FACULTY ALTERNATIVE SEVERANCE OPTION (FASO)

Policy Type: Board of Visitors
Responsible Office: Office of the Provost and Vice President for Academic Affairs
Initial Policy Approved: 11/01/2002
Current Revision Approved: 11/14/2015

Policy Statement and Purpose

Within the framework of the Code of Virginia and the Commonwealth of Virginia Workforce Transition Act, Virginia Commonwealth University (VCU) established a Faculty Alternative Severance Option Policy (FASO) whereby certain VCU faculty may be eligible to receive defined severance benefits or, in some instances, enhanced retirement benefits, upon their resignation or retirement from VCU based on a budget reallocation or reduction due to business needs.

When VCU deems it necessary or prudent, business plans will be developed by appropriate academic and administrative units that will be designed to achieve strategic budget reductions, program modifications and/or the elimination of positions. Tenured faculty* holding certain teaching, research, administrative and/or professional faculty positions in areas that are targeted in the business plans for modification or reduction, who meet the eligibility criteria identified in this policy, may be eligible for the FASO severance benefits or enhanced retirement benefits (VRS employees only). If selected for participation in this program, the faculty member will complete the process by submitting his/her resignation/notice of retirement and signing forms relinquishing rights for future employment, including tenure rights. This process and the forms will be specified in the Implementation Guidelines.

This policy provides a management tool for achieving institutional objectives and provides no entitlements beyond those specifically identified in the policy. It should not be considered to be either an early retirement or contract "buy-out" program. The appropriate Vice President/Provost having authority over the relevant academic or administrative unit must approve any faculty re-employment following faculty resignation or retirement utilizing FASO. The needs of the University in meeting its mission will be paramount in deciding which applications for FASO will be selected or approved.

* Faculty in non-tenured positions are not covered by this policy

Noncompliance with this policy may result in disciplinary action up to and including termination. VCU supports and environment free from retaliation. Retaliation against any employee who brings forth a good faith concern, asks a clarifying question, or participates in an investigation is prohibited.
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Who Should Know This Policy

All tenured faculty and all university administrators responsible for faculty personnel should all know this policy and familiarize themselves with its content and provisions.

Definitions

Tenured Faculty

A tenured appointment is an appointment that continues until the faculty member either voluntarily leaves the University or is dismissed for cause under the Faculty Promotion and Tenure Policies and Procedures. Tenure is conferred in accordance with the criteria and procedures established by the Faculty Promotion and Tenure Policies and Procedures and supplemented by appropriate school and department guidelines.

Contacts

The Office of the Provost and Vice President for Academic Affairs officially interprets this policy. The Office of the Provost and Vice President for Academic Affairs is responsible for obtaining approval for any revisions as required by the policy Creating and Maintaining Policies and Procedures through the appropriate governance structures. Please direct policy questions to the Office of the Provost and Vice President for Academic Affairs.
Procedures

Procedures are mandatory actions to establish required actions and processes to comply with a policy, support compliance with applicable laws and regulations, and mitigate risk.

Severance Benefits

Under this policy, tenured faculty who participate in either the Optional Retirement Plan (ORP) or the Virginia Retirement System (VRS) may be eligible for severance benefits as described below:

Eligibility

- Except as otherwise noted, full-time tenured T & R faculty are eligible.
- Tenured faculty who are paid solely on sponsored contracts and grants are not eligible.
- Tenured faculty who already have submitted retirement applications or have submitted plans to resign for other reasons are not eligible.
- Tenured faculty whose University salary is paid partially from non-sponsored funds may be eligible for proportionate severance amounts.

Severance benefits: In accordance with the Commonwealth of Virginia Workforce Transition Act, Severance pay for up to 36 weeks (based on a 52-week-year) of University salary depending on years of continuous service and employer contributions for health and life insurance coverage for 12 months.

Enhanced Retirement Benefits

Only those tenured faculty who participate in the Virginia Retirement System (VRS), and who are eligible for VRS retirement on the date of separation, may be eligible for enhanced retirement benefits as described below:

Eligibility

- Except as otherwise noted, full-time tenured T & R faculty who participate in the VRS are eligible.
- Tenured faculty who are paid solely on sponsored contracts and grants are not eligible.
- Tenured faculty who already have submitted retirement applications or have submitted plans to resign for other reasons are not eligible.
- Tenured faculty whose University salary is paid partially from non-sponsored funds may be eligible to purchase years of age or service credit based on proportionate enhanced retirement benefits.
Enhanced retirement benefits: Available through VRS’s Defined Benefit Retirement Program with retirement income based on average salary, age, and length of service. In lieu of the severance benefits, eligible tenured faculty may elect to have the University purchase additional years of age or service credit, thereby enhancing their overall VRS retirement income.

Tenured faculty who participate in the severance or enhanced retirement benefits provided by this policy are not eligible for any other University incentive or early retirement program (i.e., Faculty Transition Incentive Program or Faculty Early Retirement Incentive Program).

Business Plan Requirements:

The business plan requirements for each of the business units must provide the elements defined in the implementation guidelines.

The business plan must include a justification for the use of alternative severance that shows immediate and long-term impacts on operations, programs, and faculty, and how these outcomes will be managed. The business plan must be approved by appropriate Vice Presidents.

The business plan should also include targets, expectations, and criteria for selection and severance costs.

Forms

Forms related to FASO (e.g. sample Business Plan, Implementation Guidelines, FASO Recommendation form, FASO Acceptance form, Release form, etc.) are made available upon request by the academic and/or business unit to the Office Academic and Faculty Affairs.

Related Documents

- Faculty Early Retirement Incentive Program (FERIP)
- Faculty Transition Incentive Program (FTIP)

Revision History

This policy supersedes the following archived policies:

Revision approved: 11/10/2015 Faculty Alternative Severance Option (FASO)
Revision approved: 11/14/2012 Faculty Alternative Severance Option (FASO)
Initial approval: 11/01/2002 VCU Faculty Alternative Severance Option (FASO)

FAQs

There are no FAQs associated with this policy and procedures.