



Name:	UC ID#:
Payroll Title:	Department:
E-Mail Address:	
Employee's phone number:	
Supervisor Name:	
Supervisor E-Mail Address	

### A. ELIGIBILITY

**Non-represented**, full-time or part-time, non-probationary PPSM career employees (including PSS and MSP) in appointments without end dates, and appointees in the Librarian series in appointments without end dates, including employees on approved leaves are eligible, *except* as follows:

1. An employee in the Senior Management Group (SMG),
2. An employee at the Managers and Senior Professionals (MSP) level VIII-IX,
3. An appointee in the University Librarian Series (i.e., Assistant and Associate University Librarians),
4. An employee currently receiving retirement benefits from the University of California Retirement Plan (rehired retirees),
5. An employee who, prior to October 31, 2009, is entitled to separation or severance pay under another arrangement, agreement or settlement with the University that is not part of the VSO-2 program.

UC Berkeley has the sole discretion to determine eligibility criteria and selection for participation.

#### Eligibility for represented employees

Participation by represented employees is subject to collective bargaining. The campus is contacting employee unions and will announce eligibility as it becomes available. Information will be posted on the following web site: <http://hrweb.berkeley.edu/scro/vso.htm>

### B. PROCESS FOR CONSIDERATION

1. Applicants for voluntary separation are required to complete all portions of this form including signature and date.
2. Timely submission will require the application be received by University of California, Berkeley Human Resources no later than **5:00 p.m. on Friday, August 7, 2009**, at the following address: Human Resources, 2150 Shattuck Avenue, Suite 750, Berkeley, CA 94704, or by fax to 510-642-1882.
3. Final decisions regarding acceptance of voluntary separation applications will be made by Wednesday, August 26, 2009.
4. Individual employees who submit an application for voluntary separation may revoke that submission at any time prior to 5:00 p.m. on Friday, August 7, 2009, by delivering a signed and dated letter stating that they wish to withdraw from the program to Human Resources at the following address: Human Resources, 2150 Shattuck Avenue, Suite 750, Berkeley, CA 94704, or by fax to 510-642-1882.
5. **Applications that are not revoked by 5:00 p.m. on Friday, August 7, 2009, shall be considered final and are irrevocable**, subject to the terms below.



**C. TERMS OF THE PROGRAM**

1. I agree to the terms of the Voluntary Separation Option as outlined in the attached "Voluntary Separation Option," and understand that I will be required to sign a separate release agreement should my application be accepted.

Signature

Date

Print Name

**SIGN AND RETURN ONLY PAGES 1-2 TO HUMAN RESOURCES**

Remaining sections for official use only

<b>Human Resources</b>		Date and time received
Eligible	Not eligible	
Notes:		

<b>Department Manager</b>	Approved	Denied	Date:
Notes:			
Name:		Signature:	



**UC Berkeley  
Voluntary Separation Option - 2**

**A. Purpose**

To reduce costs and enable implementation of workforce changes by encouraging permanent non-represented and represented employees considering ending their full time employment with the university to volunteer to be considered for separation under this Voluntary Separation Option (VSO-2).

**B. Eligibility**

**Non-represented**, full-time or part-time, non-probationary PPSM career employees (including PSS and MSP) in appointments without end dates, and appointees in the Librarian Series in appointments without end dates, including employees on approved leaves are eligible, *except* as follows:

1. An employee in the Senior Management Group (SMG),
2. An employee at the Managers and Senior Professionals (MSP) level VIII-IX,
3. An appointee in the University Librarian Series (i.e., Assistant and Associate University Librarians),
4. An employee currently receiving retirement benefits from the University of California Retirement Plan (rehired retirees),
5. An employee who, prior to October 31, 2009, is entitled to separation or severance pay under another arrangement, agreement, or settlement with the University that is not part of the VSO-2 program.

UC Berkeley has the sole discretion to determine eligibility criteria and selection for participation.

**Eligibility for represented employees**

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**C. Timing**

1. The VSO-2 is effective Monday, July 13, 2009 through Saturday, October 31, 2009.
2. Application period is Monday, July 13, 2009 through Friday, August 7, 2009, 5 p.m. (4 weeks).
3. Employees may withdraw their application any time prior to 5 p.m. on August 7, 2009.
4. Final decisions will be made by Wednesday, August 26, 2009.
5. The effective date of separation shall be Saturday, October 31, 2009.

**D. Application Process**

1. Applications are submitted to Human Resources.
2. Applications will be considered in the order in which they are received.
3. Human Resources will notify managers of units where employees have volunteered to be considered for the VSO-2 and will work with the managers as they determine whether or not the application can be accepted.



### **E. Consideration Process**

1. Consideration will be based on the operational needs of the unit as determined by the manager. Some control units may provide additional review before final decisions are made.
2. The manager's decision is not subject to grievance.
3. The University has the sole discretion to determine eligibility criteria and selection for participation in the VSO-2.

### **F. Severance Pay and Benefits**

1. Severance payments will not be considered covered compensation for UCRP purposes.
2. No individual severance payment granted under the program can exceed \$75,000.
3. For non-represented employees, consistent with current policy the VSO-2 entitles the employee to severance pay based on classification as follows:
  - a. Professional and Support Staff (PSS) appointments will receive severance pay in the amount of one (1) week's pay (annual base salary divided by 2088 hours X 40 hours) for each full year of service up to a maximum of 16 weeks' pay.
  - b. Managers and Senior Professionals (MSP I-VII) will receive severance pay in the amount of one (1) month's pay (1/12 of annual base salary) for each full year of service up to a maximum of six (6) months' pay.
  - c. Librarian Series appointments will receive severance pay in the amount of one (1) week's pay (annual base salary divided by 2088 hours X 40 hours) for each full year of service up to a maximum of 16 weeks' pay.
4. For represented employees, the severance amount will be based on allowable amounts as determined by the appropriate collective bargaining agreement under the layoff provisions or by local agreement.
5. Any severance payment due to an Electing Participant will be paid in a single sum following separation from employment and delivery of a signed release, and for employees who are age 40 or over, after the end of the seven (7) day revocation period described in the **Release** section below.
6. The university will withhold appropriate federal and state income and employment taxes from severance payments.
7. To be entitled to severance pay, an employee must separate from employment on 10/31/09.

### **G. Approval Requirement**

1. Any individual severance payment of \$50,000 to \$75,000 must be approved by the President.
2. Such severance payment will not be paid until after the appropriate approval has been obtained.



## H. Requirements for Managers

1. Managers who decide to accept a voluntary separation may not fill the position for at least 18 months in order to generate the funds needed for the severance program and savings toward budget reductions, *unless an exception is requested per #2 below*
2. During the 18 months, and under the current hiring freeze restrictions, managers may request an exception to fill the position if the vacant position is part of a restructuring plan that achieves a net reduction in positions.
3. After 18 months, requests to fill the position are subject to the requirements of any hiring freeze that may be in effect.

## I. Requirements for Employees

1. Program participants understand and agree that they will only be eligible for severance payments as described in the section on **Severance pay and benefits** and waive rights to seniority-based reassignment provisions or preferential rehire or recall benefits.
2. Participants agree that the effective date of their separation will be October 31, 2009.
3. Participants understand that any future employment with the University will be governed by the employment procedures in effect at the time.
4. Reemployment: Participants agree they will not be reemployed for a period of 3 years (36 months) from their separation date under the VSO-2:
  - by any University of California location
  - in any appointment type
  - at any percentage of time
  - in any classification.
5. Employment includes any relationship with UC for which compensation is paid to the individual via the University payroll system, including but not limited to all career appointments (regardless of percentage of time), limited, floater and contract appointments, and rehired retirees covered by the University's policy on *Reemployment of UC Retired Employees into Senior Management Group and Staff Positions*, and Academic Personnel Manual policies as applicable.
6. Employees who subsequently retire are eligible to participate in this plan. Whether or not one retires after leaving university employment does not prevent participation in this option. However, the retired UC employee is subject to the restrictions in sections **Requirements for employees** and **Repayment of severance**; and, effective January 1, 2009, the restrictions in the UC policy on Rehiring of Retirees.
7. Participants understand and agree that, should they become reemployed by any entity of the University of California prior to the completion of the 3 year period, the participant will be required to make repayment to the Berkeley campus of a portion of the severance payment, explained below, prior to accepting any employment. The employee understands that if he or she fails to submit the reimbursement, at the sole discretion of the University the employee may be terminated from the new position and that termination will not be reviewable in any forum.
8. In order to be eligible for the benefits provided under the VSO-2, the Electing Participant must continue to perform as a satisfactory employee until the date of separation.



## J. Repayment of Severance

### 1. Repayment Amounts

It is not anticipated that employees will return to UC employment for three years per the section on **Requirements for employees**. However, in the exceptional circumstance that an Electing Participant returns to any employment at the University during the 3 years following separation under the VSO-2, repayment of severance to the University is required as a condition of employment in accordance with the below provisions, provided that the amount retained by the employee is at least \$1000, which the Electing Participant may retain as consideration for signing the release of claims. If the amount retained by the employee would be less than \$1000, then the employee repays only that portion of the payback amount that allows the employee to retain \$1000.

- If reemployment occurs within 1 – 12 months after separation, the entire amount of the severance received must be repaid, less \$1000 for the release of claims.
- If reemployment occurs within 13 – 24 months after separation, 50% of the severance received must be repaid, provided that the amount retained from the original lump sum payment by the employee is at least \$1000 for the release of claims. If not, then all but \$1000 of the severance must be repaid.
- If reemployment occurs within 25 – 36 months after separation, 25% of the severance received must be repaid, provided that the amount retained from the original lump sum payment by the employee is at least \$1000. If not, then all but \$1000 of the severance must be repaid.

#### Examples:

- An Electing Participant who receives \$1500 severance and is reemployed by UC after 6 months will be required to repay \$500 ( $\$1500 - \$1000 = \$500$ ).
- If reemployed after 18 months, \$500 must be repaid ( $\$1500 \times 50\% = \$750$ , but \$1000 total is to be retained for consideration. Therefore, \$250 is deducted from the \$750 to arrive at the \$1000 to be retained, leaving \$500 to be repaid).
- If reemployed after 30 months, \$375 must be repaid.
- If reemployed by UC at any time after 3 years after separation none of the severance is repaid.

IRS regulations determine if the repayment amount is the net or gross amount of the severance payment received, depending upon whether the repayment is made in the same year (net amount due) or a subsequent year (gross amount due).

### 2. Repayment Options

In accordance with existing payroll policy (Accounting Manual, Receivables Management R-212-2, Appendices III-VI), the following repayment options are available:

- Payment in full;
- Monthly installments by personal check or money order (requires approval of a repayment schedule); or
- Installments by payroll deduction (requires approval of a repayment schedule).



### **K. Calculating Severance**

1. Service for purposes of calculating severance is based on full-time equivalent months of University employment service as reflected in the University's records and is determined at the sole discretion of the University.
2. Employment prior to a break in service is not counted as service.
3. Only full years of service will count toward the calculation of severance pay.

### **L. Release**

To receive the severance payments, an electing Participant must terminate employment and sign a release of claims, available Monday, August 31, 2009.

1. An Electing Participant who is age 40 or over at the date of separation must be given at least 45 calendar days to consider and sign the release of claims, including claims under the *Age Discrimination in Employment Act*, and accept the offer of severance pay. The electing Participant may sign the release at any time before the end of the 45-day period. At the time the release of claims is provided to the Electing Participant, a disclosure of statistical data report will be provided.<sup>1</sup>
2. The Electing Participant must be given seven (7) days after signing the release of claims to revoke the release and refuse the acceptance of severance pay.
3. Severance is to be paid shortly after the later of:
  - a. The end of the seven (7) day revocation period, or
  - b. The Electing Participant's separation date
4. An Electing Participant who is under age 40 must sign a general release of claims in order to receive payment of severance after separation from employment. The Electing Participant must be given at least two (2) weeks to consider the release.

### **M. Health and Welfare Benefits Coverage**

The University's normal contribution (if applicable) for the approved participant's medical, dental, vision, wellness and Basic Life insurance coverage will continue through the end of the month following the date of separation. The approved participant's coverage will terminate on this date unless he or she elects COBRA coverage or is eligible for retiree health and welfare benefits under the University's programs, in which case the terms of the retiree programs shall be applicable.

In accordance with COBRA requirements, the approved participant may continue medical, dental, wellness, vision, or health FSA coverage at the applicable COBRA group rates. These premiums must be paid monthly by the approved participant in order to continue coverage. In addition, the approved participant shall have thirty-one (31) calendar days from the end of coverage to convert legal, life, and AD&D to individual plans at his or her expense or elect portability for basic, supplemental and/or dependent life insurance coverage.

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<sup>1</sup> To comply with the *Age Discrimination in Employment Act* (ADEA), 29 U.S.C. Sec. 621-634, including the amendments made by the Older Workers Benefit Protection Act, Pub L 101-433, 104 Stat 978, electing Participants age 40 or over must be given a disclosure of statistical report along with the release of claims form. The objective of the disclosure of statistical data report is to give selected program participants the opportunity to review the data to determine whether there is a possible ADEA claim. The location must fulfill all statistical data reporting requirements and maintain this information on file for 5 years following the Electing Participant's separation.



An approved participant's Short-term and Supplemental disability insurance terminates on the last date of University employment and may not be continued or converted.

For additional information on COBRA requirements, employees should contact the Benefits Office.

**N. No Right to Continued Employment**

The VSO-2 does not grant or create any right to continued employment and any pre-existing rules, policies or agreements regarding the employment of approved participants continue to apply.

**O. Amendment and Termination**

The University may amend or terminate the VSO-2 at any time and for any reason before any election are made under the **Release** section. The VSO-2 shall automatically terminate effective October 31, 2009.