



Tuyen M. Do
Information Technology Services
Via Email

Dear Tuyen:

As Chancellor Block shared in his [message to faculty and staff on August 14](#), UCLA is facing significant budget challenges as a result of the COVID-19 pandemic.

In light of current circumstances and to assist the campus in generating savings, Information Technology (IT) Services is offering the option for eligible employees in certain classifications to apply for the Voluntary Separation Program (VSP), which provides the opportunity to voluntarily resign from UCLA employment in exchange for receipt of severance pay.

University policy provides eligible employees with severance pay based on full years of service. We are pleased that UCLA has obtained approval from the UC Office of the President to provide eligible employees with additional VSP pay based on years of full-time service. For more detailed information about the plan, including examples of how severance pay under the VSP will be calculated and the conditions for participation, please view the attached UCLA VSP Guidelines.

Applications for the VSP will be accepted from October 1, 2020 through November 13, 2020, and will be considered in the order received, based on operational needs and the classifications selected for eligibility. If you have any questions, please contact your departmental HR representative or the [CHR Employee Relations Consultant](#) assigned to your department.

Regardless of whether or not you decide to participate, I would like to thank you for your dedication to our IT Services organization and to UCLA. Our recognition as a world-class public research university is due in large part to your dedicated service and the contributions that you and your colleagues have made.

Sincerely,

Anet Avanessian
Senior Director, Application Services
UCLA Information Technology Services

UCLA Voluntary Separation Program (VSP) Guidelines

(Updated September 24, 2020)

A. Purpose

Consistent with program parameters established by the Office of the President, UCLA is offering a local Voluntary Separation Program (VSP) to eligible policy-covered employees to assist the campus in alleviating the financial impact of COVID-19. Eligible employees have the opportunity to consider voluntarily resigning from University employment in exchange for receipt of severance pay. Savings achieved through the local VSP will help to mitigate involuntary workforce reductions and allow campus departments to strategically restructure in order to meet long-term operational needs and budgetary requirements.

B. Definitions

Electing Participant: An eligible employee who elects to participate in the Voluntary Separation Program (VSP).

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

C. Authority and Eligibility

The Chancellor has the sole discretion to determine eligibility criteria for the VSP and has delegated authority to the organization head (i.e. Vice Chancellor, Vice Provost, or Dean) to determine employee participation in the program based on operational needs. The organization head may restrict program participation to specific departments, business units, and/or job classifications. Applications will be considered in the order in which they are received.

In advance of approving any VSP Applications, participating departments are required to list the job classifications which they are proposing to designate as eligible for program participation and submit the list to Campus Human Resources (CHR) for review. Regular status employees whose departments elect to allow participation in the VSP may be eligible, with the exception of the following groups:

- Employees in the Senior Management Group (SMG)
- Employees in the Management and Senior Professional (MSP) Program at or above Manager 2 in Career Tracks, and equivalent positions
- Rehired retirees currently receiving retirement benefits from the University of California Retirement Plan (UCRP)
- Employees who, prior to the ending date of this program at UCLA, are entitled to separation or severance pay under another arrangement, agreement, or settlement with the University that is not part of this VSP
- Academic appointees
- Other employee groups excluded by classification and/or as determined by the organization head (i.e., Vice Chancellor, Vice Provost, or Dean), in consultation with CHR

Eligible employees include employees on approved leaves of absence.

Participation by exclusively represented employees is subject to collective bargaining. The University is in communication with the unions and will provide updated information on eligibility as it becomes available. Represented employees in the following bargaining units are eligible to participate: Teamsters (CX), UPTE (RX) and UPTE (TX).

D. Continued Satisfactory Performance

In order to be eligible for any benefits provided under the VSP, the Electing Participant must continue to perform satisfactorily until the selected date of separation.

E. Severance Pay and Additional VSP Payment

Service for purposes of calculating severance is based on full years of full-time equivalent service as reflected in the University's records and is determined at the sole discretion of the University. Employment prior to a break in service is not counted. Only full years of service are counted toward the calculation of severance pay. Severance and additional VSP pay will not be considered covered compensation for UCRP purposes.

Electing Participants will receive base severance pay plus additional VSP pay based on University service, for a total of up to nine (9) months' or 36 weeks' pay in accordance with their personnel program, or the maximum allowable amount specified at the end of this section, whichever is lower. Base severance pay and additional VSP pay will be calculated in accordance with personnel program as follows:

- Eligible Professional and Support Staff (PSS) will receive:
 - Base severance pay in the amount of one (1) week of pay (annual base salary ÷ 2,088 hours x 40 hours) for each full year of University service, up to a maximum of 16 weeks' pay; plus
 - Additional VSP pay in the amount of one (1) week of pay (annual base salary ÷ 2,088 hours x 40 hours) for each full year of University service, up to a maximum of 20 weeks' pay.

Example of a PSS employee with 10 years of University service earning \$50,000 per year:

Base Severance Pay:	\$50,000	÷	2,088	hours	x	40	hours	x	10	weeks	=	\$9,578.54
Additional VSP Pay:	\$50,000	÷	2,088	hours	x	40	hours	x	10	weeks	=	\$9,578.54
Total Severance Pay:												\$19,157.09

Example of a PSS employee with 15 years of University service earning \$80,000 per year:

Base Severance Pay:	\$80,000	÷	2,088	hours	x	40	hours	x	15	weeks	=	\$22,988.51
Additional VSP Pay:	\$80,000	÷	2,088	hours	x	40	hours	x	15	weeks	=	\$22,988.51
Total Severance Pay:												\$45,977.01

- Eligible MSP employees and equivalent positions will receive:
 - Base severance pay in the amount of one (1) month of pay (annual base salary ÷ 12 months) for each full year of University service, up to a maximum of 6 months' pay; plus
 - Additional VSP pay in the amount of one (1) month of pay (annual base salary ÷ 12 months) for each full year of University service, up to a maximum of 3 months' pay.

Example of an MSP employee with 5 years of University service earning \$100,000 per year:

Base Severance Pay:	\$100,000	÷	12	months	x	5	months	=	\$41,666.67
Additional VSP Pay:	\$100,000	÷	12	months	x	3	months*	=	\$25,000.00
Total Severance Pay:									\$66,666.67

Example of an MSP employee with 15 years of University service earning \$130,000 per year:

Base Severance Pay:	\$130,000	÷	12	months	x	6	months**	=	\$65,000.00
Additional VSP Pay:	\$130,000	÷	12	months	x	3	months*	=	\$32,500.00
Total Severance Pay:									\$97,500.00

**Maximum of 3 months' additional VSP pay.*

***Maximum of 6 months' base severance pay.*

- Eligible represented employees will receive severance pay based on allowable amounts as determined by the layoff provisions under the appropriate collective bargaining agreement, or by local agreement.

All VSP payments must be pre-approved by the cognizant Vice Chancellor, Vice Provost, or Dean. Payments of \$100,000 to \$150,000 must be additionally pre-approved by the UCLA Chancellor and UC President, upon recommendation by Campus Human Resources. No Electing Participant may receive more than \$150,000 under the program.

Any severance payment due to an Electing Participant will be paid in a single lump sum following separation from employment and execution of a release of claims.

The University will withhold appropriate federal and state income and employment taxes from any severance payment due. A payroll earn code of "VTS" has been established in UCPath for payment of severance in accordance with these program guidelines.

F. Release of Claims

An Electing Participant must separate from the University and sign a general release of claims in order to receive severance pay.

An Electing Participant who is under age 40 on the date of separation must be given at least 14 calendar days to consider and sign the release of claims.

An Electing Participant who is age 40 or over on 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 (ADEA), and to accept the offer of severance pay. The Electing Participant may sign the release of claims at any time before the end of

the 45-calendar-day period. The Electing Participant must be given seven (7) calendar days after signing the release of claims to revoke the release and refuse the acceptance of severance pay. Severance is to be paid after (a) the end of the seven (7) day revocation period, or (b) the Electing Participant's separation date, whichever is later.

G. Reemployment of Electing Participants

An Electing Participant should not be reemployed for a period of 36 months from the separation date under the VSP by any UC location, in any appointment type, at any percentage of time, or in any classification.

Employment includes any relationship between the Electing Participant and UC in which compensation is paid to the Electing Participant via University payroll or any other UC payables or accounting system, including but not limited to: all career appointments (regardless of percentage of time), limited appointments, floater appointments, contract appointments, rehired retirees in accordance with Regents Policy 7706 on Reemployment of UC Retired Employees, or as defined under Academic Personnel Manual policies.

An Eligible Participant should not be reemployed as an independent contractor or independent consultant in order to circumvent these guidelines and the repayment of severance.

H. Repayment of Severance

If an Electing Participant returns to any compensated employment at the University during the 36 months following separation under the VSP, repayment of a portion of severance and additional VSP pay to the University is required as a condition of employment, provided that the amount retained for signing the release of claims is no less than \$1,000, in accordance with the following:

- If reemployment occurs within 1-12 months after separation, the entire amount of severance received must be repaid, less \$1,000 for the release of claims.
- If reemployment occurs within 13-24 months after separation, 50% of the severance received must be repaid, less \$1,000 for the release of claims.
- If reemployment occurs within 25-36 months after separation, 25% of the severance received must be repaid, less \$1,000 for the release of claims.

IRS regulations determine whether the repayment amount is the net or gross amount of the severance payment received. If the repayment is made in the same year in which the repayment occurred, then the net (of withheld taxes) is the amount due. If the repayment is made in a subsequent year (or years), the repayment amount is the gross amount less the Electing Participant's share under the Federal Insurance Contribution Act (FICA).

I. Repayment Options

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

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

J. Health and Welfare Benefits Coverage

The University's normal contribution (if applicable) to the Electing Participant's medical, dental, vision, and Basic Life insurance coverage will continue through the last day of the last month for which premiums are paid. Coverage will

terminate on this date unless the Electing Participant elects COBRA coverage or is eligible for retiree health and welfare benefits under the University's programs, in which case the terms of COBRA or the retiree programs are applicable.

In accordance with COBRA requirements, the Electing Participant may continue medical, dental, vision, or health FSA coverage at the applicable COBRA group rates. These premiums must be paid monthly by the Electing Participant in order to continue coverage. The Electing Participant should contact their departmental HR representative or [CHR Benefit Services](#) for additional information on COBRA requirements.

The Electing Participant will have 31 calendar days from the end of coverage to convert medical plans, life insurance, accidental death and dismemberment (AD&D) insurance, and legal plans to individual plans, or to elect portability for supplemental life insurance, basic and expanded dependent life insurance, and supplemental health plans. Coverage continuation through conversion or portability is done at the Electing Participant's expense.

An Electing Participant's disability insurance and dependent care flexible savings account (FSA) terminates on the last day of University employment and may not be continued, converted, or ported. Home/auto insurance and pet insurance terminates at the end of the policy contract year in which termination occurred. At the end of the policy contract year, the Electing Participant may continue home/auto insurance and pet insurance by contacting the respective vendors to request coverage continuation on an individual basis at the Electing Participant's expense.

K. Outplacement Assistance

An Electing Participant may request Outplacement Assistance by contacting their [CHR Policy Services Analyst](#).

L. No Right to Continued Employment

The VSP does not grant or create any right to continued employment, and any pre-existing rules, policies, and/or agreements regarding an Electing Participant's employment will continue to apply.

M. Program Effective Dates

The VSP will be in effect from October 1, 2020 through January 31, 2021, unless amended or terminated in accordance with the section on Amendment and Termination. Electing Participant separation dates must fall on a pay cycle end date between October 31, 2020 and January 31, 2021; however, severance payments will be made on the pay date following the date of separation.

N. Termination and Amendment

The UCLA VSP will automatically terminate effective January 31, 2021, unless extended. The University may amend or terminate the VSP at any time and for any reason before any elections are made in accordance with these guidelines.

O. Application and Approval Process

An eligible employee who wishes to voluntarily separate in accordance with this program must complete a VSP Application for approval by the department head.

1. The department head will consider each application based on eligibility criteria and operational needs, in consultation with Campus Human Resources, for approval by the organization head (i.e. Vice Chancellor, Vice Provost, or Dean). Applications will be considered in the order in which they are received.
2. The organization head (i.e., Vice Chancellor, Vice Provost, or Dean) must sign each application.

3. Departments must forward applications to the Manager, Staff Personnel Policy, CHR, to ensure program eligibility requirements are met and for calculation of University service. As required by the Office of the President, CHR will also request approval from the UCLA Chancellor and UC President for VSP payments totaling \$100,000 to \$150,000.
4. The University has the sole discretion to determine eligibility criteria and selection for participation in the VSP. Such decisions are not subject to grievance under PPSM-70 (Complaint Resolution).

P. Refilling Positions Vacated Under the Program

Since the intent of this program is to reduce ongoing staffing costs, departments are prohibited from refilling positions vacated via the VSP for at least twelve (12) months, subject to budgetary validation, unless an exception is approved by the organization head.