depending upon length of service and number of dependents.

In addition, those who are members of the National Guard or Reserve organizations are allowed time off for summer camp or other intermittent training. They receive a differential allowance for up to two weeks absence each year for training duty.

For training duty in lieu of extended active duty (3 - 6 months) a differential allowance of up to two months is paid to married employees with more than one year of Sandia Corporation service.

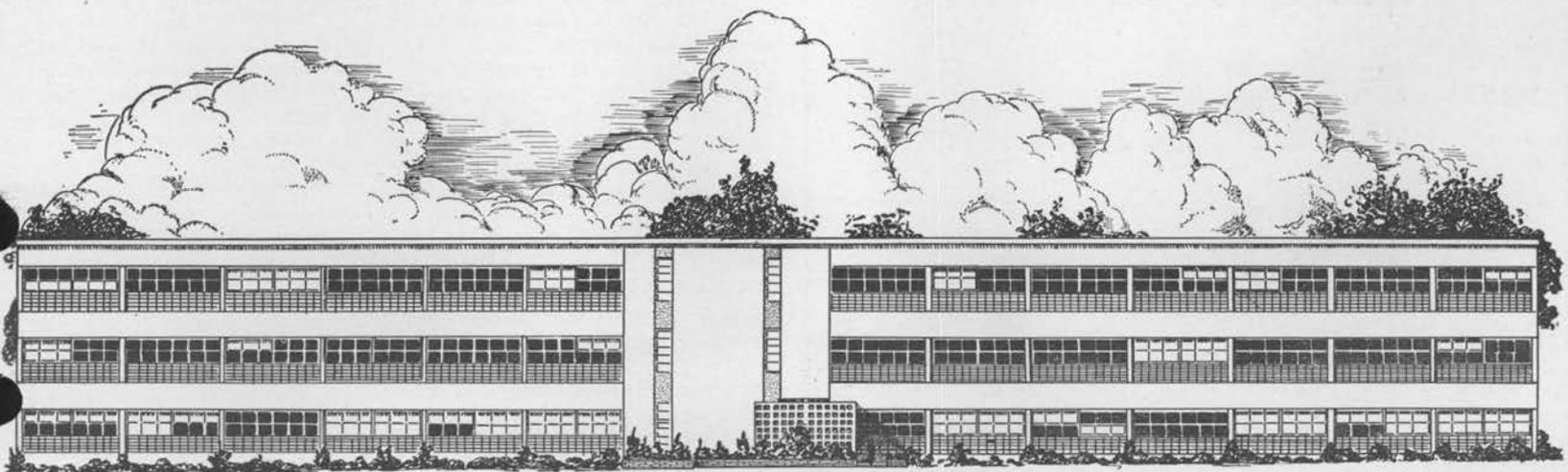
Because of the vital nature of the work in which Sandia Corporation is engaged, every effort is made to obtain occupational deferments for employees in critical occupations until a replacement can be obtained when they are called for military service.

## Sick Leave Is Added Insurance for Sandians

Income for Sandia Corporation employees does not stop when personal sickness strikes. All employees accrue sickness absence credits (to a maximum of 90 days) at the rate of 1½ days per month during which pay is received for at least 90 straight-time hours.

Thus an employee who has a maximum accrual may get as much as 18 weeks full pay if he suffers a prolonged illness or injury.

An employee may start using his accrual on the third consecutive day of sickness absence. The first two days of sickness are charged to sick leave if the absence for that sickness runs 10 calendar days or more.



### Special Insurance

Employees of Sandia Corporation are covered by a \$10,000 life insurance policy while they are traveling in commercial aircraft on Corporation business within the Continental United States.

Employees engaged in work involving special risks receive special insurance protection. This insurance covers death, total or permanent disability. Employees with dependents are insured for up to \$50,000 and employees without dependents are insured for \$20,000. This policy applies anywhere in the world and includes flights in military aircraft.

Private policies which might be voided as a result of the activity involving special risks, or air travel, are guaranteed up to certain limits and under certain conditions.

All this added protection costs the employee nothing.

### Eight Paid Holidays

Eight holidays are regularly observed by Sandia Corporation employees at Sandia Base.

- New Year's Day
- Washington's Birthday
- Memorial Day
- Independence Day
- Labor Day
- Veterans' Day
- Thanksgiving Day
- Christmas Day

Holidays which fall on Sunday are observed on the following day. When a holiday falls on Saturday the Corporation designates the day to be observed as a holiday, either Friday, Saturday or Monday.

If the holiday is observed on Saturday, the employees who are not scheduled to work are paid a holiday allowance subject to certain provisions.

The holiday schedule for Sandia employees at other locations may vary somewhat to match local practice.

## Sandia Corporation Retirement Plan

After an employee has been at Sandia Corporation for a year he begins saving for his retirement days. This retirement normally occurs at age 65.

Retirement as early as age 55 may be requested with Corporation approval. Retirement at age 60 will be granted at the employee's request. Retirement after an employee reaches 65 may be postponed by the Corporation to a maximum of age 70.

The amount the Corporation contributes to this retirement plan is considerably larger than that which the employee contributes.

As an example of retirement benefits, an employee earning \$6,000 per year with 30 years service will receive, at age 65, a pension of about \$2,700 per year. In three years he would receive an amount equal to his total payments to the plan, yet the annuity would continue at that same rate as long as he lived.

If the employee dies prior to the end of these three years the remainder of his contributions go to his spouse in a lump sum. A particularly favorable payment option is provided which will allow for continued annuity payment to a widow of an employee for the remainder of her life. In this case, however, the annual payments are reduced from the normal annuity payment.

If an employee terminates at any time, he may either elect a refund of his own contributions plus interest or leave the contributions with the Prudential Life Insurance Company for purchase of an individual retirement policy and receive a pension at age 65. If, when he terminates, an employee has met certain "vesting" requirements, the amount contributed on his behalf by the Corporation may be left to his credit for use in purchasing an annuity or pension for him at age 65. An employee is 100 per cent "vested" in this plan when, prior to termination of employment, he has contributed to the plan for at least 180 months and is at least age 50.

### Vacations With Pay

Sandia employees enjoy a liberal vacation plan.

They accumulate vacation credits at the rate of two days for each calendar month in which pay is received for 90 straight-time hours. This amounts to 24 days per year in vacation accrued.

Vacations are scheduled in accordance with the employees' wishes consistent with job requirements. In order that employees may derive the benefit of a complete rest from normal work routines, it is the Corporation policy that annual vacations be scheduled for minimum periods of two consecutive work weeks. Additional vacation absence may be arranged in shorter periods.

Vacation credits may be used for short periods of absence not otherwise compensated when such arrangements are made with supervisors.

### Educational Aids Program Helps You Learn While Earning

It is convenient to learn while you earn when working at Sandia Corporation and the Corporation provides an Educational Aids Program as evidence of its interest in the continued development of its employees.

Aimed at encouraging college-level training, this Program provides for 50 per cent tuition refund to any employee who successfully completes a job-related course at an accredited college. In addition a limited amount of time off may be granted for attending job-related classes which are not available outside of working hours. Any employee who has reached junior classification or higher may be considered for the time off the job provisions of the Program.

An apprenticeship program for machinists was placed in operation on Mar. 3. The Standards of Apprenticeship under which this program operates was formulated by representatives of the Atomic Projects and Production Workers Metal Trades Council, AFL-CIO and the Corporation.

A Joint Apprenticeship Committee made up of three members designated by the Council and three members designated by the Corporation has the responsibility for the successful operation of the program.

At the present time there are 25 apprentices in the program which provides for eight 6-months periods of training including bench work, shaping, grinding, turning and boring, milling, drilling, special machines, shop theory and related classroom instruction.

### Leaves of Absence

Leaves of absence may be granted under various circumstances up to certain limits. Each case is considered on its own merits.

Leaves are granted for sickness, disability, maternity, service with the armed forces, school attendance and other compelling reasons. This recognition of the personal influences in the life of every employee is indicative of the Corporation's efforts to help employees meet their important personal needs.

### More Than Pay . . . . . (Continued from Page 1)

Health Care Plan can be made available to employees represented by the Unions without affecting in any way the Unions' rights under the reopening provisions of the contracts.

Representatives of the Guards Union have agreed that the plan be made available to the employees they represent. Representatives of the Metal Trades Council and the Office Employees Union have taken the matter under consideration.

The effective date for the Health Care Plan will be May 1, 1958, for those who enroll prior to that date. However, the enrollment period will continue through May 31, 1958.

## SANDIA CORPORATION PERSONNEL GROWTH

