

Layoff and Reduction in Time from Professional and Support Staff Career Positions



PROPOSED REVISIONS

Responsible Officer: Vice President–Human Resources

Responsible Office: Human Resources

Effective Date: _____, 2011

Next Review Date: The Responsible Officer will review the policy annually for update purposes, and will conduct a full review at least every three years.

Who Is Covered: Employees in the Professional & Support Staff (PSS) personnel group.

CONTENTS

I. Policy Summary

II. Policy Definitions

III. Policy Text

IV. Approval Authority

V. Compliance

Revision History

Implementation Procedures

Related Documents

I. POLICY SUMMARY

This policy provides direction and authority to effectuate indefinite and temporary layoffs and indefinite and temporary reductions in time when layoffs or reductions in time are necessary to support the University's business needs.

II. POLICY DEFINITIONS

Career Position: An appointment established at a fixed or variable percentage of time at 50 percent or more of full-time, which is expected to continue for one year or longer.

Exception to Policy: An action that exceeds what is allowable under current policy or that is not expressly provided for under policy. Any such action must be treated as an exception.

Executive Officer: The University President or the Chancellor.

Indefinite Layoff: A layoff for which no date of return to work is specified.

Layoff Unit: An organizational sub-unit of an Office, School, Department, or Division in which a layoff occurs.

Notice: Notification provided to an employee starting from the date of written notice of layoff to the effective date of the layoff, indicating whether the layoff is temporary or indefinite.

Pay in Lieu of Notice: Payment provided to an employee when the employee does not receive the full notice period as provided for by policy.

Preference for Reemployment (Preferential Rehire): The right of a laid-off employee to be granted preferential consideration for a vacant career position for which the employee is qualified, which is at the same or lower salary grade, at the same or lesser percentage of time, and at the same campus as the position from which the employee was laid off.

Recall: The right of an employee to return to an active, vacant career position in the same classification, salary grade, and department and at the same or lesser percentage of time as the position from which the employee was laid off.

Reduction in Time: A reduction in the percentage of an appointment or in regularly scheduled hours. A reduction in time can be either temporary or indefinite.

Regular Status Employee: A career employee who is not required to serve a probationary period, or who has successfully completed a probationary period and any extension thereof.

Preferential Job Offer: An offer of employment secured through the preference for reemployment (preferential rehire) process.

Seniority: The number of full-time equivalent months (or hours) of total University service in any job classification or title from the date of the most recent break in service.

Severance: A payment based on years of service that is provided to a career employee who has not elected recall and preferential rehire rights.

Temporary Layoff: A layoff that does not exceed a cumulative total of four calendar months in a calendar year and for which there is a specific date to return to work.

Top Business Officer: Executive Vice President–Business Operations for the Office of the President, Vice Chancellor for Administration, or the position responsible for the location’s financial reporting and payroll as designated by the Executive Officer.

Week: For the purposes of severance pay, one week is equal to five workdays.

III. POLICY TEXT

A. General

It is the policy of the University to minimize the effects of indefinite layoffs and indefinite reductions in time on employees in career positions when layoffs or reductions in time are necessary due to lack of funds or lack of work, including lack of work due to reorganization. If, in the judgment of the University, budgetary or operational considerations make it necessary to curtail operations, reorganize, reduce the hours of the workforce and/or reduce the workforce, staffing levels will be reduced in accordance with this policy. It is solely the University’s responsibility to determine the need for layoffs, the classifications of employees to be laid off, and the layoff unit.

To minimize the effects of indefinite layoff and indefinite reduction in time, the University will:

1. Give regular status employees opportunities for reassignment or transfer prior to indefinite layoff or indefinite reduction in time when reassignment or transfer opportunities arise and are operationally feasible.
2. Provide regular status employees covered by this policy who are laid off indefinitely or whose time has been reduced indefinitely with severance pay in accordance with Section J. of this policy, unless a location provides such employees with the option of electing either:
 - a. The right to be recalled to the department from which the employee was laid off or reduced in time (Section F.1.), and preference for reemployment in all departments of the campus (Section F.2.), or
 - b. Severance pay in accordance with Section J. of this policy.

B. Scope

This policy covers indefinite layoff and indefinite reduction in time, temporary layoff and temporary reduction in time, transfer to a limited position resulting from the elimination of a career position, and involuntary reassignment to a partial-year career position resulting from the elimination of a full-year career position.

C. Responsibility

For purposes of this policy, the Chancellor may designate units other than established departments to be considered as departments, and will designate layoff department heads (LDHs) for such units. The LDH will determine when layoffs are necessary due to lack of funds or lack of work, including lack of work due to reorganization. The LDH will select employees for layoff, but will minimize indefinite layoffs from career positions by first reviewing the necessity for existing limited and casual/restricted positions within the layoff unit. When an employee has been given notice of an indefinite layoff and a vacancy exists in an active career position in that employee's unit at the same classification and salary grade as the employee's current position, the LDH will reassign the employee to that position, provided the employee is qualified to perform the duties and responsibilities of the position.

D. Temporary Layoff or Temporary Reduction in Time

An employee will be given written notice of the effective date and the ending date of a temporary layoff or temporary reduction in time. Periods of temporary layoff or temporary reduction in time need not be adjacent; however, periods of temporary layoff or temporary reduction in time will not exceed a cumulative total of four calendar months in a calendar year.

An employee may be temporarily laid off or temporarily reduced in time irrespective of seniority or classification, and is ineligible for the right to recall or preference for reemployment. Accrued sick leave will not be used during temporary layoff.

If an indefinite layoff or indefinite reduction in time should occur during a temporary layoff or temporary reduction in time, the procedures for indefinite layoff or indefinite reduction in time will apply.

E. Indefinite Layoff or Indefinite Reduction in Time

Indefinite layoffs and indefinite reductions in time are administered by defined layoff units, job classifications, and salary grades (in the event of a classification assigned to different salary grades). Criteria for consideration when determining order of layoff must include relevant skills, knowledge and abilities, documented performance, and length of service. Assessment of performance will be based on written performance appraisals and disciplinary records. When multiple employees have the same skills, knowledge and abilities, and are performing equally, employees with greater levels of seniority will have priority for retention. Such employees may choose to waive their seniority in order to be designated for layoff, subject to approval by the LDH.

Seniority will be calculated by full-time-equivalent months (or hours) of total University service in any job classification or title. Employment prior to a break in service will not be counted. In those cases in which employees have the same skills, knowledge and abilities, are performing equally, and have the same number of full-time-equivalent months (or hours), the employee with the most recent date of appointment will be laid off first.

An employee will receive at least 30 calendar days' advance written notice prior to indefinite layoff or indefinite reduction in time, or will receive pay in lieu of notice. The

University will inform employees who may be impacted by indefinite layoff as soon as feasible.

F. Reemployment From Indefinite Layoff

A location may choose to provide regular status employees covered by this policy with the option to elect recall and preference for reemployment in lieu of severance pay. Hiring departments may take an employee's relevant skills, knowledge and abilities, documented performance, and length of service into consideration when recalling an employee or providing preferential consideration to an employee. If the employee elects recall and preference for reemployment in lieu of severance pay, the following guidelines will apply.

1. **Right to Recall.** A regular status employee who has been laid off indefinitely or whose time has been reduced indefinitely may be recalled into any active and vacant career position for which the employee is qualified when the position is in the same classification, the same salary grade (in the event of a classification assigned to different salary grades), and the same department at the same or lesser percentage of time as the position held at the time of layoff.
2. **Preference for Reemployment.** A regular status employee who has been laid off indefinitely or whose time has been reduced indefinitely may receive preferential consideration for any active and vacant career position when the position is at the same campus, at the same or lower salary grade, and at the same or lesser percentage of time, provided the employee is qualified to perform the duties and responsibilities assigned to the position. A regular status employee who has been given prior written notice of indefinite layoff or indefinite reduction in time will receive preferential consideration for up to two calendar months prior to the layoff date. When written notice of indefinite layoff or indefinite reduction in time is given more than two months prior to the layoff date, the Chancellor may authorize that preference for reemployment begin with the date of the layoff notice.

Reasons for non-selection of an employee with preference for reemployment will be provided as required in local procedures.

3. **Trial Employment.** The Chancellor may establish procedures whereby a regular status Professional or Support Staff employee who is recalled or rehired under preference for reemployment may, upon prior written notification, be required to serve a trial employment period of up to six months upon recall or rehire. An employee who is required to serve a trial employment period may at any time during the trial employment period return to layoff status at the employee's or at the department head's discretion. Time spent in trial employment will not count against the period of eligibility for recall or preferential rehire. Time on leave with or without pay is not qualifying service for completion of the trial employment period.

G. Continuation of Right to Recall and Preference for Reemployment

A regular status employee will have the right to recall for three years from the date of layoff.

Subject to Section F.2. of this policy:

1. A regular status employee with less than five years of seniority will have preference for reemployment for one year from the date of layoff.
2. A regular status employee with at least five years but less than ten years of seniority will have preference for reemployment for two years from the date of layoff.
3. A regular status employee with ten years or more of seniority will have preference for reemployment for three years from the date of layoff.

Rights to recall and preference for reemployment are extended by periods of trial employment. Rights to recall and preference for reemployment continue during, but are not extended by, temporary periods of employment in limited or floater positions.

H. Termination of Right to Recall and Preference for Reemployment

An employee's rights to recall and preference for reemployment terminate when the employee accepts any career position and passes the trial employment period, if required. These rights also terminate if the employee refuses to be recalled, refuses a preferential job offer at the same or higher salary and same percentage of time, fails to respond to a written notice of an employment opportunity, refuses two offers of employment for a career position at the same or higher salary and same percentage of time as the position held at the time of layoff, or resigns.

I. Service Upon Reemployment

Reemployment within the period of right to recall and preference for reemployment or from temporary layoff provides continuity of service. (See definition of "Break in Service" in *Personnel Policies for Staff Members 2 (Definition of Terms)*). Benefits and seniority accrue only when on pay status.

J. Severance Pay

A regular status employee who has been laid off indefinitely or whose time has been reduced indefinitely will receive severance pay in accordance with the following guidelines, provided the employee has not elected recall or preference for reemployment in lieu of severance pay (Section F.):

1. **Severance Calculation.** The employee will be paid a lump sum amount of one week (5 workdays) of salary for each full year of service from the most recent break in service, up to a maximum of 16 weeks of base pay.

An employee whose time has been reduced indefinitely will receive severance pay for the percent of time reduced in accordance with the severance calculation above.

2. **Repayment.** An employee who has received severance pay under this policy and who returns to work in a career position with the University at the same or higher salary and at the same percentage of time as the position held at the time of layoff will repay to the University any portion of severance pay received that is in excess of the time the employee was on layoff status.

IV. APPROVAL AUTHORITY

A. Implementation of the Policy

The Vice President–Human Resources is the Responsible Officer for this policy and has the authority to implement the policy. The Responsible Officer may apply appropriate interpretations to clarify the policy provided that the interpretations do not result in substantive changes to the underlying policy. The Chancellor is authorized to establish and is responsible for local procedures necessary to implement the policy.

B. Revisions to the Policy

The President is the Policy Approver and has the authority to approve policy revisions upon recommendation by the Vice President–Human Resources.

The Vice President–Human Resources has the authority to initiate revisions to the policy, consistent with approval authorities and applicable *Bylaws* and *Standing Orders* of the Regents.

The Executive Vice President–Business Operations has the authority to ensure that policies are regularly reviewed, updated, and consistent with other governance policies.

C. Approval of Actions

Actions within this policy must be approved in accordance with local procedures. Chancellors and the Vice President–Human Resources are authorized to determine responsibilities and authorities at secondary administrative levels in order to establish local procedures necessary to implement this policy.

All actions applicable to PPSM-covered staff employees who are not Senior Management Group members that exceed this policy, or that are not expressly provided for under any policy, must be approved by the Vice President–Human Resources.

V. COMPLIANCE

A. Compliance with the Policy

The following roles are designated at each location to implement compliance monitoring responsibility for this policy:

The Top Business Officer and/or the Executive Officer at each location will designate the local management office to be responsible for the ongoing reporting of policy compliance.

The Executive Officer is accountable for monitoring and enforcing compliance mechanisms and ensuring that monitoring procedures and reporting capabilities are established.

The Vice President–Human Resources is accountable for reviewing the administration of this policy. The Senior Vice President–Chief Compliance and Audit Officer will periodically audit and monitor compliance to this policy.

B. Noncompliance with the Policy

Noncompliance with the policy is handled in accordance with the Regents' *Guidelines for Corrective Actions Related to Compensation Practices* and *Guidelines for Resolution of Compensation and Personnel Issues Resulting from the Findings of Audits and Management Reviews*.

REVISION HISTORY

As a result of the issuance of this policy, the following documents are rescinded as of the effective date of this policy and are no longer applicable:

- *Personnel Policies for Staff Members 60 (Layoff and Reduction in Time from Professional and Support Staff Career Positions)*, dated July 1, 2003

IMPLEMENTATION PROCEDURES

The Responsible Officer may develop procedures or other supplementary information to support the implementation of this policy. Such supporting documentation does not require approval by the President.

RELATED DOCUMENTS

- *Personnel Policies for Staff Members 2 (Definition of Terms)* (referenced in Section III.I. of this policy)
- *Guidelines for Corrective Actions Related to Compensation Practices* (referenced in Section V.B. of this policy)
- *Guidelines for Resolution of Compensation and Personnel Issues Resulting from the Findings of Audits and Management Reviews* (referenced in Section V.B. of this policy)
- *Indefinite Layoff Benefits Checklist*
- *Personnel Policies for Staff Members 22 (Probationary Period)*
- *Personnel Policies for Staff Members 23 (Performance Management)*