

EARLY EXIT PROGRAM

SECTION I - PURPOSE

As part of its efforts to reduce the structural budget deficit, San José State University is implementing this EARLY EXIT PROGRAM ("EEP"), intended to encourage employees to voluntarily separate through a severance package on or before December 30, 2020. This is a one- time, non-precedent setting program. If you are interested in participating in the EEP, please read the following TERMS AND CONDITIONS and APPLICATION. Participation in the EEP will also require you to execute separation agreements, which will include a general release of claims, as further explained below.

SECTION II - TERMS AND CONDITIONS

The University hereby implements the EEP with the following terms and conditions:

1. Employee Eligibility

Employees must meet all the criteria below to Participate in EEP.

- i. **Employee Status** - On October 1, 2020, employee must be a current SJSU state-side Management Personnel Plan employee ("MPP") or an employee in a permanent position. Full-time faculty members with three-year contracts are also eligible. Temporary employees and probationary employees are not eligible to participate in the EEP; and
- ii. **CalPERS Service Retirement Eligibility Required** - Employees must be CalPERS service retirement eligible on or before their separation date or December 30, 2020, whichever comes first. To determine your eligibility, contact CalPERS at 1-888 CalPERS (1-888-225-7377). Please note that there is no requirement to retire, only that the employee is eligible to retire. Please do not call University Personnel to determine CalPERS eligibility; and
- iii. **Years of Service** - Employees must have at least ten (10) years of state-side service to the University (SJSU) on or before their separation date or December 30, 2020, whichever comes first, to be eligible. Service does not need to be served consecutively and excludes student employment; and
- iv. **No FERP** - Faculty with applications pending or currently FERPing are not eligible.
- v. **No rehired annuitants** - Rehired annuitants are not permanent employees and are therefore not eligible.
- vi. **Previous Notice of Retirement** - Employees who have already established a retirement date are eligible for this program, provided that they comply with all TERMS and CONDITIONS of the EEP.

2. Severance Package

Employees who voluntarily separate as part of the EEP will be offered severance pay. In exchange for voluntarily separating and executing separation agreements (which will include a release of claims), employees will receive upwards of six months' salary or a minimum of

\$25,000 (whichever is higher) up to a maximum cap of \$70,000. Severance pay is calculated using an employee's monthly base salary (prorated for employees appointed for less than full time) at the time of separation. Separation must occur on or before December 30, 2020, in most cases. Please see Section 3(ii) for exceptions.

The severance package is divided up into two parts. Employees will earn fifty (50) percent of the calculated severance package in exchange for signing the first separation agreement ("First Separation Agreement and Release") after getting conditional approval to participate in the EEP (as explained in Section 4(v)). Employees must sign the final separation agreement ("Final Separation Agreement and Release") on their last day of employment in order to earn the final fifty (50) percent of the severance package. The entire severance package (100%) shall be paid within thirty (30) calendar days after employee signs the *Final* Separation Agreement and Release.

Note: The Severance Package is taxable income and is to be paid through the State Payroll System ([see FAQs for details](#)). This income is not considered compensation earnable for purposes of calculating CalPERS retirement benefits.

3. Limitations

- i. *No Entitlement* - Submission of an application is not an entitlement and not a guarantee of participation. All provisions of the EEP are subject to change.
- ii. *Critical Positions and Functions* - Generally, employees occupying critical or hard-to-fill positions, with critical knowledge or skills, working on time-sensitive projects, may have their separation date deferred past December 30, 2020, to allow for management to ensure business needs are met. Decisions to defer the separation date are at the sole discretion of the appropriate administrator, in consultation with the Divisional Vice President and/or President. In these cases, separation dates shall occur no later than May 28, 2021. Divisional Vice President or Presidential signature is required for separation dates after December 30, 2020.
- iii. *In Order of Application* - Applications must be **received on or before** November 16, 2020, to be considered. Completed applications will be processed on a first come, first served basis by bargaining unit/employee category, in the order in which the applications are received. In order to balance operational needs, such applications will be processed with a cap of 20% per bargaining unit/employee category. Applicants beyond 20% in any bargaining unit/employee category will be accepted at the discretion of management. Bargaining units/employee categories with caps are as follows:

C99 (Confidential): 1

M80 (Administrators/MPP): 11

R01 (UAPD): 1

R02 (CSUEU): 2

R03 (CFA): 61

R04 (APC): 2

R05 (CSUEU): 8

R06 (Teamsters): 5

R07 (CSUEU): 9

R08 (SUPA): 1

R09 (CSUEU): 29

Total 130

Incomplete applications will be sent back to the employee and are not considered received or entered for processing. There is no guarantee an application will be processed before termination of the EEP. *Termination of the EEP may occur at any time at management's discretion including but not limited to expenditure of funds allocated to the EEP.*

- iv. Funding - A one-time allocation of funds has been earmarked for the EEP. Once these funds have been assigned to approved participants, the EEP will be closed to further applications. Termination of the EEP may occur immediately and without notice.

4. Approval Process

- i. Application Form - The application form, attached herein, must be filled out completely and be signed by both the employee and the appropriate administrator. Division Vice President or Presidential approval is needed for separations occurring after December 30, 2020. Please note that the employee still must sign the separation agreements after submitting the Application Form to receive full payment. *It is the Employee's responsibility to collect all pertinent information before submitting to their appropriate administrator.*
- ii. Deadline - Applications must be submitted via *DocuSign*, as provided in the application form. Applications must be **received** by **November 16, at 11:59 p.m.**
- iii. Irrevocable after Execution of Separation Agreement and Release - Employee agrees that participation in the EEP and receipt of the respective severance pay is conditioned on the employee voluntarily resigning from Employee's employment with SJSU and executing the respective separation agreements. Employee acknowledges that Employee's resignation is voluntary, permanent, and will be irrevocable as of the date of execution of the First Separation Agreement and Release. Further, Employee will be required to waive any right

Employee may have under any applicable law, regulation, Collective Bargaining Agreement or policy to revoke or rescind Employee's resignation.

- iv. Separation Date - Unless the separation date is deferred as per Section 3(ii) Critical Positions and Functions, a separation date must be on or before December 30, 2020. In all cases, the Separation Date is determined in conjunction with the appropriate administrator to ensure business continuity. *If the Employee intends to retire, it is highly recommended that the employee immediately contact CalPERS, as the CalPERS retirement processing may take up to 3-4 months.*
- v. Execution of Separation Agreement - The appropriate administrator will review the Employee's application to confirm the Employee's eligibility to participate in the EEP based on the Terms and Conditions specified in this program and determine if the position falls under Section 3(ii). If it is determined that the position falls under Section 3(ii), the appropriate administrator will consult with the Division Vice President or President to determine a separation date to occur no later than May 28, 2021.

If the appropriate administrator confirms that the Employee is eligible to participate in the EEP, that administrator will conditionally approve Employee's application. The approval is conditioned on the Employee's timely execution of the First Separation Agreement and Release.

University Personnel will notify the Employee of the conditional approval by email and send the Employee the First Separation Agreement and Release. The First Separation Agreement and Release will include, among other provisions, a general waiver and release of all claims. The Employee will have fourteen (14) calendar days from the date that the Employee received notice of the Employee's conditional approval and the First Separation Agreement and Release to return an executed First Separation Agreement and Release to University Personnel. The failure to return the executed First Separation Agreement and Release within this specified time period will result in the University rescinding the conditional approval of the Employee's application to participate in the EEP.

University Personnel will send Employee the Final Separation Agreement and Release at least fourteen (14) calendar days before the Employee's final date of employment. Employee must execute the Final Separation Agreement and Release on Employee's final date of employment and return an executed Final Separation Agreement and Release to University Personnel via *DocuSign*. The failure to timely return an executed Final Separation Agreement and Release to University Personnel will result in the employee not being eligible for severance pay.

- vi. Non-Waiver of Management Rights - The EEP is not to be construed as a waiver of management's rights. SJSU retains and reserves until itself, without limitation, whether exercised or not, all powers, rights, authorities, duties, and responsibilities which have not been specifically abridged, delegated or modified by the current and respective collective bargaining agreements. Nothing in this EEP shall constitute a waiver of management's right to enforce any articles under the collective bargaining agreements including but not limited to articles related to layoff.