



# Staff Severance Program 2.40 Office of Human Resources

Applies to: Staff<sup>1</sup>

<sup>1</sup> For Health System staff, this policy will be administered by Health System Human Resources, in coordination with the Office of Human Resources.

## POLICY

Issued: 03/18/2002

Revised: 06/01/2011

The Ohio State University provides a severance program combining working notice and severance pay periods to ensure consistent economic support for eligible staff whose positions are eliminated. The severance program is designed to provide financial support when an eligible individual's position is eliminated.

## Definitions

Term	Definition
Continuous service	Employee's years of service at Ohio State without a break in service.
Grants and contracts	Fund types including private grants/contracts, state grants/contracts, federal grants/contracts, Office of Sponsored Programs/sponsored programs, and agency.
Reduction	A decrease in the number of positions at the university's initiative due to a lack of funds, lack of work, reasons of economy or reorganization for efficiency.
Severance period	The length of time which combines working notice period and severance pay period. The severance period is based upon continuous years of service with the university. The severance period equals working notice period plus severance pay period.
Severance pay period	The portion of the severance period in which the employee receives pay and benefits, but does not report to work. This immediately follows the working notice period.
Working notice period	The portion of the severance period in which the employee continues working in his or her current job.
Health System	Includes the James Cancer Hospital and Solove Research Institute, OSU Harding Hospital, OSU Primary Care Network, OSU Rehabilitation Services at Dodd Hall, Ross Heart Hospital, Shared Services, Specialty Care Network, University Hospital, and University Hospital East. Does not include Office of Health Sciences and College of Medicine.

## Policy Detail

### I Eligibility

- A. Regular unclassified staff at 50% full time equivalency (FTE) or greater whose positions are completely eliminated and who are involuntarily terminated in accordance with Reduction in Work Force [Policy 9.15](#) are eligible for the severance program.
- B. Regular Classified Civil Service staff at 50% FTE or greater whose positions are completely eliminated and who are involuntarily terminated in accordance with Reduction in Work Force [Policy 9.20](#) are eligible for the severance program.
- C. Emergency, seasonal, temporary, term, and intermittent employees are not eligible for this program.
- D. Individuals who have previously retired from Ohio State are not eligible for this program.
- E. The provisions of the respective bargaining unit agreements will govern participation in this program by members of a union.
- F. Staff members who are terminated for performance or other appropriate reasons are not eligible for the severance program.
- G. Staff members who are fully funded by grants and contracts are not eligible for the severance program. For staff whose positions are on split funding, at least 50% of the position must be funded by eligible funding sources to qualify for the severance program. The portion of the position funded by the grant or contract is not considered in the calculation of



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severance. During the time period when departments are waiting to determine if the grant or contract will be renewed or canceled, departments are permitted to temporarily change funding sources or reduce the FTE in accordance with the Reduction in Work Force-Unclassified Staff [Policy 9.15](#). In those instances, this change may not exceed six months; otherwise, the abolished staff member becomes eligible for the severance program. Staff members whose positions are abolished during this six-month period are not eligible for the severance program.

H. Health System employees receive a different severance benefit as defined by Health System policy.

## II Program Design

- A. The severance period is based upon years of service, and combines periods of working notice and severance pay. There is a minimum working notice period of two weeks. Units are provided discretion to divide the total weeks of working notice period and severance pay period in a way that best meets their business needs. The working notice period may not exceed two-thirds of the total weeks of the severance period unless agreed to by the staff member.
- B. Eligible staff receive a base severance period of two weeks, plus one and one-half weeks for each completed year of continuous service with the university. The maximum period for a specific continuous service period is 26 weeks. The actual termination date will be the date the severance period ends.
- C. The date used to calculate total severance benefit is the OSU Severance Continuous Service Date. A staff member who is terminated from the university due to a reduction in work force may only receive severance pay once for a specific period of service.
- D. Severance pay, healthcare benefits, and retirement benefits continue for the time period noted on the schedule, subject to retirement system and [Internal Revenue Service](#) regulations.
- E. The staff member's base pay and full-time equivalent (FTE) level determine the rate of severance pay.
- F. Following the approval of the reduction by the Office of Human Resources, [Employee Relations](#), employees will be notified in writing of the reduction and applicable dates of the severance period including timeframes of the working notice period and the start of the severance pay period. RIF notification must be consistent with Reduction in Work Force policies [9.15](#) and [9.20](#). The severance agreement needs to be completed as stated below:
  1. Classified Civil Service staff will receive the severance agreement and within 10 calendar days the employee must elect either displacement or severance. The date the severance agreement is signed will begin the severance period.
  2. Unclassified staff will receive the severance agreement and must sign and return it within five calendar days to be eligible for severance. The date the severance agreement is signed will begin the severance period.
- G. Lump sum options are not available. Severance pay will be paid monthly or biweekly, based upon the appointment at the time of reduction, and will reflect all applicable deductions including taxes and benefits.
- H. The severance period ceases when the individual receives any other employment, the individual begins receiving Ohio Public Employees Retirement System or State Teachers Retirement System of Ohio retirement benefits, or the individual's maximum benefit is achieved.
- I. Benefits and deductions that the employee is enrolled in at the beginning of the working notice period will continue during the severance period, with the same university sponsorship. Employees on severance may experience annual premium or cost increases as applied to all other employees.
- J. Benefits included during the severance pay period, with the same level of university sponsorship, if any, are as follows:
  1. Vacation and sick leave
  2. Medical, dental, and vision



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3. Life insurance
  4. Retirement contributions (if allowed by applicable plan regulations)
  5. Employee and dependent tuition assistance
  6. Supplemental Retirement Accounts (if approved by plan vendor)
  7. Dependent Group Life Insurance and Voluntary Group Term Life Insurance
  8. Flexible Spending Accounts
  9. Credit Union deductions
  10. Optional deductions (e.g. Campus Campaign, Community Charitable Drive)
- K. Benefits not included during the severance pay period are Long-Term and Short-Term Disability.
- L. Reduction in Work Force policies [9.15](#) and [9.20](#) outline the impact on benefits at the time of separation.
- M. Severance payment costs are borne by the employing department. If displacement occurs for Classified Civil Service employees, the unit initiating the reduction in work force is responsible for the cost of the severance program.

### III Staff Severance Program Schedule

The total severance period is comprised of two weeks plus one and one-half weeks for each completed year of continuous service with the university. Some severance periods include half weeks and all half weeks are rounded up to a full week. The chart below outlines the total weeks of the severance period and the minimum and maximum periods for both working notice period and severance pay period.



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### Staff Severance Program Schedule

Completed Years of Continuous Service	Total Weeks of Severance Period	Minimum Weeks of Working Notice Period	Maximum Weeks of Working Notice Period <sup>1</sup>	Minimum Weeks of Severance Pay Period	Maximum Weeks of Severance Pay Period
1 or less	4	2	3	1	2
2	5	2	3	2	3
3	7	2	5	2	5
4	8	2	5	3	6
5	10	2	7	3	8
6	11	2	7	4	9
7	13	2	9	4	11
8	14	2	9	5	12
9	16	2	11	5	14
10	17	2	11	6	15
11	19	2	13	6	17
12	20	2	13	7	18
13	22	2	15	7	20
14	23	2	15	8	21
15	25	2	17	8	23
16+	26	2	17	9	24

<sup>1</sup> The working notice period may be longer if agreed to by the employee.



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### PROCEDURE

Issued: 03/18/2002  
Revised: 06/01/2011

### Responsibilities

Position or Office	Responsibilities
Employing Unit	<ul style="list-style-type: none"> <li>A. Complete the <a href="#">Request for Reduction in Work Force</a> form with supporting documentation and justification and obtain approval per Reduction in Work Force <a href="#">Policies 9.15</a> and <a href="#">9.20</a>.</li> <li>B. Inform an eligible staff member of <a href="#">Policy 2.40</a> and its eligibility criteria.</li> <li>C. Notify the staff member in writing of the reduction and applicable dates of the severance period, including beginning and ending dates of the working notice period and the severance pay period. Based on the employee's classification, the following applies:               <ul style="list-style-type: none"> <li>1. Classified Civil Service staff will receive the severance agreement and within 10 calendar days the employee must elect either displacement or severance. The date the severance agreement is signed will begin the severance period.</li> <li>2. Unclassified staff will receive the severance agreement at the time of reduction in work force notification. The severance agreement must be signed and returned within five calendar days. The date the severance agreement is signed will begin the severance period.</li> </ul> </li> <li>D. Ensure the severance agreement is signed. The employee is not eligible to receive severance if the severance agreement is not signed and on file.</li> <li>E. Ensure that the employee understands that by receiving severance, the employee waives her/his right to reinstatement.</li> <li>F. E-mail the following information to the Associate Director of Benefits Services: employee name, employee ID number, and the date the severance pay period begins.</li> <li>G. Enter the appropriate information and manage the employee's HRIS records when the working notice period ends and the severance pay period begins. Update the employee's HRIS records using the severance action/reason code and enter the appropriate timekeeping information when the employee transitions from the working notice period to the severance pay period.</li> <li>H. Verify an employee's leave balances and request pay out of vacation from the Office of the Controller, Division of Payroll Services at the end of the severance period and upon termination from the university.</li> <li>I. Manage the employee's performance during the working notice period.</li> </ul>
Office of Human Resources	<ul style="list-style-type: none"> <li>A. Notify Classified Civil Service staff of their rights.</li> </ul>
Office of the Controller, Division of Payroll Services	<ul style="list-style-type: none"> <li>A. Process vacation pay out at the end of the severance period and upon termination from the university.</li> </ul>
Employee	<ul style="list-style-type: none"> <li>A. Upon notification from the college/unit, the employee must sign and return the severance agreement before the severance period begins.</li> <li>B. Notify the college/unit and the Office of Human Resources, <a href="#">Employee Relations</a>, when beginning other employment or receiving OPERS or STRS retirement benefits.</li> <li>C. Classified Civil Service staff must notify the Office of Human Resources, Employee Relations, in writing within 10 calendar days of their official RIF notification of their decision to elect either displacement or severance.</li> </ul>



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## Resources

- Frequently Asked Questions – Staff Severance Program, [hr.osu.edu/policy/resources/240faq.pdf](http://hr.osu.edu/policy/resources/240faq.pdf)
- Funds Typically Used by Academic Departments, [controller.osu.edu/ftd/guides/FundsTypicallyUsedpage1.pdf](http://controller.osu.edu/ftd/guides/FundsTypicallyUsedpage1.pdf)
- Internal Revenue Service (IRS), [irs.gov](http://irs.gov)
- Leaving University Employment, [hr.osu.edu/events/leavinguniversityemployment](http://hr.osu.edu/events/leavinguniversityemployment)
- Office of Business and Finance Fund Transfer – General Ledger, [busfin.osu.edu/FileStore/431\\_FundTransfersGeneralLedge.pdf](http://busfin.osu.edu/FileStore/431_FundTransfersGeneralLedge.pdf)
- Ohio Department of Job and Family Services, [jfs.ohio.gov](http://jfs.ohio.gov)
- Ohio Public Employees Retirement System (OPERS), [opers.org](http://opers.org)
- Ohio Revised Code Chapter 124, [codes.ohio.gov/orc/124](http://codes.ohio.gov/orc/124)
- Reduction in Work Force Employee Guide, [hr.osu.edu/hrpubs/guidelinespolicy915.pdf](http://hr.osu.edu/hrpubs/guidelinespolicy915.pdf)
- Reduction in Work Force Manager Guide, [hr.osu.edu/hrpubs/rifmgrguide.pdf](http://hr.osu.edu/hrpubs/rifmgrguide.pdf)
- Reduction in Work Force-Classified Civil Service Staff, Policy 9.20, [hr.osu.edu/policy/policy920.pdf](http://hr.osu.edu/policy/policy920.pdf)
- Reduction in Work Force-Unclassified Staff, Policy 9.15, [hr.osu.edu/policy/policy915.pdf](http://hr.osu.edu/policy/policy915.pdf)
- Severance Program Agreement for Classified Civil Service Staff, [hr.osu.edu/policy/resources/240ccsagree.pdf](http://hr.osu.edu/policy/resources/240ccsagree.pdf)
- Severance Program Agreement for Unclassified Staff, [hr.osu.edu/policy/resources/240apagree.pdf](http://hr.osu.edu/policy/resources/240apagree.pdf)
- State Teachers Retirement System of Ohio (STRS), [www.strsoh.org](http://www.strsoh.org)
- University Rules for the Classified Civil Service, [hr.osu.edu/policy/ccs](http://hr.osu.edu/policy/ccs)

## Contacts

Subject	Office	Telephone	E-mail/URL
Policy Interpretation and Consultation	Organization and Human Resource Consulting (OHRC), Office of Human Resources	614-292-2800	<a href="mailto:ohrc@hr.osu.edu">ohrc@hr.osu.edu</a> <a href="http://hr.osu.edu/ohrc">hr.osu.edu/ohrc</a>
Benefits	Customer Service Center, Office of Human Resources	614-292-1050	<a href="mailto:service@hr.osu.edu">service@hr.osu.edu</a> <a href="http://hr.osu.edu/customerservice">hr.osu.edu/customerservice</a>
Payroll	Office of the Controller, Division of Payroll Services	614-292-2311	<a href="mailto:payrollservices@osu.edu">payrollservices@osu.edu</a> <a href="http://controller.osu.edu/pay/pay-home.shtm">controller.osu.edu/pay/pay-home.shtm</a>
Counseling and Employee Assistance	Ohio State Employee Assistance Program, The OSU Health Plan	614-292-4472 800-678-6265	<a href="http://osuhealthplan.com/OhioStateEAP">osuhealthplan.com/OhioStateEAP</a>



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## History

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Issued: 03/18/2002  
Edited: 04/28/2003  
Edited: 07/01/2004  
Edited: 11/28/2005  
Edited: 07/01/2007  
Revised: 01/01/2010  
Edited: 02/15/2010  
Revised: 01/15/2011  
Revised: 06/01/2011