

Phase 3 Post-employment Compensation Voluntary Separation Incentive Plan for Tenured Faculty Frequently Asked Questions

What is the Phase 3 Post-employment Compensation Voluntary Separation Incentive Plan (Phase 3 VSIP) for Tenured Faculty?

The Phase 3 VSIP is a program that offers financial incentives and benefits to eligible tenured faculty who voluntarily decide to leave their position at Colorado State University-Pueblo (CSU-Pueblo). Participation in the program is voluntary and subject to approval of the President.

Why is the Phase 3 VSIP being offered?

CSU-Pueblo administration decided it could be mutually beneficial to offer eligible employees an opportunity to apply for participation in the Phase 3 VSIP in order to align faculty numbers with student enrollment. The savings will then be redirected to enhancing academic quality.

Who is eligible to participate in the VSIP?

Tenured faculty members of CSU-Pueblo as of the date the plan was approved and authorized are eligible for this voluntary plan. Faculty who have previously announced their retirement or resignation or who have received notice of involuntary separation prior to December 6, 2018, are not eligible.

Will every eligible faculty member be approved to participate?

No. The decision to approve or deny an application from an eligible employee will take into account the financial benefit gained, the impact on the College and its programs and services, and the decision will be made with the best interests of the College and University in mind. Final approval of any separation incentive application will be at the discretion of the President.

What are the Plan requirements?

Faculty who agree to accept the terms and conditions of the Phase 3 VSIP will voluntarily surrender their tenure status and relinquish all rights to continued employment on the agreed upon date of employment separation. If the President approves the application, the faculty member will then execute a Post-employment Compensation Voluntary Separation Incentive Agreement. The individual agreement is available for you to read on the Human Resources webpage:

<https://www.csupueblo.edu/human-resources/faculty-and-administrative-professionals/index.html>

The agreement specifies that the faculty member is waiving certain legal rights and employees are encouraged to seek legal counsel before signing the agreement.

How does a faculty member apply?

Eligible faculty may apply for participation in the Phase 3 VSIP by submitting their application to the Provost's Office no later than 5:00 pm on March 27, 2019. The application must include the faculty member's proposed separation date.

What are the incentives to participate in the Phase 3 VSIP?

Tenured faculty members who accept the Phase 3 VSIP offer will receive a separation payment equal to three months of their base annualized salary. Faculty will receive payment in one lump sum after their last day of employment. This payment will be less all taxes, withholdings, and applicable deductions, including the employee's share of health/vision, dental, and life insurance premiums and TIAA-CREF and/or PERA contributions. CSU-Pueblo will make payment of its share of the premiums and contributions for the period of three months. Health insurance will be in effect for four months following the date of separation. Payments under the agreement are offered as an inducement to separate from state service, are not considered earned wages for retirement purposes, and will not generate contributions to any retirement plan, nor will the payments affect the highest average salary calculation for PERA benefits.

If I am approved to participate in the Phase 3 VSIP, can I return to work at CSU-Pueblo later?

Participating faculty may have the opportunity to return to campus as temporary faculty under temporary salary structures and temporary employment terms. Because of PERA restrictions which protect the retiree, participating PERA faculty who retire will not be able to work at CSU-Pueblo during the entire calendar month following the date of retirement. Return to a temporary appointment at CSU-Pueblo will be at the discretion of the Provost and President.

What if I can't decide by March 27, 2019? Will this incentive be offered again?

The Phase 3 VSIP is offered now as a result of the University's need to align the student-to-faculty ratio, which is not presently consistent with national norms, and to invest in academic quality. There is no guarantee the incentive program will be offered again.

Keep in mind these questions and answers are general in nature and are meant to give employees an overall impression of some of the concerns that might arise when considering voluntary separation incentive. They are not all encompassing, nor do they address everyone's specific situation.

The University does not offer financial or tax counseling or advice. Please consult with a professional financial or tax advisor to make the most informed decision.

If you still have questions, or need clarification on any of the above answers, please contact the Office of Human Resources (ext. 2441) or email hr@csupueblo.edu to schedule an appointment.