Interim Staff Reduction in Force Policy

Statement

While the University strives to provide a stable and secure environment in which to work, it may be necessary to eliminate, reclassify, or reassign Staff Positions due to budgetary needs, policy reductions, reorganization, or other business needs.

The Staff Reduction in Force (Staff RIF) Policy establishes a process for the elimination of University funded Regular full-time and Regular part-time Staff Positions; ensures that Staff Members are released in a fair and equitable manner; and provides for reasonable transition assistance to those whose positions are eliminated.

A reduction in force ("RIF") is defined as an involuntary separation of a Staff Member from employment, due to a shortage of funds, lack of work, organizational changes, redesign or elimination of position(s), reorganization, or other business reason(s) with no likelihood or expectation that the Staff Member will be re-employed because the Position itself is eliminated.

Entities Affected

- Regular full-time Staff Positions
- Regular part-time Staff Positions

Policy Background

Eastern Kentucky University adopted a Voluntary Buyout Program, Staff Reduction in Force Program, and the Enhanced Retirement Transition Program, effective March 20, 2013. All of these programs provided a unique opportunity to adjust the University's financial and human resources to meet the University's strategic plan goals and state mandate for recruiting, retention, and growth of the University.

The Strategic Budget Reallocation Task Force recommended that the Staff Reduction in Force Program be continued as a University policy in order to provide the University flexibility in addressing future reductions in force and to ensure that Staff Members are released in a fair and equitable manner and with reasonable transition assistance to those whose positions are eliminated.
Procedures

1. Creating a Staff RIF Plan

   A. University Review and Approval
      Final decisions regarding a reduction in force within a Work Unit are the responsibility of the Vice
      President of the Work Unit and shall not be punitive or discriminatory in nature. The Vice President
      must approve all Staff RIF plans, including the selection of individual Staff Members to be affected
      by a reduction in force prior to finalization or action. The Director of Human Resources, University
      Counsel, and Office of Equity and Inclusion will conduct a review of all RIF plans prior to
      implementation and will refer any identified issues to the respective Vice President for resolution.

   B. Designing a Staff RIF Plan
      Prior to any RIF within a Work Unit pursuant to this Policy, the Vice President of the Work Unit, or
      the Work Unit head in consultation with the Vice President, will prepare a written Work Unit Staff RIF
      plan that includes, at minimum, the following information:
      - The scope of the Work Unit Staff RIF
      - An analysis of business necessity of each position in support of the core mission to
determine which job classifications/titles to eliminate; the position(s), to include vacant
      positions, to be eliminated; and the rationale for eliminating each position(s)
      - The name(s), job classification/title, and position numbers of the affected Staff Member
      - Current and anticipated organizational charts

   C. Reduction Criteria
      The University shall seek opportunities to revise the University’s organizational structure in order to
      increase efficiencies and effectiveness. After a thorough review of the criticality of Job
      Classifications/Titles, the University may determine that one or more job classifications/titles, within
      or across Work Units, may be eliminated, and if the Work Unit has more than one position within the
      same job classification/title, all such positions must be reviewed at the same time. For the purpose
      of determining which positions will be affected by a reduction in force, university service will be the
      primary factor in determining which position(s) among multiple position(s) will be retained.
      Reductions in force will be done in reverse order of seniority by job classification/title within a Work
      Unit.

      The qualifications of each Staff Member (in the same job classification/title within that Work Unit) to
      perform the work following the reduction in force can also be considered in determining which
      position(s) are to be eliminated.

   D. Work Performed by Position
      Once a position has been approved for elimination, the position will cease to exist as of the affected
      Staff Member’s involuntary separation date. The work performed by a position that has been
      eliminated may not be covered by temporary positions and a new position performing the same or
      similar functions may not be created for at least twelve (12) months following the effective date of
      the elimination of the position. Any exception to these restrictions must be approved in writing by
      the appropriate Vice President and the Office of Human Resources based upon criticality of the
      business need of the Work Unit.

2. Involuntary Separation Notification

   A. Notification Period
      The University will provide to an affected Staff Member a minimum notice of fourteen (14) days in
      advance of any work force reduction or will provide equivalent pay when it is not possible to provide
      advance notice or when notice may be disruptive to University/Work Unit operations.

      Pay in lieu of notice will not impact an affected Staff Member receiving involuntary severance
      benefits and the voluntary decision to sign the Waiver and Release Agreement and receive
      involuntary severance pay.
Written notice is to be delivered in person by the immediate supervisor or next higher level administrator of the affected Staff Member and signed by the Staff Member’s immediate supervisor. A copy of the separation notice will be placed in the Staff Member’s Human Resource personnel file.

B. Continued Performance and Termination Prior to Involuntary Separation Date
An affected Staff Member shall abide by the University’s standards of conduct and satisfactorily perform his or her job responsibilities up to and including his or her involuntary separation date. An affected Staff Member whose employment with the University terminates before his or her involuntary separation date for any reason other than in accordance with the terms of the Staff RIF shall not be eligible to receive involuntary severance pay and involuntary severance benefits under the Staff RIF.

3. Involuntary Severance Benefits

A. Involuntary Severance Benefits
All affected Staff Members whose positions have been eliminated pursuant to the Staff RIF will receive the following involuntary severance benefits. These benefits will be administered by the Office of Human Resources.

1. Job search assistance for a period of ninety (90) days from the involuntary separation date
   - Affected Staff Members will receive assistance in their employment search. These services may be provided internally or through an outplacement agency, as determined by the Director of Human Resources. Such services may include: resume writing, interview preparation, assessment services, referrals to outside agencies, networking, and assistance in applying for advertised positions.

2. Unemployment Compensation
   - Staff Members involuntarily separated from employment may be eligible to collect unemployment compensation benefits, provided the eligibility requirements as set by the Commonwealth of Kentucky, Office of Employment and Training, Unemployment Insurance Division, are met. The University will not contest an initial unemployment compensation claim for affected Staff Members, if separation from employment was due to Staff RIF.

3. Tuition Assistance for twelve (12) months from involuntary separation date
   - Only affected Staff Members will be offered tuition waiver assistance for six (6) undergraduate/graduate academic credit hours at Eastern Kentucky University per semester regardless of the method of delivery. The value of the tuition waiver is equal to the then-current tuition rate for undergraduate in-state on-campus (traditional delivery/non-online) courses.

4. Employee Assistance Policy services for a period of ninety (90) days from the Staff Member’s involuntary separation date.

5. Neutral Letter of Reference
   - The Human Resource Department, in response to any inquiries from prospective employers, will provide a neutral reference, confirming dates of employment, rates of salary, positions held, and the reason for separation from employment being by reduction in force.

B. Health, Dental and Life Insurance Coverage Benefits

1. All health, dental, and life insurance coverage will continue through the end of the month in which the involuntary separation date occurs.

2. Flexible spending account deductions will continue through the Staff Member’s last paycheck, and can be used for covered expenses incurred through the involuntary separation date.

3. Vested retirement plan contributions made by the University or the Staff Member may remain in the applicable retirement system account. University contributions to the Staff Member’s retirement plan cease as of the involuntary separation date.
4. Upon involuntary separation, a Staff Member may elect to maintain his/her current health and dental care, at his/her expense, in accordance with COBRA. Staff Members will be provided information about COBRA coverage at the date of notification of their involuntary separation.

5. Voluntary benefits may be continued in accordance with the provisions of each plan, at the employee’s expense. Affected Staff Members will be provided information and instructions by the Human Resource department.

C. Accrued Leave

1. Staff Members who involuntarily separate from employment will be paid for the balance of unused vacation, up to the maximum allowed by University Vacation Leave Regulation, 8.2.13R.

2. Per the University Sick Leave Regulation, 8.2.14R, an affected Staff Member will not receive compensation for accumulated sick leave time at the involuntary separation date. Affected Staff Members should consult their retirement plans for clarification of the effect of accumulated sick leave.

4. Involuntary Severance Pay

A. Eligibility

Only affected Staff Members whose positions have been eliminated pursuant to the Staff RIF who sign and do not revoke the Waiver and Release will receive involuntary severance pay.

B. Waiver and Release Agreement

The decision to sign the Waiver and Release Agreement is voluntary. The choice is entirely that of the Staff Member. No one at the University may require a Staff Member to accept or reject the Waiver and Release Agreement.

The Staff Member is given a minimum of twenty-one (21) days from the date the Staff Member receives his/her Separation Notice to consider and submit a Signed Waiver and Release Agreement. The signed Waiver and Release Agreement must be submitted to the Director of Human Resources by no later than twenty-one (21) days after the Staff Member receives his/her Separation Notice.

A Staff Member may revoke the signed Waiver and Release Agreement within seven (7) calendar days of the date he or she submits the signed Waiver and Release Agreement to the Director of Human Resources. Any revocation received after the seven (7) calendar day period will not be effective. Any such revocation must be in writing and received by one of the following methods to the Director of Human Resources:

- Personal Hand Delivery to: Director of Human Resources, Room 203 Jones Building, 521 Lancaster Avenue, Richmond, KY 40475; OR
- FedEx or UPS addressed to: Eastern Kentucky University, Attn: Director of Human Resources, Jones 203, 521 Lancaster Avenue, Richmond, KY 40475; OR
- U.S. Postal Service, certified mail, return receipt service to: Eastern Kentucky University, Attn: Director of Human Resources, Coates 24A, 521 Lancaster Avenue, Richmond, KY 40475.

Revocations sent by facsimile; electronic mail; regular, first-class U.S. mail; or campus mail will not be accepted. The University is not responsible for forms not received by the stated deadline. The University is not responsible for lost mail.
A Staff Member who submits a signed Waiver and Release Agreement and who does not exercise his or her right of revocation shall be eligible to receive involuntary severance pay.

Due to the voluntary nature of the Staff Member’s decision to sign the Waiver and Release Agreement, the University will not agree to modifications to the Waiver and Release Agreement.

C. Involuntary Severance Pay for Hourly Paid/Non-Exempt Staff

Each affected Hourly Paid/Non-Exempt Staff Member who executes, and does not revoke, a Waiver and Release Agreement, will receive the following involuntary severance pay as described herein based upon the Staff Member’s base pay as of the involuntary separation date. Under the Staff RIF Policy, the following calculations will be utilized to determine involuntary severance pay.

<table>
<thead>
<tr>
<th>Completed Full Years of Service</th>
<th>Involuntary Severance Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>2 weeks</td>
</tr>
<tr>
<td>1 year but less than 5</td>
<td>3 weeks</td>
</tr>
<tr>
<td>5 years but less than 10</td>
<td>4 weeks</td>
</tr>
<tr>
<td>10 years but less than 15</td>
<td>6 weeks</td>
</tr>
<tr>
<td>15 years or over</td>
<td>8 weeks</td>
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</tbody>
</table>

For Hourly Paid/Non-Exempt Staff Participants, for purposes of this plan, a week is equivalent to the number of hours per week for which the position is classified.

Involuntary severance pay will be pro-rated for Regular Part-time Hourly Paid/Non-Exempt Staff according to the current approved FTE equivalent.

Generally, involuntary severance pay will be provided in a lump sum payment in the Staff Member’s last paycheck after the involuntary separation date. Involuntary severance pay will not be paid and the Waiver and Release Agreement will be void if the Staff Member accepts another position at the University prior to the involuntary separation date.

D. Involuntary Severance Pay for Exempt Staff

Each affected Exempt Staff Member who executes, and does not revoke, a Waiver and Release Agreement, will receive the following involuntary severance pay as described herein based upon the Exempt Staff Member’s base pay, effective as of the involuntary separation date. Under the Staff RIF Policy, the following calculations will be utilized to determine involuntary severance pay.

- Affected Exempt Staff Members will be eligible for one week of pay per full year of completed service, as of their involuntary separation date, with a minimum of four (4) weeks of base pay and a maximum of eight (8) weeks of base pay.

- Severance pay will be pro-rated for Regular Part-Time Exempt Staff according to the current approved FTE equivalent.

Generally, involuntary severance pay will be provided in a lump sum payment in the Staff Member’s last paycheck after the involuntary separation date. Involuntary severance pay will not be paid and the Waiver and Release Agreement will be void if the Staff Member accepts another position at the University prior to the involuntary separation date.

E. Conditions of Ineligibility for Receipt of Involuntary Severance Pay and Involuntary Severance Benefits

The Staff Member will not be eligible to receive involuntary severance pay and involuntary severance benefits, and the Waiver and Release Agreement will be void if:

- Staff Member is terminated, quits, or resigns prior to the involuntary separation date, OR
- Staff Member accepts another position at the University before the involuntary separation date.
F. Payment of Involuntary Severance Pay

The University shall pay the involuntary severance pay in a lump sum in the Staff Member’s next regular payroll cycle after the Waiver and Release Agreement revocation period ends. The University shall deduct from involuntary severance pay all legally required taxes, other withholdings, and any sums due and owing to the University. Notwithstanding the above, any involuntary severance pay will only be paid after the seven (7) day revocation period for the signed Waiver and Release Agreement has passed. If a Staff Member who has signed the Waiver and Release Agreement dies before receiving all of the involuntary severance pay, the University shall pay the remainder to the deceased Staff Member’s designated beneficiary or estate, as identified in the Participant’s Executed Waiver and Release Agreement.

5. Transfer and Re-Employment Eligibility

Staff Members affected by a reduction in force have no displacement rights, but may apply for any posted positions at the University for which they are qualified, both during the notification period and at any time in the future. A Staff Member that retires, in conjunction with the Staff RIF, will not be eligible for re-employment.

6. Priority Applicant Status

Staff Members affected by a reduction in force will be afforded Priority Applicant status for one (1) year following the affected Staff Member’s involuntary separation date. The only benefit conferred by this status as “Priority Applicants” is that an affected Staff Member will be permitted to apply for positions posted by the University during this period which are designated “for internal candidates only.” There is no guarantee of re-employment.

7. Employment Eligibility Benefits

Staff Members affected by a work force reduction will be eligible for re-hire, with the exception of those who retire in conjunction with the Staff RIF. However, there is no guarantee of re-employment. Staff Members affected by the reduction in force will be considered for future vacancies based on individual qualifications compared to other applicants. Staff Members who are in the Priority Applicant status time period will also be considered for future vacancies based on individual qualifications compared to other applicants.

The Staff Member should understand that the Staff RIF Policy does not provide any right or guarantee to future employment with the University or otherwise affect the status or terms and conditions of his/her current employment, except that his/her employment relationship with the University will end on his/her involuntary separation date.

If re-employment of an affected Staff Member occurs within one (1) year from the affected Staff Member’s involuntary separation date, the Staff Member will:
- Be reinstated with Staff member’s sick leave time accrued as of the effective date of the involuntary separation date;
- Receive an adjusted service date as defined in this policy; and
- Be considered as a new employee for determining rate of pay.

8. No Assignment of Staff RIF Benefits

Under no circumstances may involuntary severance pay or involuntary severance benefits be subject to anticipation, alienation, pledge, sale, transfer, assignment, garnishment, attachment, execution, encumbrance, levy, lien, or charge, and any attempt to cause any such involuntary severance pay or involuntary severance benefits to be so subjected shall not be recognized, except to such extent as may be required by law.
9. No Employment Rights or Contract

The Staff RIF shall not confer employment rights of any kind upon any person. Nothing contained in the Staff RIF shall be construed as a contract of any kind with the University or any related person or entity. No person shall be entitled, by virtue of the Staff RIF, to remain in the employment of the University or receive anything in relation to their employment, and nothing in the Staff RIF shall restrict the right of the University to either terminate the employment of any Staff Member or any specific benefit or privilege arising out of that employment. The University shall not be under any obligation to employ, re-employ or consider for employment or re-employment any Staff Member in the Staff RIF.

10. Grievance

Determination of the necessity of the elimination of a specific position and/or the identification of a Staff Member whose position is eliminated cannot be grieved through Policy 8.3.1, Staff Grievance Policy and Procedure. If a Staff Member believes that his/her position was improperly identified for elimination, the Staff Member should contact either the Director of Human Resources or Executive Director of the Office of Equity and Inclusion.

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**Definitions**

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actively Employed</td>
<td>Being actively at work; on vacation; on sick leave; on military leave; on paid leave of absence; or on an approved unpaid leave of absence.</td>
</tr>
<tr>
<td>Adjusted Service Date</td>
<td>Individuals affected by a reduction in force and then re-employed within one (1) year of their Involuntary Separation Date will be reinstated with an Adjusted Service Date for purposes of determining Seniority for accrued time off and anniversary awards. This date will reflect earning levels at the time of the Involuntary Separation Date of accrued sick leave time and continuous service, not counting the time off during separation.</td>
</tr>
<tr>
<td>Administrative or Academic Professional or Executive</td>
<td>Personnel who hold regular, full-time or twelve (12) month Positions who primarily have Executive or Administrative responsibilities and whose Positions require recognized professional achievement acquired by formal training or equivalent experience. This type of employee is classified as exempt from the provisions of the Fair Labor Standards Act (FLSA).</td>
</tr>
<tr>
<td>Approved Leave</td>
<td>Officially excused period of time from work or duty. A leave of absence may be paid, or unpaid, and with, or without, benefits. Leave of absence may be authorized for, but not limited to, the following types: Family and Medical Leave, Military Exigency Leave, Caregiver Leave, Sabbatical Leave, Military Leave, Personal Leave, Court Leave, and Bereavement Leave.</td>
</tr>
<tr>
<td>Base Pay</td>
<td>Fixed compensation paid to an employee for performing specific job responsibilities; is typically paid as a salary or hourly rate. This rate does not include overtime pay, incentive pay/bonuses, supplemental payments, or second/additional or acting/interim assignment rate.</td>
</tr>
<tr>
<td>Excluded Positions from Involuntary Severance Benefits</td>
<td>The following Positions are not eligible for Involuntary Severance Pay and Involuntary Severance Benefits as outlined in this Policy: Staff Members who have not completed their 90 day orientation/probationary period; Temporary Positions; Grant-funded Positions (to include Positions partially Grant-funded); Seasonal Positions; Student or Graduate Assistant Positions; Independent contractor agreements; Employees employed through a written employment agreement; and Staff Members who resign, quit, retire, or are terminated for cause prior to the Staff Member’s Involuntary Separation Date.</td>
</tr>
</tbody>
</table>
Exempt Staff

Employees whose primary responsibility is to perform duties that qualify them for exemption from the FLSA (Fair Labor Standards Act) minimum wage and overtime provisions. These employees are paid on a salary basis and are not eligible for overtime pay. Job titles do not determine exempt status.

FTE Equivalent

Percentage of a full-time 37.5 hour workweek schedule that an employee is classified/regularly scheduled to work. This figure is determined by dividing the classified/regularly scheduled weekly work hours by 37.5. This figure is used to pro-rate Involuntary Severance Pay for Regular part-time employees.

Grant-Funded Positions

Positions that are funded in full or in part by a grant or contract from an agency or entity external to the University and therefore are contingent on the agency’s continued support at a full level of funding throughout the duration of the appointment.

Hourly Paid/Non-Exempt Staff

Employee of the University who performs primarily clerical and/or supporting functions. This type of employee is required to report all hours worked, is subject to the overtime provisions of the Fair Labor Standards Act (FLSA), and is paid an hourly rate.

Involuntary Severance Benefits

Benefits (not including Involuntary Severance Pay) that are provided to employees who are affected by a reduction in force and to which the Staff Member would not otherwise be entitled, but, are intended to assist. Such benefits are provided at the discretion of the University and are intended to assist affected employees in transitioning from employment with the University.

Involuntary Separation Date

Last effective day of an employment of an affected Staff Member.

Involuntary Severance Pay

Total monetary amount an affected Staff Member will receive under the Staff RIF in exchange for signing the Waiver and Release Agreement and to which the Staff Member would not otherwise be entitled, but, are intended to assist.

Job Classification/Title

Defines and evaluates the duties, responsibilities, tasks, and authority level of a job, without regard to the knowledge, skills, experience, and education of the individuals currently performing the job. Each job is assigned a job title based upon the duties of the Position, and the Position is classified into a salary grade within the University’s salary structure based upon market data and internal equity evaluation.

Notification Period

Time between when a Staff Member is notified that his/her Position is to be eliminated and the Involuntary Separation Date.

Part-Time Non-Benefited Employee

Employees who are regularly scheduled to work twenty-four (24) or fewer hours each work week and are not eligible to participate in all University benefits.

Position

Total duties and responsibilities requiring the employment of a single employee. The total number of Positions in an organization equals the number of employees plus vacancies.

Regular Employee

Full-time employee of the University who is employed for an ongoing indefinite period and who is paid from an individual Position number in a Work Unit.

Regular Full-Time

Employees who have completed their orientation period and are regularly scheduled to work thirty-seven and a half (37.5) or more hours each work week, and are eligible to participate in all University provided benefits.

Regular Part-Time

Employees who have completed their orientation period and are regularly scheduled to work between twenty-five (25) and thirty-seven (37) hours each work week, and are eligible to participate in all University provided benefits.
Seniority  
Length of continuous University Service.

Staff Member  
Employee who is not Faculty, who has completed their orientation period and is regularly scheduled to work twenty (20) or more hours each work week. This means Hourly Paid/Non-Exempt Staff and Administrative or Academic Professional or Executive.

Temporary Positions  
Employees who are hired for Positions which are temporary in nature, and are limited to an assignment of nine months or less. Temporary employees may be separated from employment for any reason or no reason, subject to review by the Office of Human Resources. Temporary employees are not benefit eligible and are not eligible to be considered for internal jobs.

University Service  
Total period of continuous Regular full-time or Regular part-time employment based on the employee’s most recent date of hire, including Approved Leave.

Vice President  
For purposes of this Policy only, means Vice Presidents and those who report directly to the President.

Work Unit  
Defined operating component of University with budgetary control of one or more operating budgets.

Responsibilities

Human Resource Department  
Pay and benefits, except involuntary severance pay and involuntary severance benefits specific to the Staff RIF, payable to a Staff Member upon involuntary separation from employment with the University shall be paid in accordance with the terms of those established policies, plans, and procedures with one exception: for all Staff RIF affected Staff Members, the payment for any accrued salary and vacation leave will be made in a lump sum payment on the Staff Member’s last regular payroll.

Staff Member  
The Staff Member shall be required to return to the University any involuntary severance pay or involuntary severance benefits, or portion thereof, made by a mistake of fact or law. If a Staff Member does not return such overpaid involuntary severance pay or involuntary severance benefits, the University shall be entitled to pursue any and all legal and equitable relief for such overpayment, including but not limited to causes of action for recoupment or recovery by any means allowed by law for monies had and received.

The last day the Staff Member works is the effective involuntary separation date. On the final day of employment, the Staff Member must complete the University’s separation process and Human Resources will process all other termination paperwork for the employee.

All University property (i.e., keys, documents and records, uniforms, identification cards, parking permits, purchasing cards, laptops, cell phones, etc.) shall be returned by the Staff Member to the University on or before his or her involuntary separation date.

All Staff Members must keep and maintain the confidentiality of any and all information that he or she acquired during his or her employment with the University that is treated as confidential and nondisclosable under state and/or federal law.

All Staff Members are expected to cooperate with the University and its
legal counsel in connection with any current or future investigation or
litigation relating to any matter in which the Staff Member was involved or
of which the Staff Member has knowledge, or which occurred during the
Staff Member’s employment. Such assistance shall include, but not
limited to, depositions and testimony, and shall continue until such
matters are resolved.

**Violations of the Policy**

Determination of the necessity of the elimination of a position and/or the identification of Staff Member to be
eliminated is not subject to grievance.

**Interpreting Authority**

Director of Human Resources

**Policy Adoption Review and Approval**

<table>
<thead>
<tr>
<th>Policy Issued</th>
<th>Entity</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 13, 2013</td>
<td>President</td>
<td>Interim Approved</td>
</tr>
<tr>
<td>May 7, 2013</td>
<td>Strategic Budget Reallocation Task Force</td>
<td>Approved</td>
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</tbody>
</table>