



## Voluntary Separation Incentive Plan – Frequently Asked Questions

*The purpose of this FAQ document is to address questions that have been received about the Voluntary Separation Incentive Plan (VSIP). This document will be updated as necessary. Please consult the Plan document for detailed information about eligibility criteria, benefits, and application procedures.*

*Please note that, while this is a Voluntary Separation Incentive Plan, those eligible employees who meet the requirements for retirement (i.e., age and years of service) may separate from service with the College for the purposes of retirement, receive benefits through this Plan, and retain all other privileges of retirement under Article 58 of the Faculty Association collective bargaining agreement.*

- 1. I am a 10-month employee and my age and years of service do not equal 75 before the application period ends on November 4, 2019 for the First Application Window and/or before the application period ends on January 31, 2020 for the Second Application Window, but my age and years of experience will equal 75 by June 25, 2020. Am I eligible?**

Yes. You are eligible to apply even though your age and years of service will not equal 75 until the time of your separation. Please refer to *Section C. Eligibility* of the Plan document.

- 2. I served as an MCC Foundation employee for several years prior to accepting a full-time non-teaching professional staff position covered by the Faculty Association contract. Do my years of service with the MCC Foundation count in terms of my eligibility for this incentive?**

No. Service at another entity, whether or not it is affiliated with Monroe Community College, does not count in satisfying the eligibility criteria. Please refer to *Section C. Eligibility* and *Section D. Ineligibility* of the Plan document.

- 3. I know there is a link for the VSIP online application on the Banner channel called “Voluntary Separation Incentive Plan” in myMCC. However, I would prefer to hand deliver a paper application to Human Resources. Is this acceptable?**

No. Applications are only accepted via the online application in myMCC. This is because an online application method allows for all submissions to be date and time stamped. The date and time stamps are necessary because applications will be reviewed and approved in the order that they are received, and applications received after the \$4 million fund has been exhausted will be denied.

- 4. The Plan document states that applicants shall be required to indicate a preferred separation date. However, the document also states that the College reserves the right to select the final separation date. (This appears in *Section B. Eligibility*.) Does this mean that even if I entered a preferred separation date of June 25, 2020, the College could force me to separate from employment on December 21, 2019?**

No. It is not the College’s intent to force people to separate from employment before they are ready. The December 2019 date is available to 10 month teaching faculty who may want the option to separate earlier than June 2020. The College’s intent in setting two possible separation dates – one



at the end of the fall semester and the other at the end of the spring semester – is to minimize disruption to students.

**5. The December 21, 2019 separation date is the final day of the exam period, but final grades are not due until December 27 at noon. Are teaching faculty who select the December 2019 separation date expected to submit final grades after December 21?**

Yes, if they have not done so before that date. The College selected December 21 based on the fact that historically, many teaching faculty members have completed final examinations and submitted grades prior to the end of the examination period. In keeping with the goal of minimizing disruption to students, it is the College's expectation that teaching faculty separating in December 2019 will grade final exams and submit grades prior to leaving their employment at the College.

**6. The VSIP document references information sessions. Have the information sessions been scheduled?**

Yes, the schedule has been uploaded to the Banner channel.

**7. I plan to attend an information session. Can you tell me what other steps I should be taking to help me make a decision about whether to apply to participate in this plan?**

- If you have a personal financial advisor and/or tax advisor, it would be advisable to consult with that individual.
- If you are a member of a retirement system (SUNY ORP, NYS ERS, NYS TRS, etc.), it would be advisable to consult with your respective retirement system representative.
  - Some individuals who meet the eligibility requirements under the VSIP also meet the eligibility requirements to retire from their respective retirement system. In addition to following the application requirements to apply for the VSIP, those individuals who are eligible and wish to retire from their respective retirement system must complete the necessary steps to do so.
- We are advising you to consult with an attorney to review the Plan document and the terms of the Separation Agreement.

Individual employees who engage a financial advisor and/or attorney do so at their own expense.

**8. I feel like I'm not getting the information I need from Human Resources. I need advice to decide if this is the right move for me. What are the responsibilities of Human Resources related to this plan and what should I do?**

Human Resources can provide you with answers to specific questions about the Plan document. Human Resources can assist you in reviewing the benefits available to you under the VSIP versus benefits available to eligible employees under Article 27 or Article 50 of the Faculty Association contract. Human Resources can also help you calculate an estimate of the lump sum payment for your accrued but unused sick time. Human Resources can provide you with information about steps you need to take if you determine to separate from the College under the VSIP to ensure as smooth of a transition as possible.



MCC knows that an employee's decision whether or not to apply to participate in the VSIP and separate from the College is up to that employee and their own personal, professional, and financial goals and circumstances. If you feel that you do not have access to financial or legal professionals to assist you in making this important decision, you may be able to access resources via the Employee Assistance Program (EAP).

**9. I did not receive an email notification from Human Resources about being eligible to participate in the Plan based on my age and years of service. I think this was a mistake. Who should I contact?**

Please contact Melissa Fingar, Assistant to the President, Human Resources and Organizational Development at [mfingar@monroecc.edu](mailto:mfingar@monroecc.edu) or 585-292-2117, or Suzanne Bureau, Benefits Coordinator at [sbureaul@monroecc.edu](mailto:sbureaul@monroecc.edu) or 585-292-2113.

**10. How can I estimate the value of my sick leave lump sum payout?**

Eligible participants will receive a lump sum payment equal to 25% of the value of their accrued, unused sick leave as of their separation date. The value of the sick leave will be based on the participant's hourly rate at the time of application to the plan. Please refer to *Section F. Separation Incentive Benefits*.

The calculation of your hourly rate is as follows:

12-month employee: Base salary/1,820 annual hours (52 weeks x 35 hours per week)

10-month employee: Base salary/1,516.67 annual hours (43 1/3 weeks x 35 hours per week)

**11. Is the 2% income replacement payment calculated based on my current year salary and then applied to each year of service? Or, is it calculated based on 2% of the salary I earned for each of my years of service?**

The calculation is as follows: Years of Service x (2% x Current Year Base Salary) = Income Replacement Payment. Please refer to *Section F. Separation Incentive Benefits*.

**12. The language about the continuation of the medical plan benefits is confusing. Can you provide some clarification?**

Under *Section F. Separation Incentive Benefits*, under paragraph 3 – *Medical Plan Continuation*, it states:

Participants in this plan who qualify for retiree health insurance because they have at least 15 continuous years of full-time service at the time of separation **or** they have at least 12 continuous years of full-time service and are at least age 65 at the time of separation, will be permitted to participate in the College's group health insurance plans at time of separation in accordance with the Faculty Association collective bargaining agreement. All participants in VSIP will be treated in the same manner as an Article 50, Section B (1) early retiree for purposes of health insurance from the time of their separation from service.



Note: The original Plan document stated age 62 instead of age 65 in Section F. Separation Incentive Benefits. The correct language appears above and the Plan document has been corrected.

*A few employees who are eligible to participate in the VSIP because their years of service and age total 75 or more would not be eligible for health insurance under the language of Article 27 of the Faculty Association contract. This is because even though their total years of service plus their age equal 75 or more (and therefore they are eligible for VSIP), they either do not meet the minimum required years of service (at least 15 years of service if at least age 55, or at least 12 years of service if age 65 or over) or do not meet the age requirement in that provision (55 or 65).*

*However, under the VSIP, the College has made the commitment that it will allow those employees who meet the years of service requirement stipulated in Article 27, Section D, paragraph 1 (at least 15 years of continuous service) to continue their health insurance coverage through the College. To receive this benefit, a participant must have at least 15 years of continuous, full-time service with the College or, if over age 65, at least 12 years of continuous, full-time service with the College.*

Here is an example:

Full-time teaching faculty member is 53 years old with 22 years of service to the College. This employee is not eligible for medical benefits under Article 27 of the Faculty Association contract because they are not 55. However, the person is eligible to submit an application to participate in VSIP because  $53 + 22 = 75$ . Under the VSIP, the health insurance benefit under Article 50 shall be available to this individual given their years of service even though they have not reached age 55. Once they become Medicare eligible they will be treated the same as early retirees under Article 50 of the Faculty Association contract.

**13. This is not a “retirement incentive.” I’ve been told that it is a “separation incentive” because the College wants to separate employees before they become eligible for retiree health insurance under the Faculty Association contract. Is that true?**

No. It is a “separation incentive” because, as explained in #12 above, some of those qualifying for the VSIP are actually not retirement eligible and would not qualify for health insurance benefits under Article 27, Section D, paragraph 1 of the Faculty Association contract. The College has made the decision to allow individuals who have 15 or more years of continuous full-time service or are age 65 or over with 12 years of continuous full-time service to continue to participate in the health insurance as though they were an Article 50 early retiree. This is in recognition of the fact that for some employees, continuation of their health insurance is an even more attractive benefit under the VSIP than the income replacement payment. *Individuals who participate in the plan may indicate on their application if they are retiring or separating from the College.*

**14. I find this document frustrating, impersonal, and filled with “legalese.” Why is it written this way?**

Whether to separate from employment is a significant decision and the factors that go into making that decision will be unique to each individual and their personal, professional, and financial goals and circumstances. The College understands that this is as much an emotional as a financial



decision: the language of the plan should not be seen as reflecting anything other than the legal requirements and constraints that are associated with making a voluntary separation plan available.

The language of the Plan document must meet the formal and technical requirements of the law, including specific disclosures and notices. For example, the anonymized list of eligible and ineligible employees with their corresponding years of service is a required disclosure under the law. The goal of the legal requirements is actually to protect employees and help them to make an informed decision; it is not confuse or frustrate.

To help employees navigate the decision-making process, the College is taking several steps to assist employees in understanding the terms of the Plan and the available benefits. For example, Human Resource is hosting information sessions, issuing this FAQ document (which will be updated as necessary), scheduling presentations by representatives from NYS Deferred Compensation and Fidelity Investments, and encouraging eligible individuals to reach out to their own personal financial and legal representatives.

**15. I submitted my online application. Now what?**

Applications will be reviewed in the order they are received. Following the application period, applicants will be notified whether or not their application has been approved. Please refer to *Section H. VSIP Application Procedure* and *Section I. Required Approvals*.

**16. Do I need to notify my supervisor if I am planning to submit an application to participate in the VSIP?**

It is your decision. Human Resources will first review your VSIP application to confirm your eligibility to participate and the availability of funding. A second level review is conducted by your Divisional Vice President and final approval of your VSIP application is required by the President's Office. You may choose to notify your supervisor or others as you decide.

**17. What actions do I need to take to ensure a seamless separation from the College if my VSIP application is approved?**

Human Resources will provide you and your supervisor with detailed information, including a comprehensive checklist, about actions that need to be taken by you, and by your supervisor, to ensure a smooth transition for you and your department.

**18. I heard the College is reopening the VSIP, is this true? If so, what is the new application period?**

*The College is reopening the VSIP and has provided a Second Application Window application period. The new period to apply for participation in the VSIP is January 6, 2020 to January 31, 2020.*

**19. What is new/changed with the Second Application Window?**



*The College allocated \$4 Million to the VSIP. Additional funds are available after the Frist Application Window and a number of people have indicated interest in the VSIP. A decision has been made to create a Second Application Window.*

**20. How does the December 21, 2019 separation date relate to the Second Application Window?**

*In short, it does not relate to the Second Application Window at all. The Frist Application Window had a December 21, 2019 separation dates as an option for certain employees who preferred that dates. Because the Second Application Window does not open until after that date, the December 21, 2019 date has no application to the Second Application Window.*