Skilled Crafts Employees (K5) - Sample Indefinite Layoff Letter - Severance Selection

[Department Letterhead]

Proof of Service – Personal Delivery

[Date] *NOTE TO DEPARTMENT (to be removed from letter): An employee will receive at least 30 calendar days advance notice whenever feasible. If less than 30 calendar days’ notice is given, the employee shall receive pay in lieu of notice.*

To: [Employee Name]

[Title, Department Name]

From: [Supervisor Name]

[Title, Department]

Subject: Notice of Indefinite Layoff

I regret to inform you that due to (budgetary/operational considerations/lack of work) it is necessary to place you on indefinite layoff, effective [date]. Your last day on pay status will be [date].

Under Article 20, “Layoff and Reduction in Time”, of the Agreement between the University of California and the International Union of Operating Engineers (IUOE), Local 501, Skilled Crafts Unit (<https://ucnet.universityofcalifornia.edu/labor/bargaining-units/k5/docs/k5_2014-018_00_complete.pdf>) you may choose to receive either severance pay (Option 1) or right to recall and preference for re-employment (Option 2) as described below. Please understand that under the terms of the Agreement the election you make is irrevocable.

**Option 1**: **Layoff with Full Severance Pay** ***in lieu of* Right to Recall and Preference for Reemployment**

Employees who elect this option shall be paid a lump sum amount of one week (5 workdays) of base salary for each full year of service from the most recent break in service up to a maximum of 16 weeks. According to the University’s calculations, you have\_\_\_\_\_ years of service and are eligible for\_\_\_\_\_weeks of severance pay in the amount of $\_\_\_\_\_\_\_\_. Please note, in accepting this option, you will be breaking your service with the University and will be waiving your rights to preferential rehire and recall.

**Severance Repayment upon Re-employment**: Please be aware that if you receive severance pay under the Skilled Crafts Unit layoff provisions and you are subsequently rehired by the Riverside campus to a career position at the same or higher salary and at the same percentage of time as the position held at the time of layoff, you will be required to repay to the University any portion of severance pay received that is in excess of the time you were on layoff status.

## **OR**

**Option 2: Layoff with Right to Recall and Preference for Reemployment**

**Right to Recall to Layoff Department**

You will retain recall eligibility in this department for a three (3) year period beginning [effective date of layoff]. This means that you will have the right to be recalled in order of seniority into any active and vacant career position for which you are qualified when the position is in the same class, and craft, and at the same time or lesser percentage of time as the position you held at the time of layoff. Employees exercising this right shall file a timely application for recall and shall self-identify to the hiring authority and Human Resources (Talent Acquisition and Diversity Outreach unit) that they are eligible for recall.

**Preference for Reemployment or Transfer in Layoff Department**

*NOTE TO THE DEPARTMENT (to be removed): Non-probationary employees with less than five (5) years of seniority shall retain preferential rehire eligibility for one (1) year; employees with five (5) but less than ten (10) years of seniority shall retain preferential rehire eligibility for two (2) years; employees with ten (10) or more years of seniority shall retain preferential rehire eligibility for three (3) years.*

You will have preference within the UCR Skilled Crafts Unit for reemployment or transfer to any active or vacant career position for which you are qualified when the position is at the same or lower salary range maximum and at the same or lesser percentage of time as the position held at time of layoff.

As a career employee with \_\_\_\_ years of service, you will have preference for re-employment in this and other departments beginning [date of notice or two months prior to effective date, whichever is later] and continuing for a \_\_\_\_ year period from the effective date of your layoff.

Please refer to K5 Contract, Article 20, Layoff and Reduction in Time, for additional information on your right to recall and preference for re-employment. Please be advised that applicants exercising rights to preferential rehire should promptly notify the Talent Acquisition and Diversity Outreach unit in central Human Resources of their preferential rehire status and the vacant career position(s) for which they would like to be considered.

You have fourteen (14) calendar days from receipt of this letter to elect either Option 1 or Option 2. Your election is irrevocable. **Please indicate your election by returning to me the completed CX Employee Election for Severance in Indefinite Layoff (enclosed), no later than \_\_\_\_\_** [14 days from date of notice]. If you do not affirmatively choose Option 1 (full severance pay in lieu of preferential rehire and recall rights) during the 14 calendar day period, you will be considered to have elected Option 2 (preferentialrehire and recall rights).

If interested in other career opportunities at UC Riverside, please contact the Talent Acquisition and Diversity Outreach office in Human Resources via email at [careers@ucr.edu](mailto:careers@ucr.edu) or at (951) 827-3575, for information on current job openings and application procedures. You may also visit the UCR Jobs website at <https://jobs.ucr.edu>.

Additionally, outplacement/career transition services are available at no cost to UCR employees who have received a Notice of Indefinite Layoff and may need assistance with a job search. Interested employees should refer to the enclosed document “CareerArc – Career Transition Services” for information.

If you have any questions regarding UC-sponsored insurance plans, retirement savings plans, or are considering retirement from UC, please contact the Benefits Office in Human Resources at (951) 827-4766, or via email at [benefits@ucr.edu](mailto:benefits@ucr.edu), to discuss your options.

**Below are some important benefits considerations associated with an indefinite layoff**:

* Your medical, dental and vision insurance coverage will end on [enter last calendar day of separation month], provided you have paid any required employee portion of these premiums. Information on the impact of your layoff on any health insurance plans you are enrolled in through the University, as well as how to continue coverage under those plans, will be forwarded to your home. You will be able to purchase coverage under COBRA (The Consolidated Omnibus Budget Reconciliation Act of 1985: <https://www.dol.gov/general/topic/health-plans/cobra>) for a period of up to 18 months. You will receive a COBRA election packet from Discovery Benefits/WEX within 4 weeks of your separation date.
* UC Retirement Savings Program information concerning any funds you may have in the Deferred Contribution Plan, the Tax-Deferred 403(b) Plan, and the 457(b) Deferred Compensation Plan, can be obtained by contacting Fidelity Retirement Services at 1-866-682-7787 or online at <http://netbenefits.com/>.
* If you are vested in the University of California Retirement Plan (UCRP) due to having five or more years of UCRP Service Credit, and you are under age 50, you may be eligible to elect inactive membership. If you are vested and you have reached the minimum retirement age (50 or 55 depending on your UCRP membership classification and member tier), you may be eligible to elect retirement income or a lump-sum cash out. To access your retirement information, please visit the UC Retirement At Your Service (UCRAYS) website at <https://retirementatyourservice.ucop.edu>. To discuss your retirement plan options with a retirement benefits representative, please contact the Benefits Office at (951) 827-4766 or the UC Retirement Administration Service Center (RASC) at 1-800-888-8267 or online at: <https://ucnet.universityofcalifornia.edu/contacts/rasc.html>. ***Please note that if you decide to retire, you’ll need to do so within 120 days of separating from UC employment if you want to continue any UC benefits you’re eligible for as a retiree.***

As an employee on layoff status, you may be eligible to receive unemployment insurance benefits. To determine your eligibility you must file a claim at a local office of the State of California Employment Development Department (EDD). You may also file a claim by calling EDD at 1-800-300-5616 or via the Internet at <https://edd.ca.gov/>. Additionally, a Human Resources representative is available at (951) 827-3641 to provide you with information regarding considerations in determining eligibility. For more detailed information, please see also the enclosed information, “Unemployment Insurance Resources.”

Be sure to review also the enclosed “Resources for Employees Who Have Received Notice of Layoff,” which contains, in one document, contact information for the resources described above.

I would like to take this opportunity to express the department’s appreciation for your years of dedicated service. You have been a valuable member of [department], and your contributions have been greatly appreciated.

If you have questions regarding your transition from University employment, please contact [name of HRBP or], [title], [department], at 951-827-[XXXX ] or [email address.]

Enclosures: Severance Election Form

Proof of Service Form

Resources for Employees who Have Received Notice of Layoff

Unemployment Insurance Resources

CareerArc – Career Transition Services

cc: HR - Employee & Labor Relations

HR - Talent Acquisition & Diversity Outreach

HR - Benefits

Organizational Unit HR Business Partner

Department Personnel File

International Union of Operating Engineers (IUOE)

Local 501 (2405 West Third Street, Los Angeles, CA 90057)