

Tennessee State University Voluntary Employee Separation Plan (VESP) Summary

June 26, 2020

- In a November 2019 communication to the campus community, TSU employees were updated on the University's ongoing review and assessment of its operations and organizational structure.
- As part of the University's review, the institution implemented some organizational changes over the last several months to better align the institution's resources, ensure responsiveness to the campus community, and position the University for positive and sustainable growth in the second quarter of the 21st century. The University informed employees in the November 2019 communication that additional measures may be forthcoming.
- TSU is committed to continuing to position the University to remain strong and healthy, from an academic, financial and structural perspective, in the post-COVID-19 higher education environment. To that end, TSU is implementing a Voluntary Employee Separation Plan (VESP) to assist in its ongoing organizational review and address budgetary constraints.
- Faculty will receive the following:
 - One year salary
 - 1 Yr. Employer paid health premiums
- Staff will receive the following:
 - Six months salary
 - 1 Yr. Employer paid health premiums
- To be eligible to apply, employees must be actively employed at TSU with at least seven (7) years of service as of June 30, 2020 in a regular position (not seasonal or temporary) in which they work at least thirty-five (35) hours per week.
- During the week of June 22, 2020, TSU employees, including faculty and staff, eligible to participate in the VESP will receive program materials informing them they may participate in the VESP application process.
 - Staff employees will have until July 31, to consider the offer and submit the application to participate in the program. Staff employees approved for the VESP will end their employment effective on October 31, 2020.
 - Faculty will have until September 15, to consider the offer and submit the application to participate in the program. Faculty approved for the VESP will end their employment effective on December 15, 2020.
- All approved participants will be paid their normal leave payout, per University policy.
- Employees in grant funded positions and members of the President's Cabinet and Academic Deans are not eligible to participate in the VESP.
- Eligible employees who apply are not guaranteed acceptance into the VESP. The University will consider factors related to the current and future needs of the University and their position in the overall context of the University structure in determining if an application will be approved.

- Participation in the VESP is strictly VOLUNTARY and only available to eligible employees during the application period.
- Individuals who are approved and accept the VESP cannot, for a period of three years from their separation date, work in any capacity for TSU -- whether as an employee, temporary employee, contracting agency, independent contractor, or consultant.
- Please review the VESP Plan document for the complete information governing the VESP requirements, benefits, and obligations.
- Approved individuals must comply with all approved rules and regulations approved by the campus.
- The VESP's specific incentives and benefits are reflected below.

Voluntary Employee Separation Plan - Incentives and Benefits

Payment equivalent to one year's salary for faculty, six months' or one-half year's salary for employees.

- Faculty. Any eligible regular faculty member acting solely in a faculty status who applies and is approved for the VESP will receive a cash payout in the equivalent of one year of annual salary (12 and 9 months faculty members). Only the incentives below will be offered to the persons approved.
- Staff employees. Any eligible employee classified as a regular employee (at least 35 hours per week) to include executive/administrative/professional (excluding members of the President's Cabinet and Academic Deans) and clerical/support personnel who applies and is approved for the VESP will receive a cash payment in the equivalent of six (6) months' salary. Only the incentives below will be offered to the persons approved.

Other Incentives (Nontransferable)

- *One year TSU portion of health insurance premiums, if enrolled in health plan*
- *Use of Wellness Center by employee at no cost for two years*
- *Discounts for athletic, theater, and other events for two years*
- *Full use of the library for a period of two years*
- *Identification card good for two years*
- *Payment of one class (up to four hours) for the employee at TSU for Spring 2021*

**TENNESSEE STATE UNIVERSITY
VOLUNTARY EMPLOYEE SEPARATION PLAN**

Sample for Faculty

Example: Faculty has annual salary of \$65,000

<u>Cash Payment</u>		<u>Estimated Cost</u>
Annual Salary	1 year base annual salary	\$65,000
Health insurance premiums	1 year at <i>average</i> of \$977 per month	<u>11,724</u>
	Total payout	\$76,724

Sample for Staff

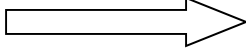
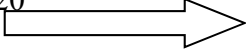
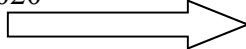
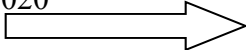
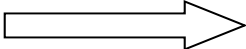
Example: Staff has annual salary of \$40,000

<u>Cash Payment</u>		<u>Estimated Cost</u>
Annual Salary	Six (6) months base annual salary	\$20,000
Health insurance premiums	1 year at <i>average</i> of \$977 per month	<u>11,724</u>
	Total payout	\$31,724

Note: Health insurance premiums are included in the above examples at an average monthly amount based on coverage for all TSU employees in the health plan. Your individual payment amount will be based on your current health coverage.

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KEY TIMELINE AND DATES

Week of June 22, 2020 	Packets available for employees
Employees - July 31, 2020 Faculty – Sept. 15, 2020 	Deadline for applications
Employees - August 31, 2020 Faculty – Oct. 15, 2020	Deadline for revoking applications, if application submitted prior to the respective deadline dates.
Employees – Sept. 30, 2020 Faculty – November 15, 2020 	Target notification date for accepted applications
Staff - October 31, 2020 Faculty- December 15, 2020 	Last day of employment
No later than November 30, 2020 for Employees January 31, 2021 for Faculty 	Final payment via direct deposit or mailed to separating employeea

- Please note: Earlier Voluntary Separation Dates may be available for approved eligible employees who are retirement-eligible. Please see the program document that will be included in the information to VESP eligible employees for additional details. The Tennessee Consolidated Retirement System will provide additional information concerning your options.