University of Wisconsin-Superior  
Voluntary Separation Incentive Program  
March 24, 2015

Purpose:

The purpose of the Voluntary Separation Incentive Program (VSIP) is to implement limited-time early separation incentives to employees within all UW-Superior departments and units, as authorized by the Chancellor, and in order to achieve the following institutional objectives:

1. Reducing salary/wage and benefit costs in anticipation of funding challenges;
2. Redirecting positions to the Chancellor to focus on priorities, changing needs or strategic objectives; and
3. Achieving other cost savings or efficiencies; and

Eligibility Criteria and Limitations:

The VSIP is not an entitlement or benefit, but rather is intended to supplement the range of budget management options available to the Chancellor. As such, approved applications must achieve the institutional objectives stated above. All departments or units will be eligible to participate; however, not every individual application will be approved.

The Chancellor has sole discretion over the eligibility of employees to participate in any given VSIP offering. Nothing in this program shall be construed to create an employee right or entitlement to a separation incentive.

1. **Who is eligible for participation?**

   UW-Superior active employees as of the start of this program on March 24, 2015, who:

   A. Are currently appointed as a faculty member, academic staff member (fixed-term renewable contract), unclassified limited appointee, or classified permanent staff member; AND
   B. Are at least 55 years of age prior to July 1, 2015, are vested with the Wisconsin Retirement System (WRS) as of July 1, 2015, and eligible to receive an annuity under the (WRS); AND
   C. Have an UW-Superior original start date on or before July 1, 2010.¹

2. **Who is NOT eligible for participation?**

   A. Employees who have given written notice of intent to retire or resign prior to the start of the date of this program, March 24, 2015, are not eligible to participate in the VSIP.
   B. Student employees, rehired annuitants, classified LTE, classified project appointment, classified staff on an original probationary period, and academic fixed-term no-intent-to-renew staff are not eligible for participation in the VSIP.

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¹ Some individuals under the age of 55 who work in protected services, may also be eligible. Contact human resources for more information.
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3. How will decisions be made?
   A. All eligible employees occupying a position for consideration will be invited to apply for participation in the VSIP.
   B. Employees must submit completed applications for consideration in the VSIP no later than 4:30pm on April 15, 2015 to Georgette Koenig in Human Resources.
   C. Vice Chancellors, Dean of Faculty, Dean of Students and the Provost will evaluate applications received for their departments and units in relation to Voluntary Separation Incentive Program objectives listed previously and make recommendations to the Chancellor for final action.
   D. The intent is to have the Chancellor’s final decisions communicated to applicants by May 6, 2015.
   E. There is no expectation that all VSIP applications will be approved.

4. What is being offered to those who participate in the Voluntary Separation Incentive Program?
   A. A one-time separation payment, which will be calculated to be equal to 50% of the employees March 24, 2015 base salary. Base salary will be based on total appointment FTE percentage and will NOT include overload, stipends, overtime, J-term, summer payments, increase due to an interim assignment, or any other payments above base salary.
   B. Employee is able to have the one-time separation payment distributed by any one, or combination, of the following method(s); however, no combination of methods selected may exceed the 50% base salary calculation:
      a. A lump-sum payment.
      b. A contribution to an employee’s Health Savings Account (HSA), 403(b), 457, or similar plan for which the employee may be eligible at the time of separation payment. Contributions must be within established limits for the plan selected.
      c. An Employee Trust Funds (ETF) WRS Actuarial Reduction Program payment towards WRS years of service (for employees who are eligible for retirement annuity involving an age reduction factor). If this method is select, in whole or in part, the actual cost of this method will be subtracted from the total separation payment and UW-Superior will remit the amount due to the ETF upon billing from ETF.²
   C. Employee is responsible for consulting with his/her financial planner, tax advisor and/or attorney as to potential tax consequences of choices of separation payment methods.

5. Conditions
   A. VSIP participants will not be eligible to be employed by UW-Superior for 2 years from date of separation, unless authorized by the Chancellor because of exigent circumstances (must comply with condition 5.D. on page 3 of this document). Date of separation is the last active day on UW-Superior payroll.
   B. Effective dates of separation will be determined by the Chancellor in the best interest of the University. Dates of separation will be as follows:

² Please note that if you choose the Actuarial Reduction Program as a payment method, the amount of time it takes for you to receive the Separation Payment will be extended. See the FAQ materials for more information.
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a. For faculty and instructional academic staff: between July 3, 2015 and January 8, 2016, unless authorized by the Chancellor because of exigent circumstances.

b. For all other eligible appointment types: between July 3, 2015 and August 31, 2015, unless authorized by the Chancellor because of exigent circumstances.

C. Accepted applicants will be permitted to use accrued leave balances to extend a VSIP approved date of separation (i.e. vacation, ALRA, classified sabbatical leave, personal holiday). However, last day physically working at UW-Superior must fall within the separation date ranges listed in 5.B.

D. Accepted applicants must adhere to WRS valid termination requirements under Wisconsin Administrative Code § ETF 10.08 and break in service regulations as per Wis. Stat. § 40.26 (5).

E. Accepted applicants must voluntarily accept and sign a Separation Agreement that contains a release of all employment rights and claims.