

The University of North Dakota
Staff Voluntary Separation Incentive Program
Frequently Asked Questions (FAQ)

Q.1. What is the “Staff Voluntary Separation Incentive Program”?

The Staff Voluntary Separation Incentive Program (“SVSIP”) provides eligible, approved Staff members with incentive pay of up to 50% of their annual base salary if they choose to separate from employment and agree to the conditions of the program. The incentive pay amount is based on the Employee’s years of completed benefited service and base salary.

Q.2. Why is this Program being offered?

University administrators have decided to offer the incentive, which will also allow dollars to be used in areas that will maximize efforts toward continuing to achieve our strategic goals and initiatives.

Q.3. How is this Program being funded?

All costs of the Program will be the responsibility of the existing employee’s school/college/department. There are no central funds set aside for this program.

Q.4. Why should I consider participating?

The SVSIP is strictly voluntary, and there are a variety of reasons why an employee may decide to submit an application. For example, if an employee is considering retirement or separating from UND for other reasons, the SVSIP could provide additional flexibility and options.

Q.5. What is the incentive that is being offered for this Program?

Approved eligible applicants will receive a payment of up to 50% of their annual base salary, less all required federal and state taxes and deductions as required by law in exchange for an employee’s separation from employment at UND. This payment will not be considered compensation for purposes of a retirement employer contribution. Calculation of the incentive pay is one week of pay per completed year of service to the University of North Dakota, up to fifty percent of an employee’s annual base salary.

Q.6. What is a base salary?

An employee’s annual base salary does not include ad pays, overloads, stipends, overtime, summer payments or salary increases received due to an acting or interim assignment, responsibility, or any other payments above base salary. No change in annual base salary within

ninety (90) days prior to or after January 15, 2021 will be taken into account in determining the employee's annual base salary for use in the incentive calculation.

Q.7. Who is eligible to apply for participation in this Program?

Benefited staff members at UND who meet the Rule of 65, which is calculated as the sum of the employee's age and total years of benefited employment in the North Dakota University System. For example, if you are a Staff member who is 55 years old and have been a benefited employee at UND for 10 years, you would be eligible to apply for the Program. Staff members must be in good standing with no current disciplinary letters or corrective action, performance improvement or other similar plans in place.

Q.8. Am I required to apply for the Program if I am eligible?

No. Participation in the program by any eligible employee is strictly voluntary.

Q.9. If I submit an application for consideration, will I automatically be approved for the Program?

No. **Not all SVSIP applicants will be approved.** All eligible employees are invited to apply, but not every individual who meets the minimum requirements and submits an application may be approved. The decision to approve an applicant is entirely at the discretion of UND and will take into account the impact on the applicant's school/college/department and will be made with the best interests of UND in mind.

Q.10. Is it possible that some Staff members who meet the rule of 65 are still not eligible for the Program?

Yes. Even if a staff meets the rule of 65, he or she may not be eligible for the Program. For example, staff members who have already given notice of their written or verbal intent to retire or resign would not be eligible for the Program. Please refer to the Program Guidelines for a complete list of who is not eligible for the Program.

Q.11. How do I apply for the Program?

Applications will be available beginning on December 8, 2020. Applications will be available in the UND Office of Human Resources located in Twamley 313, or an application can be printed from the SVSIP website: <http://und.edu/finance-operations/human-resources-payroll/svsip-page.cfm>. Completed applications must be submitted to UND Human Resources no later than 4:30 p.m. CST on January 15, 2021. Applications can either be hand delivered to Twamley 313 or submitted via email to und.hr.VSI@und.edu. UND Human Resources will send a confirmation of application receipt; however, it is the applicants' responsibility to ensure that the application

has been received. If a confirmation is not received within 48 hours of submission, applicants are encouraged to contact Human Resources to confirm receipt.

Q.12. Can I withdraw my application after it is submitted to Human Resources?

Yes. An application can be withdrawn at any time prior to signing a separation agreement. The withdrawal should be in writing and sent to the Associate Vice President of Human Resources & Payroll Services as soon as possible. und.hr.VSI@und.edu

Q.13. What is a separation agreement? Will I be required to sign it if my application is approved?

If an application is conditionally approved, the applicant will be required to accept and sign a separation agreement. The separation agreement will outline the terms of the accepted applicant's separation from UND including all continuing employment rights and any and all claims against UND and/or the North Dakota University System. Once an application has been conditionally approved and the separation agreement is provided, the applicant will have forty-five (45) calendar days to sign and submit the separation agreement to Human Resources. The applicant then has seven (7) calendar days from the date the signed separation agreement was submitted to revoke the acceptance and withdraw it.

Q.14. Does submitting an application obligate me to separate?

No. The separation agreement will be presented to those who are selected from among the applicants. If an applicant is accepted, the applicant will have forty-five (45) calendar days to decide they want to move forward. Once signed separation release is submitted and an additional seven (7) calendar day revocation period has passed, the decision to participate in the Program cannot be rescinded.

Q.15. What happens if I am eligible, but I do not apply for the Program?

A decision to apply or not apply for consideration is strictly voluntary. If an employee is eligible and chooses not to apply, the employee's work status and benefits will remain the same.

Q.16. What are the deadlines for applying to this Program?

Employees will have from December 8, 2020 through 4:30 p.m. CST on January 15, 2021 to submit an application to UND Office of Human Resources either in person or by email. Applications received after 4:30 p.m. CST on January 15, 2021 will not be considered.

Q.17. Why is January 15, 2021 the final date for applying to this program?

This date was selected to ensure sufficient time to administer the SVSIP, which will include a review and signing of separation agreements, processing payments and separating accepted Staff members from their respective departments and colleges.

Q.18. How will UND determine which applications are approved?

The Office of Human Resources will first verify that each application submitted meets the minimum eligibility requirements of the SVSIP. The applicable department head will then consult with the appropriate Vice President, a designee from Finance and Operations and other UND staff to evaluate the applications in relation to the objectives of the SVSIP and make a recommendation to the President. Applications may be approved or declined with respect to specific employees within organizational units and funding categories depending on budgetary and programmatic demands.

Q.19. How will I know if my application to participate in the Program was accepted or denied?

If an employee applies for participation, the employee will be notified as soon as practicable after the January 15, 2021 application deadline. Please remember, departments will need time to analyze impact. This period could be 30 days or longer.

Q.20. When will I have to be officially separated from employment at UND if my application is accepted?

The separation date for employees who apply and are approved for participation in the SVSIP will be June 30, 2021. Exceptions to this date may be approved in specific instances when it is in the best interest of the university.

Q.21. When will I be provided with the incentive payment?

Approved applicants will receive a payment not to exceed 50% of their annual base salary, less all required federal and state taxes and deductions as required by law. Approved applicants will have the choice of either (1) one lump payment less applicable deductions and taxes on July 15, 2021 or (2) two equal payments made on July 15, 2021 and January 14, 2022.

Q.22. Why does UND require that I separate on a specific date?

The date designated for separation is based on a required timeline that includes, but is not limited to, the signing of separation agreements, the campus budget process, reorganization within affected departments/colleges/schools and administration of the SVSIP.

Q.23. Can I be rehired at UND after I separate from employment under the SVSIP?

Employees who participate in the SVSIP and separate from the University will be restricted from

being rehired or compensated in any capacity by UND for one year from the date of separation, unless authorized by the President for exigent circumstances.

Q.24. If I am selected and accept the separation, does that mean that my position will not be filled?

Not necessarily. The eligibility criteria are not limited to those whose functions may be reduced or eliminated due to their departure. Cost savings may be realized even if the position is filled, or if there is a delay in filling the position.

Q.25. If I do not apply for the Program and am involuntarily separated from employment at a later date, will I get an incentive payment?

The SVSIP is a limited time offering by UND. If you are involuntarily separated from employment at UND at some point in the future, you may be eligible for a severance compensation (**however severance compensation is not required nor guaranteed**), in accordance with UND and North Dakota University System policies. For additional information, please contact the UND Office of Human Resources.

Q.26. If my application is accepted and I separate from UND, will it save one of my colleagues from involuntary separation in the future?

The possible impact of this program on layoffs and notices of non-reappointment will depend on a number of factors, including how many employees participate in the program, strategic plans, impact on a department or program, and changes in UND's financial health among other factors.

Q.27. Will I be required to retire if my application is accepted?

No. This is not a retirement program. Participation in this Program does not automatically make an employee eligible for retirement benefits under NDPERS or TIAA or any other institutional, state or federal retirement program. If an employee has questions about retirement, they should consult with their retirement program provider.

Q.28. Will I continue to receive health care coverage after my separation date under the Program?

As stated in the Program guidelines, health insurance benefits will terminate for approved applicants at the end of the month following the date of separation. Any other pay and benefits will also terminate or cease in accordance with the terms of those established laws, policies, plans and procedures. Accepted applicants who separate from UND will be eligible for NDPERS COBRA (for up to 18 months) or retiree health insurance coverage after separation.

Q.29. Will Social Security be deducted from the payment as part of the taxes?

Yes. The employee share of FICA will be deducted from the staff payment and UND will pay its employer share. Exception: If the employee has reached his or her Social Security wage limit, only Medicare will be deducted/paid.

Q.30. Will employees who separate from employment as part of the SVSIP still be able to contribute the full amount to the 403 and 457 plans through TIAA for this calendar year and, if the payout is made in two payments including one in January, for next year as well?

Yes, subject to IRS limits.

Q. 31. What about money I have in my Flex Account?

Flexcomp participants must incur medical expenses, prior to date of separation, to be eligible for reimbursement. However, flexcomp participants will have until April 30, 2022 to submit the expenses for reimbursement.

Q 32. Will I be eligible for Unemployment Insurance?

No. Because this is a voluntary separation, unemployment insurance benefits are **NOT** available.

Q 33. Why are the terms different for the staff (SVSIP) than they are for the tenured faculty (TFVSIP) program?

The faculty program (TFVSIP) is open only to eligible **tenured** faculty. The employment rights and policies regarding tenured faculty are different from the policies and employment rights of staff due to the nature of tenure.

Q 34. Are non-tenured faculty included in the SVSIP or the TFVSIP?

No. Currently the only programs being offered are for benefited staff and tenured faculty.

Q 35. Will I still receive my vacation and sick leave payout if I accept the SVSIP?

Yes. Staff members who are approved and accept the SVSIP are still eligible to receive vacation accrual payout as well as a 10% of sick leave accrual if they meet the eligibility

requirements for sick leave payout.

Q 36. If my application is accepted do I have to continue working until June 30, 2021?

The last day worked will be negotiated per the separation agreement, but will be no later than June 30, 2021. However, all staff participating in the SVSIP must remain in good standing for the duration of their employment.