



To: UMass Boston Faculty and Staff
From: Marie Bowen, Assistant Vice Chancellor for Human Resources
Re: Voluntary Separation Incentive Program (VSIP)
Date: June 7, 2017

As you know, our campus is experiencing significant budget challenges. We very much appreciate the contributions that all members of our community have made to narrowing our budget gap for this fiscal year; the dedication that so many of you have brought to this important work is impressive. Despite the concerted effort that we have made to improve our fiscal outlook, current projections indicate that on July 1 we will enter the 2018 fiscal year with a \$20-25 million budget deficit. A shortfall of this magnitude cannot be addressed without sustained structural changes to our budget model. As a result, the campus will be undertaking a number of steps to reduce expenses in FY18. An important component of these cost reduction initiatives will be a Voluntary Separation Incentive Program (VSIP).

Eligibility

The VSIP is open to all UMass Boston benefited staff members, tenure track faculty, and non-tenure track faculty on continuing appointments who are i) active or on an approved leave and ii) have been employed at UMass Boston in a benefited position for at least 12 consecutive months. Those who have submitted their resignation or retirement papers prior to June 7, 2017, those who received notice prior to June 7, 2017 that their employment would be terminated, student employees and those whose positions are 100% grant funded, are not eligible. Those who enroll must agree to voluntarily resign or retire from UMass Boston employment no later than August 31, 2017. Each employee's separation date is subject to approval by their manager and by Human Resources. In the rare instance where an employee's position is deemed critical by their department head and by Human Resources, the separation date may be extended at the university's discretion to a date no later than December 29, 2017.

UMass Boston reserves the right to withdraw the VSIP at its discretion at any time should the program fail to meet fiscal and/or operational goals. Individual resignation and retirement dates may be staggered and sequenced at the discretion of the university to ensure continuity of operations, minimize disruption and enable an orderly transition.

Enrollment

VSIP enrollment begins today and runs through Friday, July 7, 2017. The enrollment application and instructions may be found on the Human Resources website at: <https://hr.umb.edu/employees/voluntary-separation-incentive-program>. Those who enroll may not be re-employed at UMass Boston for a period of one year following their separation date in any position, including benefited, post-retiree and temporary positions.

Enrollment in the VSIP is conditional on signing a university-provided general release and is irrevocable once enrollment forms are submitted.

Cash Incentive

Those who elect to participate in the VSIP will receive a one-time lump sum cash incentive. The cash incentive payment for full-time employees whose salaries are not grant-funded will be as follows:

- **Longer Service Employees:** The cash incentive will be \$20,000 for eligible employees who, as of August 31, 2017, will have at least 10 years of benefited employment at the University of Massachusetts and/or any other Commonwealth of Massachusetts public employer. Those claiming creditable service from any Massachusetts public employer other than the University of Massachusetts will be solely responsible for providing confirmatory documentation.
- **Regular Service Employees:** The cash incentive will be \$5,000 for all other eligible full-time employees.

There will be a pro rata cash incentive for eligible part-time employees. Those whose positions are partially grant funded will be eligible for a pro rata cash incentive based on the non-grant funded portion of their salary. All cash incentives will be taxable and will be paid within 30 days after the employee's termination date. Cash incentives will not be added to base pay, and they will not increase any state retirement benefit to which the employee may be entitled.

As we continue to work on balancing our budget, we hope to achieve significant savings through the VSIP, and we encourage all eligible employees to consider this option. After the VSIP is complete and we have had the opportunity to further assess our budget position, we will determine whether it is necessary to achieve additional payroll savings with involuntary layoffs.

Additional details about the VSIP program may be found in the FAQ's on the HR website <https://hr.umb.edu/employees/voluntary-separation-incentive-program>. Please also feel free to contact Human Resources with any questions that you may have.