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Authority: <i>Associate VC for Human Resources and EEO/AA</i>
Title: <i>SPA Reduction-in-Force (Layoff) Policy</i>
Classification: <i>Employment</i>
PRR Subject: <i>SPA Employment</i>
Contact Info: <i>Employment Manager</i>

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Related Policies: NCCU Recruitment and Selection Policy

Additional References: Reduction in Force Policy, N.C. Office of State Personnel

1. Policy

A Reduction-in-Force (RIF) is an action to downsize the University’s work force or a unit within the University. Such an action will be taken only after examining all other available alternatives. When no other measures seem feasible, the University may terminate the employment of permanent staff employees subject to the State Personnel Act (SPA) according to the procedures outlined in this policy.

Reduction-in-Force shall not be used as a means to circumvent the disciplinary process; however, overall performance as evaluated in the performance management evaluation process will be a factor in determining the order of layoff.

Each division facing the layoff of an employee is obligated to make every effort to place that employee prior to the effective date of the layoff. Responsibility for the decision as to which employee(s) must be separated is at the department level, subject to the approval of the Vice Chancellor and Associate Vice Chancellor for Human Resources.

If a general reduction in operating funds affects the university, NCCU will make every effort to preserve academic quality and fiscal integrity. The university may also exempt safety, health, or other such critical positions from a reduction order.

2. Basis for a Reduction in Force

Permissible reasons for a reduction in force include:

- Reorganization of positions within the unit which materially changes the nature of one or more positions,

- Abolishment of a filled position,
- Material change in duties assigned to a position,
- Lack of work,
- Cancellation or termination of grant or contract, or
- Shortage of funds.

3. Employees Covered

This policy applies to permanent SPA employees who have completed their probationary periods (full-time and part-time regularly scheduled to work 20 or more hours each work week) and to SPA employees in trainee appointments who have completed at least six (6) months of their trainee progression.

Temporary employees, employees with time-limited appointments, probationary employees, and trainee appointments who have completed less than six (6) months of their trainee progression may be separated without following this policy and are not eligible for re-employment priority or severance pay.

4. Procedure

A. Identifying Employees for Reduction-in-Force

For the purpose of determining which employee(s) will be adversely affected by a reduction in force, comparisons between employees within the same department, with the same or closely related classification, will be made. For career banded employees, “same classification” is defined as the same banded classification and position competency level; “closely related classification” is defined as the same banded classification with a lower position competency level.

At least six weeks prior to the anticipated separation date of any employee for purposes of reduction in force, the director or department head submits a written recommendation to Human Resources via the respective Vice Chancellor.

The written recommendation includes an analysis of the situation that requires a reduction in force, a description of measures taken to avoid a reduction in force, and the method by which a specific employee is identified for being reduced in force. The discussion of the method must identify employees in the same or closely related class in the department, and include a systematic consideration, at a minimum, of the following factors:

- Employees’ types of appointments (neither temporary, probationary, nor trainee employees in their initial six months of training shall be retained in classes where employees with a permanent appointment must be separated in the same or related class and funding source.) For career banded employees, “same class” is defined as

the same banded classification and position competency level. “Related class” is defined as the same banded classification at a lower position competency level.

- Employees’ relative effectiveness and efficiency (i.e. an evaluation of the relative skills, knowledge, and documented performance in comparison to necessary services)
- Employees’ length of service (In determining the length of service, an eligible veteran shall be accorded one year of state service for each year or fraction thereof of military service, up to a maximum of five (5) years credit.)
- Actual or potential adverse impact on the diversity of the work force within the unit

B. Endorsement of Vice Chancellor

The division Vice Chancellor must decide whether or not to endorse the recommendation to separate an employee under this policy. The Vice Chancellor must first evaluate the education, experience, and competencies of the employee to be separated and evaluate if:

1. a position could be created within the division in order to avoid the RIF; or
2. if the employee can be transferred into a suitable vacant position (for which an offer has not been extended) within the division to avoid the RIF.

The Vice Chancellor must document if neither option exists, and must also indicate if he or she chooses to endorse the reduction in force. If so, the Vice Chancellor forwards the department’s recommendation and Vice Chancellor’s endorsement to Human Resources.

C. Human Resources Review and Notice of Separation

Upon receipt of an endorsement from the Vice Chancellor, Human Resources:

1. ensures the justification for a reduction in force has considered all the necessary factors;
2. ensures that the decision is made in accordance with the university’s EEO policy
3. assesses the potential adverse impact on the diversity of the work force by reviewing the potential disparity within the job group and determining if the reduction in force would affect the good faith hiring objectives found in the current EEO/AA plan.

Upon completion of this review, Human Resources notifies the department of its decision. If the reduction in force is approved, Human Resources authorizes the department to issue the notice of separation to the employee. The employee must receive the letter at least thirty calendar days before the date of separation. If the reduction in force is not approved, Human Resources discusses options and alternatives with the Vice Chancellor.

The notification letter must contain the reasons for the reduction-in-force, the date of separation, information about the employee's eligibility for priority reemployment consideration, appeal rights and other available benefits. This policy and the grievance policy are also delivered with the letter of notification.

After delivery of the letter, Human Resources meets with the employee to inform him/her of priority re-employment rights, the severance package, continuation of benefits, unemployment insurance eligibility, retirement options, and the employee's desire to be included on the state-wide RIF registry. At this time, the employee must complete an application for employment.

D. NCCU Priority Placement to avoid RIF

Once the letter of notification is issued to the employee, the university attempts to find a suitable vacancy in any division for the employee to avoid the reduction in force. A suitable vacancy is a vacant SPA position:

1. that is intended to be filled in the near future; and
2. that is the same banded classification at the same or lower competency level as that held at the time of notification, or position in a different banded classification with the same or lower journey market rate as that held at the time of notification, for which the employee meets minimum qualifications; and
3. that offers a salary band and position budget that enable the employee to maintain his/her salary; and
4. is the same FTE as the employee's current appointment.

When Human Resources is notified of a vacancy that appears to be suitable, Human Resources reviews the employee's qualifications against the position's requirements to determine if the employee meets the minimum qualifications.

If a suitable vacancy is either not advertised or advertised but applications have not been referred, the employee's application is forwarded to the department. The department is expected to interview and hire the employee if he/she has a satisfactory performance and disciplinary record; meets the minimum qualifications for the position; and can develop the skills and competencies to perform the job within nine months, with normal orientation and training given any new employee. If the department decides not to hire the employee, the department must document the reasons for non-selection to the division Vice Chancellor and Human Resources.

If a suitable vacancy is advertised and applications have already been referred, but a recommendation for hire has not been received by Human Resources, Human Resources forwards the employee's application to the department. The employee has priority re-employment consideration over non-state employees. The department is expected to interview and hire the RIF candidate, over any non-state (SPA) employee, if the RIF candidate has a satisfactory performance and disciplinary record; meets the minimum qualifications for the position; and can develop the skills and competencies to

perform the job within nine months, with normal orientation and training given any new employee. If the department decides to not hire the employee, the department must document the reasons for non-selection to the division Vice Chancellor and Human Resources.

An employee placed in a suitable position that is lower than that held at the time of notification will continue his/her priority consideration within NCCU over non-state employees for a position at the same banded class title at the time of notification. To receive this consideration, however, the employee must apply for the vacancy prior to the deadline date.

E. Use of Vacation Leave

Employees may elect, subject to approval by management, to exhaust vacation leave between their last day of work and the date of separation, and be paid in a lump sum for the balance not to exceed 240 hours (prorated for a part time employee). If an employee has over 240 hours of vacation leave (prorated for a part time employee) at the time of reduction in force, the excess leave shall be reinstated when reemployed within one year.