

Voluntary Separation Incentive Program

The University of Massachusetts Amherst is pleased to announce a Voluntary Separation Incentive Program (VSIP). This program provides a cash incentive to employees who resign or retire between July 1, 2020 and August 28, 2020.

General Questions

When may I apply?

The enrollment period extends from Monday, May 18, 2020 through Friday, June 12, 2020.

How much is the incentive?

- \$25,000 – Employees with 20 or more years of creditable service in the MA State Employees' Retirement System or MA Optional Retirement Program.
- \$12,000 – Employees with between 10 and 19 years of creditable service in the MA State Employees' Retirement System or MA Optional Retirement Program.
- \$5,000 – Employees with between 1 and 9 years of creditable service in the MA State Employees' Retirement System or MA Optional Retirement Program.

Will the VSIP cash incentive affect my retirement benefit?

No. The VSIP incentive will not be added to your base salary for purposes of determining your retirement allowance. The VSIP does not add creditable service or increase any retirement benefit to which you may be entitled from the Massachusetts State Employee Retirement System (MSERS) or the Massachusetts Optional Retirement Program (ORP).

Is the cash incentive taxable?

Yes.

Will I have to agree to anything to enroll in the VSIP?

All VSIP participants will be asked to sign a separation agreement and general release of claims.

Are there any incentives specific to faculty?

Yes. In addition to the cash incentive, on case-by-case basis, individual faculty members may also be offered

- (a) retention of their existing office and/or laboratory space for a period not to exceed three years;
- (b) a post-retirement appointment for a period not to exceed three years in line with MGL Chapter 32 including compensation not to exceed 20% of pre-retirement salary;
- (c) other benefits commonly conferred upon faculty with emeritus status.

Continued part-time employment post-separation shall be based on factors such as department instructional needs, continuity of critical services to students, and continuation of funded research activities.

Will there be involuntary layoffs?

The University does not have a clear picture for its FY21 financial situation, due to the wide-ranging impacts of the novel coronavirus pandemic. The VSIP is an important proactive step to addressing what the University believes will be a challenging FY21 budget year. Involuntary job actions for FY21 cannot be ruled out, but are not currently under active discussion.

What if I have additional questions?

For questions related to the Voluntary Separation Incentive Program, please email VSIP@umass.edu.

Eligibility

What are the general eligibility requirements?

The VSIP is open to all UMass Amherst 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 Amherst in a benefited position for at least 12 consecutive months.

Who is ineligible to participate?

The following groups are ineligible:

- Faculty and staff who hold fully grant-funded positions.
- Members of the NEPBA or IBPO bargaining units.
- Graduate and Undergraduate student workers, Post-doctoral Fellows.
- Temporary, post-retirement, or non-benefited appointments
- Individuals who have already submitted their resignation or retirement paperwork prior to May 18, regardless of whether the paperwork is rescinded and refiled.

Will I be eligible if I am paid by non-state funds?

Yes, on a pro rata basis calculated from the percentage of your salary that is not grant funded. Only those employees who are 100% grant funded are ineligible. Extension faculty are eligible.

If I am on leave, may I participate?

Yes, eligible employees on approved leave may enroll.

Are part-time employees eligible to participate?

Yes, eligible employees who are less than full-time will receive a prorated cash incentive.

If I have already submitted resignation or retirement paperwork, may I be considered for this incentive?

No. Only retirements and resignations initially requested from May 18, 2020 through June 12, 2020 will be considered.

I am an NTT on an active continuing appointment, but I held a benefited position in only one semester of the 2019-2020 academic year. Am I eligible to participate in the VSIP?

Yes.

I am a 43 week employee, does the furlough apply to me?

If your 43 week period includes responsibility during the furlough period of May 31 through June 20, you are subject to the furlough. If the furlough period covers the portion of your appointment that is non-responsible time, the furlough does not impact you.

Enrollment

How do I enroll?

Interested employees should complete an enrollment form and notice of resignation and submit it to the Office of Human Resources by June 12, 2020. Forms can be submitted by any of the following means:

- Mail to HR at 181 Presidents Drive, 325 Whitmore Building, Amherst, MA 01003
- Email to VSIP@umass.edu

Separation from the University

What time frame must I separate from the University?

The University is looking for separation dates between July 1 and August 30.

Who decides if my separation date and enrollment are approved?

The appropriate Vice Chancellor or Dean, in consultation with the Office of Human Resources.

May I select my departure date?

All employees who participate in the VSIP must depart no later than August 28, 2020, and the departure date selected must be approved by appropriate Vice Chancellor or Dean, in consultation with the Office of Human Resources. If your requested date of separation cannot be approved due to operational needs, every attempt will be made to identify a mutually satisfactory date.

Are there exceptions to the August 30 separation deadline?

In the rare case where the department and Human Resources deem a position to be critical, the VSIP separation date may be extended to a date no later than December 31, 2020.

What if I want to separate prior to July 1?

Separations prior to July 1 will only be considered in extenuating circumstances. Requests should be made to your Vice Chancellor or Dean.

Benefits

What happens to my Dependent Care Assistance Program (DCAP) and/or my Health Care Spending Account (HCSA)?

HCSA: You may incur eligible expenses under your HCSA through your last day of benefited employment. On your last day of benefited employment if you have contributed more than you have spent, you may apply to continue your HCSA under COBRA with Benefits Strategies. In doing so you will make post-tax contributions to your HCSA and will extend the period during which you may incur eligible expenses.

When will my GIC and Trust-Funded dental insurances end?

Your GIC health and basic life insurances (and Trust-funded dental or dental/vision coverage) will continue through the last day of the month following your departure date so long as your premiums are paid. For example, if your departure date is in August, these insurance coverages will end on September 30. If you are retiring from MSERS or the ORP you may continue GIC insurance coverages.

If I am not eligible for retiree benefits through MSERS or ORP, what are my options for health, life and dental/vision insurance coverage?

- Contact the Commonwealth Health Connector for health coverage options and enrollment: (1.877.623.6765).
- You may elect COBRA to temporarily continue your GIC health and dental (or dental/vision, if eligible) coverage, each at full cost plus an administration charge of 2%. You have 60 days to respond to the COBRA notice mailed to your home in order to elect coverage. If you enroll in COBRA coverage will be retroactive to the day your coverage as an active employee ended.
- To continue your optional life insurance, please contact The Hartford at 1-877-320-0484.
- To obtain premium for continuation of ORP life and/or disability insurance, complete the forms mailed to your home and return them to The Standard.

Will I receive a cash-out of my accrued but unused vacation and sick time (or longevity payment for MSP members)?

VSIP participants will receive both the VSIP cash incentive and any other payments to which you otherwise are entitled by law or University policy within 30 days of leaving employment.

For non-MSP members this includes payment of 100% unused vacation time and overtime compensatory time (if applicable). If retiring from MSERS or the ORP immediately upon leaving University service 20% of unused sick time is also paid.

MSP members who retire immediately upon leaving University service receive a longevity payment equal to 1.5 days' pay for each full-time equivalent year of benefited service to the University of Massachusetts.

If I participate in VSIP, can my department rehire me into a post-retirement or part-time non-benefited position?

Only in rare circumstances will a VSIP participant be allowed to be rehired into a post-retirement or part-time position. For faculty, at the discretion of their dean, a post-separation appointment not to exceed three years may be included in their separation agreement should the appointment be necessary to meet instructional or student needs, or to continue funded research activities. Post-separation appointments must be approved by the Provost (for faculty appointments) or the Vice Chancellor for Human Resources (for staff appointments).

Retirement

How can I find out how much my retirement income would be if I retire?

Please contact the State Retirement Board at 1-800-392-6014 and request that a pension projection be mailed to your home. Those enrolled in the ORP should work with their ORP vendor (TIAA/800.842.2776 or Fidelity/800.343.0860) to determine how best to withdraw funds from their account.

Will Human Resources assist me with my retirement application?

Yes, Human Resources will offer Zoom meetings to review the impact of retirement on benefits, review the MSERS and ORP retirement application processes and corresponding GIC form(s).

Important information about the impact of retirement or resignation on benefits is available online at:

- If retiring (drawing an MSERS pension or ORP retirement income immediately upon leaving University service): Please refer to [Instructions for All Benefited Employees](#).
- Resignation: Please refer to [Departure from Employment - Benefited University Employees](#).

If I retire, when will my retirement income start?

MSERS retirees generally receive their first pension payment two-to-three full calendar months following retirement. The first pension payment is retroactive to your retirement date; thereafter payments are made once monthly at the end of the month.

ORP retirees are responsible for working with their ORP vendor (TIAA or Fidelity) to initiate withdrawals. If eligible and you wish to continue GIC health insurance you must make monthly withdrawals that are large enough to cover GIC insurance premium withholdings and taxes.

What happens to my GIC health insurance when I retire from MSERS or the ORP?

Retirees must complete a GIC “Form 1a” prior to retirement. The GIC begins billing the retiree at home for their insurance premiums (and requires direct, timely payment of those premiums) until they can coordinate deducting premiums from the monthly MSERS payment or ORP withdrawal.

Please refer to the GIC Benefit Decision Guide for more comprehensive plan and premium information: www.umass.edu/humres/gic-retiree-benefit-decision-guide

If you wish to continue health insurance through the GIC and you, or anyone covered under your GIC health insurance plan, is eligible for Medicare Part A at no cost, the GIC requires those individuals to enroll in Medicare Parts A & B with the Social Security Administration (SSA). Medicare Parts A & B become primary coverage and the GIC offers a Medicare supplement plan at reduced premium.

Retirees and employees have the same GIC open enrollment each spring for changes effective the following July 1. Retirees may change their GIC health insurance plan upon retirement or during open enrollment.

GIC long-term disability coverage ends upon retirement.

GIC optional life insurance (OLI) premiums increase significantly upon retirement. You may continue, reduce or cancel your OLI coverage effective the first of any future month both as an active employee and as a retiree.