



## Retrenchment Policy

Section: Regulations  
Date Initially Approved: July 7, 1999 by Senior Staff  
Reviewed/Reaffirmed: July 1, 2010 by Senior Staff  
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### I. Purpose

To provide a process for the retrenchment of staff in accordance with practices which maintain concern for individuals and their service to the University.

### II. Policy

The University may at any time find it necessary to reduce the salary or wage budget, but only when all other budgetary curtailments have been implemented and the need for further cost reductions must take place. Also, when the need to enhance services and remain competitive makes it necessary to reorganize functions, reductions in workforce may be the only choice remaining, resulting in retrenchment or lay-off which may include reducing full-time positions to part-time.

### III. Practices & Procedures

#### 1. Consultation

- A. Retrenchment shall only be implemented after the Senior Staff has determined the action necessary as a last alternative, and then only after consultation has taken place with the Director of Human Resources & Risk Management.
- B. A retrenchment plan will be implemented and specific dates, times, and places of individual meetings with employees to be retrenched shall be coordinated with the appropriate supervisor(s). These action meetings with the individuals concerned shall constitute the initial University announcement of retrenchment.
- C. Retrenchment shall only be accomplished in the presence of the Director of Human Resources & Risk Management or delegate.

#### 2. Retrenchment Process

- A. Selection of employees for retrenchment may be on a University wide or departmental basis. In the selection process, the supervisor should consider the ability of those remaining employees to perform the work that will remain.
- B. However, when there is more than one (1) employee in the "same job classification" scheduled for lay-off, then minimum length of service shall be the sole criteria for selection of the employee to be retrenched in that instance. The "same job classification" is defined as a position with the same title, and in the same salary or wage grade level.
- C. Retrenched employees shall customarily meet with their supervisor initially, who will personally explain the rationale for their retrenchment. The Director of Human Resources & Risk Management, or delegate, if not present at that meeting, will meet separately with the retrenched employee immediately following the first meeting. Employment separation shall, in all instances, be immediate.
- D. The Director of Human Resources & Risk Management, or delegate, shall, with as much sensitivity as possible, discuss the individual's concerns, review their rights, severance pay and benefit continuation, answer questions, and discuss any other relevant subjects



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concerning their departure. There will be no formal exit interview. (See Administrative Policy: Separation of Employment.)

- 1. All University-issued property (i.e. vehicles, keys, credit cards, ID's, academic regalia, uniforms etc.) must be returned the Human Resources Office.
  - E. The Director of Human Resources & Risk Management, or delegate, shall ensure the prompt exiting of the retrenched individual in the most unobtrusive and most humane way possible. This may include assisting the employee with packing or removing personal belongings and overseeing their immediate exit from the University which is important for the welfare of the University, co-workers, and for the individuals themselves. This may involve scheduling a return meeting in the evening or on the weekend to accomplish the packing and removal of personal items from the work place.
  - F. University property, including confidential material and computer files must also be protected in this process.
3. Employee Job Rights
- A. Lay-off status is granted to a retrenched employee for up to one (1) calendar year provided the Human Resources Office is notified of any address or telephone number changes that may take place during that period. A retrenched employee in this status has job rights to any position with the "same job classification" as the one from which they were retrenched.
  - B. A retrenched employee has job rights to any approved and unfilled position of the "same job classification" existing in another department at the time of retrenchment or, thereafter, during the lay-off status period in any department.
  - C. A retrenched employee must be interviewed and seriously considered for any approved and unfilled position in which the employee expresses interest and feels they have the ability to successfully perform the job tasks.
  - D. An employee rehired while on lay-off status shall have their University seniority, or years of service bridged.
4. Severance Pay
- A. Severance payments for retrenchment shall be in the form of salary/wage continuance based on years of service to the University. The same severance pay entitlement shall also be afforded employees whose full-time positions may have been involuntarily reduced to part-time whether they accept or reject the reduction in hours, as follows:

| Service Years | Exempt  | Non-Exempt |
|---------------|---------|------------|
| 0 to 9        | 4 weeks | 2 weeks    |
| 10 +          | 8 weeks | 4 weeks    |

5. Health / Dental / Life Insurance Continuation
- A. The employee shall continue to participate in the University's health/dental/life insurance plans during the severance payout period. However, University contributions to the employee's pension plan shall cease at the end of the month in which retrenchment took place.
  - B. Retrenched, employees may continue health and/or dental insurance coverage beyond



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the severance pay-out period at the University's group rate for up to eighteen (18) months (see COBRA regulations) at the employee's full expense. Life insurance may be converted to a non-group plan, also at the expense of the employee.