

Subject: Layoff Policy for Staff

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1. Purpose

The Virginia Department of Human Resource Management Layoff Policy 1.30 (http://www.dhrm.virginia.gov/docs/default-source/hrpolicy/pol1_30layoff.pdf?sfvrsn=2) permits agencies to implement reductions in the workforce when it becomes necessary to reduce the number of classified or university staff employees or to reconfigure the workforce. This policy provides guidelines and procedures for implementing the state’s Layoff Policy.

2. Policy

The Layoff Policy covers full-time, salaried regular and restricted staff (classified and university), and part-time salaried staff where indicated. The policy defines a specific sequence of layoff, placement/preferential hiring rights, and benefits for eligible employees affected by layoff.

In accordance with the Restructured Higher Education Financial and Administrative Operations Act (The Act), university staff are covered under layoff policies established by the university.

2.1 General Provisions

After identifying the work that is no longer needed or that must be reassigned, the employees within the same work unit, geographic area, and role title who are performing *substantially the same work* (see 4.0 Definitions) are selected for layoff according to the following layoff sequence (Section 3.3): hourly wage employees, part-time salaried staff, restricted salaried staff, and less senior full-time salaried regular staff. The Department of Human

Resources will advise departments on the identification of positions performing substantially the same work and determine the appropriate layoff sequence including impact on restricted positions.

The general process for employees who have rights under the Layoff Policy is described below.

- The Department of Human Resources will determine if the employee is eligible for placement. If so, efforts will be made to place the employee in an appropriate position (valid vacancy) for which the employee is minimally qualified.
- If no appropriate placement options are available for the employee(s) designated for layoff, management may choose to offer layoff to other eligible employees performing substantially the same work who agree to accept layoff with severance benefits (if eligible) instead of those employees originally identified in the normal layoff sequence. Before this can occur, management must notify other employees in the same work unit, geographic area, and role title who are performing substantially the same work as the identified employee of the opportunity, and must assure that such decisions support agency operational needs and comply with other provisions of the Layoff Policy.
- Prior to the layoff effective date, eligible employees will receive an Interagency Placement Screening form (yellow card) and be informed of the process for applying for preferential employment consideration for vacancies in other state agencies.
- If the employee has not been successful in obtaining another salaried university or state position, the employee will be placed in leave without pay-layoff status, and will be eligible for recall at the university and preferential employment at other state agencies for vacancies in the same role title as their pre-layoff position. Leave without pay-layoff extends for 12 months from the layoff effective date, or until the employee is recalled, placed in a full-time salaried position at an equal or higher Pay Band and salary as the former position, retires, is terminated under Standards of Conduct, or resigns, whichever is sooner. The employee will be provided a Preferential Hiring Card (blue card) which will be used when applying for vacancies at other state agencies.

An employee may decline a staff position that results in a salary reduction or relocation and be placed on leave without pay-layoff status, retaining layoff benefits and severance benefits (if eligible). An employee who declines a staff position which would not require relocation and would not result in a salary reduction will not be entitled to other benefits under this policy or to severance benefits.

2.2 Employees in Restricted Positions

Restricted classified or university staff have no guarantee of employment for a particular term, and may be terminated in accordance with policy. Employees who occupy restricted positions may be separated when their position funding ends; the layoff sequence does not apply. For example, a restricted employee working on a specific project or grant where funding ends may be separated from employment even though he/she has more seniority than others who are working on different projects or grants whose funding has not ended.

An employee in a restricted position is eligible for placement consideration provided by the Layoff Policy *if the immediate preceding position was a regular (non-restricted) full-time position with no break in service*. The Department of Human Resources will review separation notices for restricted employees to determine if employees are eligible for layoff and severance benefits. If an employee is eligible, the Department of Human Resources will contact the department and initiate the appropriate steps.

2.3 Severance Benefits for Classified Staff

The Virginia Department of Human Resource Management Severance Benefits Policy 1.57 (http://web1.dhrm.virginia.gov/itech/hrpolicy/pol1_57.html) provides life and health insurance and severance payments based on years of service to classified employees who are involuntarily separated from their positions under the Layoff Policy. Restricted employees whose positions are contingent upon project grants as defined in the

Catalog of Federal Domestic Assistance are not eligible to receive severance benefits unless the funding source has agreed to assume all financial responsibility in its written contract with the university.

2.4 Severance Benefits for University Staff

Severance benefits, identical to those provided to eligible classified staff under the state's Severance Benefits Policy 1.57, will be provided to eligible university staff who are involuntarily separated due to budget reductions, agency reorganizations, or work force downsizings for reasons unrelated to performance or conduct. Severance benefits for university staff are described in University Policy 4245, Severance Benefits Policy for University Employees (<http://www.policies.vt.edu/4245.pdf>). University staff hired on restricted appointments funded from sponsored contracts or grants, or term appointments with a specified ending date, regardless of funding source, are not eligible for severance benefits.

2.5 Compensation and Benefits

The Virginia Department of Human Resource Management Compensation Policy 3.05 (http://www.dhrm.virginia.gov/docs/default-source/hrpolicy/pol3_05compensation.pdf?sfvrsn=2) provides guidelines for determining salaries under the Layoff Policy. It is the intent of this policy to maintain employees' salaries where possible; however, when that is not feasible due to budget constraints, lower salaries may be offered to employees who are placed in lieu of layoff. The Department of Human Resources will assist departments in the administration of the salary provisions of the Layoff, Severance Benefits, and Compensation policies. The state's Layoff Policy 1.30 provides a full description of benefits for eligible employees who have been laid off.

2.6 Temporary Workforce Reduction

The Virginia Department of Human Resource Management Temporary Work Force Reduction Policy 1.65 (http://web1.dhrm.virginia.gov/itech/hrpolicy/pol1_65.html) permits agencies to reduce employees' work hours temporarily or to place employees in a non-working status (without pay) temporarily. The Department of Human Resources will assist departments with the implementation of any temporary work force reduction.

3. Procedures

Specific procedures for managing a layoff and administering the placement process are provided by the Department of Human Resources upon receipt of a layoff request. Managers should contact the HR Representative assigned to their area for assistance.

3.1 Determining the Work Unit Affected

Prior to implementing the layoff, the university must determine which work units will be affected. Normally the work unit is defined as the academic or administrative department in which the position(s) identified for abolishment is located. In some situations, it may be reasonable to define the work unit in a way other than the department. Factors such as organizational structure, business operations, funding sources, and circumstances precipitating the need for a workforce reduction or re-organization may be considered when defining the work unit. Circumstances in which a larger work unit definition may be appropriate include, but are not limited to, the development of an integrated staffing plan at the senior management level or a reorganization affecting multiple units.

At the written request of the Dean or Vice President, the organizational unit may be re-defined within the college or vice presidential area. The appropriate Dean or Vice President must work with the Department of Human Resources to define the work unit and affected positions prior to any layoff actions. The work unit designation, if other than a department, must be approved by the Department of Human Resources.

3.2 Timeframe to Submit Layoff Information to Human Resources

A minimum of 30 days' advance notice of a layoff request should be given to the Department of Human Resources to identify affected positions and determine the eligibility of employees for layoff and severance benefits. Departments are strongly encouraged to inform the Department of Human Resources of a pending layoff as soon as possible in order to provide more time to review valid vacancies for placement opportunities. After the Department of Human Resources reviews the layoff request, the department will be authorized to inform the affected employee(s). Employees must be given a minimum of two weeks' notice prior to the layoff effective date.

3.3 Determining the Sequence of Layoff

After identifying the work that is no longer needed or that must be reassigned, the Department of Human Resources will provide guidance to work units in following the prescribed layoff sequence defined by state policy as noted below:

1. Wage employee(s) performing the same work;
2. Least senior through most senior part-time restricted (salaried) staff;
3. Least senior through most senior part-time regular (salaried) staff;
4. Least senior through most senior full-time restricted (salaried) staff if the position is anticipated to be funded for longer than 12 months; and then
5. Least senior through most senior full-time regular (salaried) staff.

In accordance with University Policy 4010, Policies Governing University Staff (<http://www.policies.vt.edu/4010.pdf>), Virginia Tech will recognize the seniority (based on continuous state service) of former classified employees who have transferred to Virginia Tech as university staff.

3.4 Reduction to Part-Time

To achieve required savings or respond to changed workload patterns, agencies may reduce a full-time staff position to part-time status (minimum of 20 hours per week). If the employee chooses to remain in the part-time position, he or she may be eligible for recall rights and continuation of health benefits for one year, in accordance with this policy. If the employee declines to remain in the part-time position, he or she may be eligible for layoff and severance benefits in accordance with this policy.

3.5 Placement Opportunities for Salaried Staff Affected by Layoff

The state's Layoff Policy provides for specific placement procedures for eligible employees who will be impacted by layoff. Full-time salaried classified and university staff in regular positions (non-restricted) are eligible for placement or recall within the university and may also be eligible for preferential employment at other state agencies. Part-time or restricted salaried classified and university staff do not have placement rights unless they held a full-time regular salaried staff position immediately prior to their current position without a break in service. Human Resources will determine eligibility for placement and manage the layoff placement and recall process. Furthermore, Human Resources has authority to designate valid vacant positions agency-wide as internal placement options and to offer the designated placement option to minimally qualified employees affected by layoff.

Departments should grant pre-layoff leave up to a maximum of 80 hours to employees who will be impacted by layoff to enable them to seek other employment, unless business needs preclude approval. Employees may also use annual leave or VSDP personal leave for this purpose.

3.5.1 Internal Placement Prior to Layoff

When all persons in a work unit affected by a layoff have been identified, the Department of Human Resources will attempt to place the employees with placement rights in other salaried staff positions at the same or lower pay band

for which they are minimally qualified. Valid vacancies will be released for recruitment after the Department of Human Resources has determined that no employees affected by layoff are eligible for, and interested in, the vacancies.

3.5.2 Alternative Employee Designation When No Placement Options Available

If no placement option exists prior to layoff for employees identified by the layoff sequence, the department head may decide to notify other employees in the same work unit, geographic area, and Role who are performing substantially similar job duties of the need to place an employee(s) on Leave Without Pay (LWOP)-layoff. Employees are asked to notify management of their interest in being considered for layoff. Management assesses the impact of placing specific employee(s) on layoff, including the potential cost of severance benefits, and makes the layoff decisions, in consultation with Human Resources.

3.5.3 Placement in other Executive Branch Agencies Prior to Layoff

While the Department of Human Resources reviews internal placement options, eligible employees who have been designated for layoff will be issued an *Interagency Placement Screening Form* (yellow card). The Department of Human Resources will inform employees of their preferential employment rights and the use of the state's job posting system to identify placement opportunities for valid vacancies in other state agencies.

3.5.4 Recall Rights after Layoff or Demotion in Lieu of Layoff

If the eligible employee is not placed in a vacancy prior to the layoff effective date, the employee will be placed in a *leave without pay-layoff* status and will have recall rights. Leave without pay-layoff extends for a maximum of 12 months from the layoff effective date, or until the employee is recalled or otherwise achieves placement to a position that is in a pay band equal to or higher than that of the employee's former position, or until the employee resigns, whichever is sooner.

Classified staff who have been placed on *leave without pay-layoff* or who have been *demoted in lieu of layoff* with a reduction in salary have recall rights to *valid vacancies* in the same Role for which they are minimally qualified.

University staff who have been placed on *leave without pay-layoff* or who have been *demoted in lieu of layoff* with a reduction in salary have recall rights to *valid vacancies* in the same Role or Pay Band in their Career Group for which they are minimally qualified.

A *valid vacancy* is a vacant staff position that is fully funded, has been approved by Senior Administration to be filled, and is approved for posting by the hiring official after consultation with the Department of Human Resources. Vacancies will be released for recruitment after the Department of Human Resources has determined that there are no employees who are eligible for recall and who are minimally qualified and interested in the vacancies.

Recall rights are in effect for up to 12 consecutive months from the effective date of layoff, placement in a position that resulted in a salary reduction, or demotion in lieu of layoff.

If an employee declines recall to a regular (non-restricted) position that does not require relocation or salary reduction, the employee's severance benefits and recall rights will be terminated. If the employee is on leave without pay-layoff, the employee will be separated.

3.5.5 Preferential Employment with Other Agencies after Layoff

Classified and university staff may be eligible for preferential employment rights with other state agencies. At time of placement on a leave without pay-layoff status, the Department of Human Resources will provide eligible employees with the *Preferential Hiring Card* (blue card), which is used by the employee to exercise preferential employment rights to a valid vacant position in the same Role as the employee's former position in other state

agencies. The Department of Human Resources will inform employees of their preferential employment rights and the use of the state's job posting system to identify placement opportunities for valid vacancies in other state agencies.

3.6 Preferential Employment Opportunities for Employees of Other State Agencies

As a state agency and in accordance with the state's Layoff Policy and the Act, Virginia Tech will also recognize the preferential employment rights of eligible and qualified applicants for staff positions who have been identified for layoff or who have been placed in a leave without pay-layoff status from a classified position by other state agencies or from a university staff position from other institutions of higher education who are covered by the Restructured Higher Education Financial and Administrative Operations Act. The Department of Human Resources will coordinate the process for identifying applicants of other state agencies who have applied for university positions and are eligible for preferential employment consideration.

4. Definitions

Catalog of Federal Domestic Assistance: Defines project grants to include fellowships, scholarships, research grants, trainee grants, traineeships, experimental and demonstration grants, evaluation grants, survey grants, construction grants, and unsolicited contractual agreements.

Interagency Placement Screening Form: A form, printed on yellow paper, provided to employees when they are notified that they will be affected by layoff. This form is used to secure preferential consideration over applicants from outside an agency for positions for which they are minimally qualified in the same or lower Pay Band. The form is valid from the date of issue until the employees' layoff effective dates.

Minimally qualified: Employees who are determined by agency management to (1) possess the necessary knowledge, skills, abilities, and other legitimate job requirements as outlined in the Employee Work Profile or other document used to describe the nature of the position and position qualifications, and (2) be able to satisfactorily perform the duties of the position after a six-month period of orientation to the new position.

Preferential Hiring Card: A form, printed on blue paper, issued to employees on the day before their leave without pay-layoff status becomes effective. This card is used by employees who are on leave without pay-layoff to obtain preferential employment rights to vacant positions in other Executive Branch agencies for which they are minimally qualified that are in the same Role as their former positions. The card is valid from the date of issue for the duration of an employee's leave without pay-layoff status.

Staff: Defined as salaried non-faculty employees, and includes classified staff and university staff. Effective July 1, 2006, the university has two groups of salaried non-faculty employees: those covered by the Virginia Personnel Act and State Human Resource policies (classified staff) and those covered under university human resource policies (university staff).

Substantially the Same Work: One criterion used by agencies to determine which employee(s) will be impacted by the Layoff Policy. The following are indicators to assist agencies in making that determination: they are in the same Role; have the same work title; are at the same reporting level in the organizational structure; have the same SOC code; and have similar job duties, the same Knowledge, Skills, and Abilities and other job requirements, based on the position description or Employee Work Profile.

Valid Vacancy: A *valid vacancy* is a vacant staff position that is fully funded, has been approved by Senior Administration to be filled, and is approved for posting by the hiring official after consultation with Human Resources.

Work Unit: Designation that an agency uses to define the scope of the layoff to organizational units smaller than the entire agency.

5. References

Restructured Higher Education Financial and Administrative Operations Act
<http://law.lis.virginia.gov/vacode/title23.1/chapter10/>

Virginia Department of Human Resource Management, Layoff Policy 1.30 (and other state layoff resources)
http://www.dhrm.virginia.gov/docs/default-source/hrpolicy/pol1_30layoff.pdf?sfvrsn=2

Virginia Department of Human Resource Management, Severance Benefits Policy 1.57
http://web1.dhrm.virginia.gov/itech/hrpolicy/pol1_57.html

Virginia Department of Human Resource Management, Temporary Work Force Reduction Policy 1.65
http://web1.dhrm.virginia.gov/itech/hrpolicy/pol1_65.html

Virginia Department of Human Resource Management, Compensation Policy 3.05
http://www.dhrm.virginia.gov/docs/default-source/hrpolicy/pol3_05compensation.pdf?sfvrsn=2

University Policy 4010, Policies Governing University Staff
<http://www.policies.vt.edu/4010.pdf>

University Policy 4245, Severance Benefits Policy for University Employees
<http://www.policies.vt.edu/4245.pdf>

6. Approval and Revisions

- Revision 5

Guidelines for Implementing the State Layoff Policy 4240 was rewritten to correspond with the recent changes to the *State Layoff Policy 1.30* as a result of Compensation Reform implemented September 25, 2000.

Approved January 31, 2002 by Vice President for Budget and Financial Management, M. Dwight Shelton, Jr.

- Revision 6

The Guidelines correspond to recent changes in the State Layoff Policy 1.30 to reflect the option for management to allow other employees to request to substitute for layoff if the originally designated employee cannot be placed in another university vacancy. Other revisions include clarification of the circumstances in which a work unit other than the department might be requested and reference to the State's Temporary Work Force Reduction Policy 1.65.

Approved October 28, 2002 by Vice President for Budget and Financial Management, M. Dwight Shelton, Jr.

- Revision 7

Policy, formerly titled “Guidelines for Implementing the State Layoff Policy,” renamed “Layoff Policy for Staff.”

Revisions to the following sections approved by the Virginia Tech Board of Visitors on August 25, 2008: section 3.5.4 to provide additional recall opportunities for University Staff; section 3.5.5 to provide preferential employment opportunities at other state agencies for University staff; and section 3.6 to recognize preferential employment opportunities for employees laid off from other state agencies. Describes severance benefits for eligible University Staff as approved by the Board of Visitors. Includes additional information from the State’s Layoff Policy revised May 16, 2006. General re-ordering of policy sections for ease of use.

Approved May 28, 2010 by Vice President for Administrative Services, Sherwood G. Wilson.

- Revision 8
 - Technical updates to department titles and links to references.
 - Removed outdated information regarding Restructuring Act implementation.

Approved January 19, 2017 by Vice President for Administration, Sherwood G. Wilson.