



Position Elimination, Layoff and Severance Pay Policy

POL 08.30.01

Effective Date: January 31, 2020

1.0 Policy Purpose

This policy governs situations where employee(s) are impacted by a position elimination or reduction in force (i.e., layoff). It states the circumstances that govern **Severance Pay** eligibility when an employee is impacted by a reduction in force. In addition, this policy provides a schedule for Severance Pay to impacted employee(s).

2.0 To Whom the Policy Applies

All employees of the University, including faculty and students who are employed in a staff position, unless an appointment, a hire letter, or a collective bargaining agreement addresses Severance Pay eligibility.

3.0 Policy Statement

Under certain circumstances, it may be necessary for Brown University to eliminate a position in order to accomplish its mission of academic excellence or for business reasons. University Human Resources is available to assist Brown staff employees with career, job search and job search efforts within the Brown community and will make reasonable efforts to assist those whose positions are eliminated to find suitable alternative employment within the University.

It is expected that employees whose positions are ending or being eliminated will accept a comparable position at the same salary if offered to them. If a comparable position is offered, regardless of whether the employee accepts the offer, the employee will not be eligible for Severance Pay. If no such position is available, employees may be eligible for Severance Pay. The decision to provide Severance Pay is made at the discretion of the appropriate Department Head/Senior Officer in consultation with University Human Resources.

An employee whose position has been eliminated and is subsequently laid off may be eligible for Severance Pay. In situations where an employee receives Severance Pay, the payment is issued after active employment ends. Benefits will end when active employment ends consistent with current policy.

An employee who has a fixed-term appointment or whose position is supported by grants, contracts or other external funding sources may not be eligible for Severance Pay when the funding end date for that position occurs. An employee in a fixed-duration position or in a term appointment must be informed in writing no less than thirty days of the funding end date. In circumstances where it is not possible to provide thirty days' advance notice, a combination of notice and Severance Pay equivalent to one month is recommended.

The elimination of a position is based on the following criteria (in usual order of preference):

- Position is currently vacant and is not critical to meeting department objectives.
- Position is filled by an employee in a probationary status.

- Position is filled, but the funding source ends.
- Position is filled, but the work is no longer critical to meeting department objectives.

Employees whose positions have been eliminated may contact a Human Resources representative in their department or the Senior Director of Employee and Labor Relations in University Human Resources to respond to inquiries regarding their status for pay, benefits, or other items. An employee whose position is being eliminated may be eligible for Severance Pay according to the schedule below:

Years of Completed Service (in current position):	Severance Pay (business days):
1 year	10 days
2 years	20 days
3 years	30 days
4 years	40 days
5 years	50 days
6 years	60 days
7 years	70 days
8 years	80 days
9 years	90 days
10 years and over	100 days

This policy will not adversely impact retirement benefits eligibility for total years of service with the University. An agreement providing a general release of claims may be required to be eligible for Severance Pay.

Completed years of service cannot count twice in calculating Severance Pay. For example, if an employee has ten years of service and receives 100 days of Severance Pay, and then is re-hired and works five full additional years, and the second position is also eliminated, then the employee is eligible for severance based on only five years of completed service.

Severance Pay is paid according to the employee's normal payroll schedule (weekly, bi-weekly, or monthly).

All benefits will end, including accrual of sick and vacation time, on the effective date of the position elimination.

Health and dental benefits during the Severance Pay period are eligible to be continued if COBRA is elected. If COBRA is elected, employees will be billed at the active employee rate, post-tax, following COBRA regulations and guidelines.

Vacation days accrued up to the time of layoff are payable in the pay cycle immediately following the employee's last day of work.

Severance Pay stops on the first day of re-employment if the laid-off employee begins working in another position at Brown during the severance period.

4.0 Definitions

For the purpose of this policy, the term below has the following definition:

Severance Pay: Severance Pay is compensation that may be provided to an employee who has been laid off due to a position elimination. Severance Pay may be paid according to a schedule based on completed years of employment with the University.

5.0 Responsibilities

All individuals to whom this policy applies are responsible for becoming familiar with and following this policy. University supervisors are responsible for promoting the understanding of this policy and for taking appropriate steps to help ensure compliance with it. Additional responsibilities include:

Employee: Upon notification of position elimination, employees are responsible to contact their Human Resources Representative in their department or the Senior Director of Employee and Labor Relations in University Human Resources to seek support for career, job search and job search efforts within the University.

University Human Resources: University Human Resources, in consultation with the affected department, is responsible for administration of this policy. Once the effective date of position elimination is determined by the Department Head/Senior Officer, University Human Resources will provide consultation to the Department Head or supervisor for a layoff letter to be issued to the employee.

Department Head/Senior Officer: The Department Head/Senior Officer with responsibility for the Department and employee affected by a position elimination will make the final decisions on position elimination in consultation with University Human Resources. The Department Head/Senior Officer must prepare a written rationale for position elimination and review the rationale with the Senior Director of Employee and Labor Relations in University Human Resources or HR Director of BioMed (when applicable). A minimum of two weeks' written notice should be given to the employee stating that employment with the University will end due to elimination of the employee's position. Departments should initiate the position elimination process in Workday and attach a copy of the layoff letter as soon as the employee has been informed that the position has been eliminated or funding for the position has ended.

6.0 Consequences for Violating this Policy

Failure to comply with this policy may result in receiving no pay from the University. Failure to comply with this and related policies is subject to disciplinary action, up to and including suspension without pay, or termination of employment or association with the University, in accordance with applicable (e.g., staff, faculty, student) disciplinary procedures.

7.0 Related Information

This policy is not a legal document. This policy does not confer a term of employment, nor is the language intended to establish a contract of employment, express or implied, between any employee and Brown University. The University reserves the right to change, amend or terminate any of its human resources policies at any time for any reason.

Brown University is a community in which employees are encouraged to share workplace concerns with University leadership. Additionally, [Brown's Anonymous Reporting Hotline](#) allows anonymous and confidential reporting on matters of concern online or by phone (877-318-9184).

The following information complements and supplements this document. The information is intended to help explain this policy and is not an all-inclusive list of policies, procedures, laws and requirements.

7.1 Related Policies:

- [Involuntary Employment Termination Policy](#)
- [Voluntary Employment Termination Policy](#)

7.2 Related Procedures:

- [Offboarding SOP](#)

7.3 Related Forms: N/A

7.4 Frequently Asked Questions (FAQs): N/A

7.5 Other Related Information: N/A

8.0 Policy Owner and Contact

8.1 **Policy Owner:** Vice President for University Human Resources

8.2 **Policy Approved by:** Executive Vice President for Finance & Administration

8.3 **Contact Information:** Senior Director of Employee and Labor Relations, University Human Resources
Telephone: 401-863-3175
Email: laborandemployeerelations@brown.edu

9.0 Policy History

9.1 **Policy Effective Date:** January 31, 2020

9.2 **Policy Last Reviewed:** May 8, 2020

9.3 **Policy Update/Review Summary:** Updated policy to comply with employment best practices and University's operations governing employment termination as a result of a reduction in force (i.e., layoff). Policy disclaimer notice added in section 7.0 on May 8, 2020. Policy footer removed on June 19, 2020. Previous policy version superseded by this policy:

- Policy Position Elimination, Layoff and Severance Pay (20.083), Revision Date: March 12, 2019