

Western State College of Colorado (hereinafter "College") adopts this discretionary voluntary separation incentive plan (hereinafter "Plan") in order to achieve necessary budget reductions. Separation incentives may be offered to Tenured Faculty Members in accordance with State Controller's Office Fiscal Rule 2-8.03, attached hereto as Appendix A. The purpose of the Plan is to enable some Western State College of Colorado employees to voluntarily leave state service, thereby assisting the College in implementing its budget reduction plan in accordance with the College's Strategic Plan. The projected cost savings for the Plan are attached hereto as Appendix C.

Plan

- 1. The Board of Trustees of Western State College of Colorado will determine whether or not to utilize this plan.
- 2. The approved incentives must contribute to savings that will avoid adverse impact on other College employees.
- 3. Separation incentive payments are to be made using available funding.
- 4. The amount of the Plan incentive is a one-time payment of \$1,000 for each year of College service. Total years are rounded down.
- 5. The decision to approve or deny an application will take into account the financial benefit gained, the impact on the College, its academic programs, and will be made with the best interests of the College in mind.
- Final approval of any separation incentive application will be at the discretion of the College President, after consultation with the cabinet. There is no appeal of this decision.
- 7. The plan does not require that a separation incentive be paid to any employee.
- 8. Each employee accepted to participate in the Plan may elect to continue participation in insurance plans through COBRA. Length of eligibility for COBRA is subject to current law. For a period of 24 months, the College will contribute up to \$300 per month for the actual cost of continued health insurance coverage, whether employee only or family, and whether the coverage is continued through COBRA, the College retiree plan (up to age 65), PERACare, or Medicare. If the actual cost to the participant is less than \$300 per month, the College will subsidize only the actual cost.



Eligibility

An employee is eligible to receive a separation incentive if the employee:

- Is a Tenured Faculty member:
- Voluntarily retires or resigns in accordance with this plan;
- Has been continually employed by the College for at least twenty years; and
- Has not received a specific notice of involuntary separation for cause.

Applications

An employee must complete and return the Voluntary Separation Incentive Application, attached hereto as Appendix B, to the Human Resources's office by January 25, 2010. All applications will then be compiled by the Director of Human Resources and presented to the President for final approval. Applications will be considered in the order in which they are received.

The decision to approve or deny an application will take into account the impact on the College and will be made with the best interests of the College in mind. Applications may be granted or denied with respect to specific employees within organizational units and funding categories depending on budgetary and programmatic demands. Once the available funding for the incentives is committed, late letters or verbal requests of acceptance may not be considered. The President reserves the right to extend or shorten the deadline for acceptance of applications.

Separation Agreements

Upon final application approval, the employee and the College must execute a written contract, the specific terms of which will be discussed with the affected employee. The provisions of the contract must include, but are not limited to, the following:

- 1. A statement that the employee is required to pay all applicable taxes on the payment;
- 2. The employee's acknowledgement that the State will withhold taxes according to law before payment;
- 3. The employee's agreement to waive retention and reemployment rights along with a statement that the separation is voluntary and not coerced or obtained through means other than the terms of the contract;



- The date of the employee's last day of work, which must be on or before June 30, 2010. Any exception to this provision is at the discretion of the President and subject to approval by the State Controller;
- 5. A payment schedule and an acknowledgment that all payments will be made in compliance with other provisions of the contract;
- 6. The total amount of the separation incentive, how it was calculated, and a statement that the amount is within the Plan's parameters; and
- 7. A statement that the employee understands that by accepting a voluntary separation incentive, she/he waives any and all rights of appeal.

APPROVALS:	±8 19
For Western State College of Colorado: Peter Kirchhof, Chairman Board of Trustees Date	Dr. Jay Helman, President Date 12-11-09
For Governor Bill Ritter, Jr.: Craig Welling, Governor's Deputy Legal Co	Date Trans 11, 2009 ounsel
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For the State Controller:	· ·
David I McDermott CPA	Date 12-11-09

Colorado State Controller



APPENDIX A

State Controller's Office Fiscal Rule 2-8.03: The governing boards of institutions and agencies of the Department of Higher Education, with prior approval by the State Controller and the Governor or delegate, may authorize a voluntary separation incentive plan for its employees who are exempt from the State Personnel System under Article XII, Section 13(2) of the Colorado Constitution and Section 24-50-135, C.R.S. Any such plan shall offer uniform and equitable incentives to all employees similarly situated in defined categories. All proposed separation incentives must be justified as reasonable and necessary expenditures of the state.



APPENDIX B APPLICATION FORM

This application form must be completed, signed and submitted to the Director of Human Resources, Taylor Hall Room 209 on or before **5:00 p.m., January 25, 2010**. Please print or type. Illegible applications may not be processed.

Name:		17/
Title:		9
Department:		
Supervisor:		
Current Base Salary:		
Years of Service at WSC:		
Proposed Date of Separation: (If proposed date of separation is AFTER June		
Proposed Payment Schedule:	#5	
I have read and understand the Facu State College and would like to apply for twenty or more years; I currently h corrective/disciplinary action, nor hav	for consideration. I have be nold tenure status; I am not co	en employed by WSC urrently under
I understand that the President make appeal.	s the final decision and that o	decision is not open to
Signed:	Date:	
Received by Human Resources: in	itials: date:	
Meets eligibility: ☐ yes ☐ no Dat	te forwarded to President:	S57 W
Final Decision: 🔲 Approved 🔲 Den	nied	20
<u> </u>	Dr. Jay Helman	Date



APPENDIX C

Projected Cost Savings

Class/ Title	Full Years	Total Compensation	Total Payout/1	Estimated Total	Annual Compensation	Simple Payback
	of			Compensation	Difference	(Years)
4	Service	20		of Rehire	(Savings)	
Professor	47	\$106,854	\$54,200	\$63,972	(\$42,882)	1.26
Professor	40	\$90,672	\$47,200	\$63,972	(\$26,700)	1.77
Professor	39	\$89,088	\$46,200	\$63,972	(\$25,116)	1.84
Professor	36	\$92,611	\$43,200	\$63,972	(\$28,639)	1.51
Professor	35	\$96,130	\$42,200	\$63,972	(\$32,158)	1.31
Professor	32	\$99,996	\$39,200	\$82,910	(\$17,086)	2.29
Professor	24	\$130,780	\$41,180	\$94,050	(\$9,730)	4.23
Professor	24	\$90,743	\$31,200	\$63,972	(\$26,771)	1.17
Professor	22	\$88,187	\$29,200	\$63,972	(\$24,215)	. 1.21
Professor	21	\$76,583	\$28,200	\$63,972	(\$12,611)	2.24
Professor	21	\$81,782	\$28,200	\$63,972	(\$17,810)	1.58
Professor	21	\$93,766	\$28,200	\$82,910	(\$10,856)	2.60
Professor	21	\$85,511	\$28,200	\$63,972	(\$21,539)	1.31
Professor	20	\$213,423	\$54,978	\$211,020	(\$2,403)	22.88
Professor	20	\$86,333	\$27,200	\$63,972	(\$22,361)	1.22
Professor	20	85,052	\$27,200	\$63,972	(\$21,080)	1.29
Professor	20	\$99,925	\$27,200	\$88,480	(\$11,445)	2.38
Professor	20	\$86,294	\$27,200	\$63,972	(\$22,322)	1.22
Professor	20	\$77,416	\$27,200	\$63,972	(\$13,444)	2.02
Tota		\$1,844,146	\$677,558	\$1,454,978	(\$389,168)	1.74

^{/1} Includes vacation payout, where applicable, and assumes full payout of health benefit.