University of Wisconsin Milwaukee Voluntary Separation Incentive Program

1. What is the purpose of offering a Voluntary Separation Incentive Program (VSIP)?
   A. The purposes are to reduce salary/wage and benefit costs in anticipation of funding challenges, to redirect positions to focus on strategic priorities or changing needs, and to minimize potential involuntary terminations.

2. Is the VSIP part of my University benefit package?
   A. No, the VSIP is not an entitlement or benefit, but rather is intended to supplement the range of budget management options available to the Chancellor.

3. Who is eligible to participate in the VSIP?
   A. Current UWM faculty; academic staff with an indefinite, rolling horizon or fixed-term renewable contract who has not received a nonrenewal notice; unclassified limited appointee who has not received a nonrenewal notice; or classified permanent staff member; who are vested and eligible to receive a full annuity under the Wisconsin Retirement System (WRS) as of July 1, 2015 and are appointed into a participating UWM department and will otherwise be employed by that department on July 1, 2015.

4. What are the requirements to receive a full annuity under the WRS?
   A. To receive a full annuity under WRS, you must be at least age 65 with a minimum of 5 years of creditable service or at least age 65 with any credible service obtained prior to July 1, 2011, or age 57 or older with a minimum of 30 years of creditable service.

5. Who is not eligible for participation in a participating department?
   Q. Employees who have given written notice of intent to retire or resign or have established a retirement effective date prior to April 13, 2015, are not eligible for VSIP.
   Student employees, rehired annuitants, classified LTE, classified project, classified staff on an original probationary period, and academic fixed-term no-intent-to-renew staff are also not eligible for VSIP.

6. What does it mean to be “appointed to a participating department?”
   A. Deans and Division Heads will be asked to provide a recommendation to the Chancellor by April 24, 2015, what departments or areas under their purview will be participating in the VSIP. Deans and Division Heads will consider such questions as: can the department manage an accelerated loss of employees, will reduction in personnel within the department support University objectives in light of the proposed budget cut, and will the positions be filled in making their recommendation? The Chancellor will make a final decision on which departments will be able to participate.

7. How will I know if I am eligible to participate in the VSIP?
   A. The Department of Human Resources will notify all potentially eligible employees, in writing, of their eligibility by May 1, 2015 with an invitation to apply for VSIP participation.
8. Q. I believe I am eligible for VSIP participation as defined by the eligibility requirements, but I did not receive a letter informing me of my eligibility. What should I do?
   A. Please contact the Central Human Resources Office with questions about whether you are eligible for participation in VSIP. The telephone number is (414) 229-5353 or e-mail at HR-Ben@uwm.edu.

9. Q. Am I required to complete an application for VSIP?
   A. Only if you wish to be considered for the VSIP. The program is strictly voluntary and there is no requirement that an employee complete an application.

10. Q. If I am appointed to a participating department and meet the other eligibility requirements, will I be approved for participation?
    A. In general, all eligible individuals will be accepted, subject to final discretion and approval of the Chancellor.

11. Q. What is the incentive?
    A. The employee will receive a one-time payment at or near the time of separation that will equal 50% of the employee’s base pay on April 13, 2015.

12. Q. What options for disbursement of the VSIP incentive payment are included in the VSIP?
    A. There are two disbursement options available for the incentive payment.
        1. A lump sum payment
        2. Contributions to an HSA, 403(b), 457, or similar plan for which the employee may be eligible at the time of separation.

13. Q. Can I take the incentive payment in a combination of the disbursement options?
    A. Yes, however no combination of the methods selected may exceed the 50% of base salary calculation.

14. Q. How is my base salary calculated?
    A. Base salary will be based upon appointment total FTE percentage and does not include overload, overtime, winterim and or summer payment, increases due to an interim appointment or any other payments above base salary.

15. Q. What is the application period timeframe?
    A. The period when applications may be submitted is May 1, 2015 through the close of business on May 22, 2015.

16. Q. Can I withdraw my application after submitting it?
    A. Yes, an application may be withdrawn any time before the close of the application period on May 22, 2015.

17. Q. When will I be notified of my application’s final status?
    A. The final status will be communicated to employees no later than June 15, 2015.

18. Q. Will I be required to sign a separation agreement?
    A. Yes, from the date of receipt of the final separation agreement, an employee has 45 days to sign and submit the agreement to Human Resources. From the date of submission of the separation agreement an
employee has seven days to rescind the agreement and withdraw it. Employees will be provided with the final separation agreement at the same time they are notified that their application has been approved. The separation agreement is non-negotiable, although no employee is required to participate in the program if the agreement’s terms are not acceptable to the employee.

19. Q. Will the University provide me with advice and counsel regarding tax consequences as a result of participation in VSIP?
   A. No, employees are responsible for consulting their own tax advisor or other advisor.

20. Q. How is the effective date of separation established?
   A. Effective dates of separation will be determined by unit heads, to meet the University’s business needs, although the unit heads may also take into consideration the employee’s preferred separation date. The range of dates will be between August 1, 2015 and January 31, 2016, unless otherwise authorized by the Chancellor. The effective date of separation will be included in the final letter of disposition of an application as well as the separation agreement.

21. Q. If I have accrued leave accumulated, may I use that to extend my last day of employment, even if it goes beyond the range of separation dates available in the program?
   A. Approved applicants will be able to extend their VSIP approved separation date using accrued leave balances however, the last day physically working at UWM must be within the range of separation dates.

22. Q. After separation under the VSIP, may I be rehired by UWM?
   A. Participants will not be eligible to be employed by UWM for two years from the date of separation unless authorized by the Chancellor. Such authorizations will be granted only under extraordinary circumstances.

23. Q. What benefits will employees receive after they have separated from the University?
   A. Employees are eligible for benefits as prescribed through employee participation the Wisconsin Retirement System.

24. Q. Where do I go to hear more about the VSIP?
   A. Human Resources will be holding several information sessions for those eligible for a full annuity as described in question #4 above. Please watch the human resources web site for dates, times and locations.

25. Q. What is the anticipated savings to UWM if several employees are approved and agree to participate in the VSIP?
   A. Actual savings will be dependent upon the response to the Program by eligible employees and other factors, such as whether the vacated position will be filled and when.

26. Q. How many VSIP participants must there be to avoid lay-offs?
   A. The Program is intended to supplement the range of budget management options available to the Chancellor in order to achieve the savings required by any budgetary cut. One such objective is to minimize involuntary terminations.
27. Q. Why is April 13, 2015, the date used to determine the salary baseline?
   A. April 13, 2015, is the date the Chancellor announced the program.

28. Q. What was the role of shared governance in determining to offer a VSIP?
   A. Leadership of the four shared governance groups are on the University’s Budget Task Force and the Task Force recommended the VSIP to the Chancellor.

29. Q. What is the complete timeline for the VSIP?
   A. The timeline is as follows:
      a. Human Resources provides a list of those potentially eligible employees to Deans/Division Heads by **April 13, 2015**.
      b. Deans/Division Heads provide recommendations of participating departments to the Chancellor by **April 24**.
      c. Human Resources notifies all potentially eligible employees by **May 1**.
      d. Employees must submit application to Human Resources by the close of business on **May 22**.
      e. Human Resources provides Deans/Division Heads copies of applications and a request for feedback on the proposed employee separation date by **May 27**.
      f. Deans/Division Heads provide recommended employee separation date by **June 3**.
      g. Employees are notified of final application status by **June 15**; employees will be provided with a separation agreement.