I. PURPOSE

The purpose of this Staff Voluntary Separation Incentive Program (SVSIP) is to implement a limited time incentive to eligible NDSU employees in order to achieve specific institutional objectives. These objectives include:

A. Reducing salary, wage and benefit costs.
B. Increase efficiencies and/or reduce expenses.
C. Redirecting the allocation and appointment of positions at the University to maximize the University’s ability to fulfill its mission on a continuing basis in the future.

Participation in the program is voluntary for both the University and the employee. Employees are not guaranteed participation in the plan, and the decision to approve an applicant is entirely at the discretion of NDSU.

NDSU anticipates approving as many applications as possible. The University has discretion to limit the total number of applicants approved for reasons, including but not limited to, preserving the vitality of the affected programs and services, as well as the integrity of financial resources.

II. ELIGIBILITY CRITERIA AND LIMITATIONS

The SVSIP is not an entitlement. It is intended to be a tool for NDSU to achieve the purposes referenced in Section I.

All employees who meet the minimum eligibility requirements are invited to apply; however, not every applicant meeting the minimum requirements and submitting an application will be approved. Certain divisions/departments/colleges may determine that they cannot recommend an applicant for approval based on budgetary or programmatic demands. The appropriate administrators may be consulted by the Voluntary Separation Incentive Program (VSIP) Campus Committee.

The decision to apply for participation in the program by any eligible employee is strictly voluntary on the part of the employee.

A. Eligibility Requirements and Limitations

Applicants meeting all of the following criteria are eligible to apply:

1. The applicant must be a benefited employee currently employed at NDSU.
2. The applicant must 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 (NDUS) (e.g. 55 years old with 10 years of benefited employment).
3. Grants and contracts funding cannot be used for any incentive payments.
4. The applicant must be in good standing with no current disciplinary letters or corrective action, performance improvement or other similar plans in place.
5. The applicant must meet the eligibility criteria as of February 15, 2019.
6. The applicant must review and acknowledge the SVSIP Program Guidelines and Application for participation prior to February 15, 2019.

B. Exclusions

The following employees are NOT eligible for participation, even if they meet the criteria in Section A above:

1. Employees who have given written notice of their intent to retire or resign prior to November 20, 2018;
2. Employees who are rehired retirees;
3. Part-time, non-benefited employees, including part-time or adjunct faculty, graduate students and hourly employees;
4. Employees who have previously entered into an agreement with a predetermined employment end date;
5. Employees who have accepted other employment prior to accepting a voluntary separation;
6. Employees who have resigned prior to the program implementation and whose resignations have been accepted;
7. Any employee who has received notice of termination, notice of non-renewal or cancellation of their employment contract.

C. Application Procedure and Review

1. Review SVSIP criteria for eligibility. If you have questions regarding your eligibility, please contact the NDSU Office of Human Resources and Payroll by email at ndsu.hr.vsi@ndsu.edu. Please note: the NDSU Office of Human Resources and Payroll is the only official source of information/interpretation for this program. Any questions received will be responded to in writing by a representative of the NDSU Office of Human Resources and Payroll.
2. Applications will be made available at the NDSU Office of Human Resources and Payroll located in SGC H102, 1919 North University. Applications can also be found online at https://www.ndsu.edu/hr/empltoolbox/voluntary
3. Eligible employees must submit completed applications for consideration in the SVSIP to the NDSU Office of Human Resources and Payroll. Applications are encouraged as early as possible with the **final deadline for consideration being no later than 5:00 p.m. CDT on February 15, 2019**. Applications can be submitted in one of two ways:
   a. Hand delivered to NDSU Office of Human Resources and Payroll, or
   b. Sent via email to: ndsu.hr.vsi@ndsu.edu.

It is the applicant’s responsibility to ensure that his/her application is received by the application deadline. NDSU encourages applicants to contact the NDSU Office of Human Resources and Payroll to confirm receipt of their application.
4. The Office of Human Resources and Payroll will assure accuracy, completeness and verify eligibility for each application. After the application has been received and verified, the application will go to the VSIP Campus Committee. The VSIP Campus Committee will evaluate and consult with the Head/Chair/Director/Dean/Vice President/Provost, if necessary, based on the objectives of the SVSIP.

5. The decision on each application will be communicated to the applicant as soon as possible.

6. Conditionally approved applicants will be provided with a separation agreement for their review. Conditionally approved applicants will have forty-five (45) calendar days from the date the separation agreement is made available to review and consider the separation agreement. Conditionally approved applicants will also have a period of seven (7) calendar days to revoke their acceptance of the separation agreement after it is submitted. During this time, approved applicants are encouraged to seek advice from their financial, legal and/or tax counselors, and to contact the NDSU Office of Human Resources with questions about the plan.

7. **There is no expectation that all SVSIP applications will be approved.**

8. Employees who separate from NDSU under this Program waive all rights to continued employment as part of participation in the SVSIP.

9. Please note that applications and other materials submitted are subject to North Dakota’s open records law and therefore subject to public review with appropriate request.

### D. Incentives

- The receipt of an approved applicant’s incentive payment is contingent on continued satisfactory employment until the date of separation from NDSU.

- Approved applicants will receive a payment equal to one week of pay based on the applicant’s annual base salary as of 11/20/18 per completed year of service to the NDUS, up to a maximum of 50% of annual base salary, less all required federal and state taxes and deductions as required by law. The approved applicant will receive a choice of either:
  
  a. Two lump sum payments, one-half on May 31, 2019 and one-half on January 15, 2020; or
  
  b. One lump sum payment on May 31, 2019.

- This payment will not be considered compensation for purposes of a retirement employer contribution.

- NDSU-paid health insurance benefits for approved applicants will terminate on June 30, 2019. Any other pay and benefits received as a result of employment at NDSU will terminate or cease in accordance with the terms of those established laws, policies, plans and procedures.

- If applicable, approved applicants will also receive a payment of accrued annual and sick leave calculated pursuant to NDSU and NDUS policies.

### E. Tax and Financial Consequences of Participation in the SVSIP

1. Eligibility to participate in the SVSIP does not automatically make the employee eligible for retirement benefits under the North Dakota Public Employees Retirement System (NDPERS) or the Defined Contribution Retirement Plan (TIAA)
or any other institutional, state or federal retirement program. The employee is solely responsible for consulting with his/her retirement program to determine eligibility for and the amount of any annuity, if any, and applying for such benefits, if any, in accordance with state and federal law. It is the employee’s responsibility to submit the required application and information to NDPERS or TIAA or any other retirement program financial provider, whichever is applicable, for processing within the required timelines of the program.

2. In all cases, each applicant participating is responsible for consulting with his/her personal tax advisor as to the potential tax consequences of the employee’s participation in the SVSIP.

3. No employee of NDSU is authorized by NDSU or the NDUS to provide tax and/or financial advice to employees. Material provided is for general information only and should not replace the advice of a competent financial and/or tax advisor.

F. Conditions

1. Not every application will be approved. Nothing in this Program shall be construed to create a right or entitlement to any employee.

2. The approved applicant’s date of separation will be May 15, 2019. The approved applicant will separate from all employment at NDSU on May 15, 2019, and will be restricted from receiving any employment or other compensation from NDSU for one year from the date of separation, unless otherwise approved by the President.

3. In consideration for participation in the SVSIP and the receipt of incentives described herein, accepted applicants must voluntarily accept and sign a separation agreement that contains a release of any and all continuing employment rights, and any and all claims against NDSU and/or the NDUS, including but not limited to any claim against their officers, employees, agents, attorneys, insurers and/or their assignees.

III. SCHEDULE FOR INCENTIVE PROGRAM

A. NDSU will begin accepting applications on November 20, 2018.

B. The final deadline for submitting applications is 5:00 p.m. CDT on February 15, 2019. NDSU will not accept or consider any applications submitted after the final deadline.

C. The date of separation for applicants approved for participation is May 15, 2019, unless approved by the President.

D. The incentive payment dates will be determined by the applicant pursuant to Section II(D)(2).