

# **NORTHEAST COMMUNITY COLLEGE**

## **ADMINISTRATIVE PROCEDURE NUMBER: AP-7020.0**

### **VOLUNTARY SEPARATION PROGRAM**

#### **1. PROCEDURE SUMMARY STATEMENT**

While not offered every year, Northeast Community College provides a voluntary separation program for eligible employees to provide an incentive for early retirement from the College. These procedures are in compliance with the Age Discrimination in Employment Act and the Older Workers Benefit Protection Act.

#### **2. DEFINITIONS**

##### 2.1 Definition of Terms

- 2.1.1 Program - the Northeast Community College Voluntary Separation Program.
- 2.1.2 Applicant – an employee who has applied for the program but has not been formally accepted and/or approved.
- 2.1.3 Participant - any eligible employee who has been approved to participate in the Program and who is employed full-time by Northeast Community College.
- 2.1.4 Salary - the annual base salary of the employee during the last fiscal year as a full-time employee. All secondary assignments including, but not limited to, extended agreements, co-operative education extensions, summer school agreements, coaching stipends, etc. are excluded from the base salary. Hourly employee's base salary shall be computed by taking their hourly wage times 2080 hours.
- 2.1.5 Election Year - the year of the employee's last year of full-time employment.
- 2.1.6 First Participation Year - the first year the stipend and/or dental/health insurance premiums are paid to, or on behalf of the employee, by the College.
- 2.1.7 Years of Service - each employment year completed by the employee at the College. Approved leaves of absence shall not be used in determining total years of service. Years of service shall include years of employment through the completion of the election year.
- 2.1.8 Stipend - the total amount to be paid to the employee as a result of the employee being approved for the Program.
- 2.1.9 Approved Applications - those which have met all criteria for the Program and are approved by the President.

### **3. PROCEDURE**

#### 3.1 General

3.1.1 While not offered every year, the general intent of the Voluntary Separation Program is to achieve long-term savings for the College, while at the same time retain the expertise and knowledge of experienced employees. The President shall determine when and if it is appropriate for the College to offer a Voluntary Separation Program in order to balance these two interests.

#### 3.2 Program Eligibility

- 3.2.1 Only full-time employees who are enrolled in the College regular retirement plan may participate in the Program.
- 3.2.2 Employees receiving long-term disability benefits are not eligible to participate in the Program.
- 3.2.3 Employees on leave of absence are not eligible to participate in the Program.
- 3.2.4 Employees whose current employment is provided in part or in total by a contract with an outside agency may not be eligible for the Program. This will be administratively determined at the time of hire or reappointment.
- 3.2.5 The President shall determine the specific criteria for eligibility in the Program when it is offered.

#### 3.3 Application

- 3.3.1 Applications for the Program may be made only after an announcement by the President. The process and timeline for completing and submitting a Voluntary Separation Program Application form shall be set forth in the announcement.
- 3.3.2 The final decision on all applications for the Program will be made by the President.

#### 3.4 Calculation of Stipend Schedule

3.4.1 Employees who elect to participate in the Program may be eligible to receive a stipend. The manner in which the stipend is calculated shall be determined at the discretion of the President.

#### 3.5 Death Benefit

3.5.1 In the event of the death of a participant on or after the effective date of the executed Voluntary Separation Program Agreement form, any unpaid balance of the stipend shall be paid in a final lump sum payment to the participant's estate.

### 3.6 Effect on Employee Benefits

- 3.6.1 Participants in the Program are not considered employees of the College. Employee benefits including, but not limited to, life and disability insurance coverage provided by the College shall terminate at the completion of active employment.

### 3.7 Other Program Provisions

- 3.7.1 The College may utilize participating individuals for part-time instruction or as consultants or other related work with the compensation to be determined by established pay rates for persons performing that duty. Participating individuals engaging in part-time instruction, or as consultants shall not be full-time employees of the College, nor benefit eligible.
- 3.7.2 Retired employees and spouses shall be eligible for tuition-free classes on a space available basis as long as this provision remains a part of this agreement and a part of the compensation package available to all full-time employees.
- 3.7.3 The Voluntary Separation Program is not an employee benefit and will only be offered when announced by the President. The criteria for eligibility and the amount and calculation of the stipend will be determined solely at the discretion of the President to best meet the needs and goals of the College. Any change in criteria for eligibility or the amount and calculation of the stipend in subsequent years shall not affect employees previously participating in the Program.
- 3.7.4 The President shall have the discretionary authority to determine eligibility for, and to construe the terms of, the Voluntary Separation Program, including the making of factual determinations. The decisions of the President shall be final and conclusive with respect to all questions concerning the administration of the Voluntary Separation Program.

## 4. APPLICABILITY

N/A

**ISSUE DATE:** 08/10/2022

**EFFECTIVE DATE:** 08/10/2022

**REVISION DATE(S):** 12/07/1993 (item #6702); 07/14/1994 (item #6905); 03/13/1997 (item #7957); 02/10/2000 (item #8671); 07/01/2014; 12/20/2016; 06/03/2020; 08/10/2022

**PRIOR POLICY/PROCEDURE NUMBER:** 2065.a; BP-7020

**SCHEDULE FOR REVIEW:** 2027

**DIVISIONS/DEPARTMENT RESPONSIBLE FOR REVIEW & UPDATE:** Human Resources

**SPONSORING DIVISION/DEPARTMENT:** Human Resources

**RELATED PROCEDURES/ REFERENCE:** none

**PROCEDURE KEY WORDS:** Voluntary Separation Program; Early Retirement