



CAMPUS CONVERSATION

2019 WVU VSIP PROGRAM UPDATE

WHAT WE WILL DO TODAY

- / How Today Will Work
- / Background
- / Efforts to Date
- / Operational and Financial Assessment and Results
- / Next Steps

HOW TODAY WILL WORK

- / Hear from Paula and Cris
- / Open question-and-answer session

BACKGROUND

- / In spring 2019, West Virginia University set out to realign expenses and implement strategic budget initiatives to meet an overall target reduction of **\$14.8 million** through attrition, not filling vacancies and other reductions in expenses.
- / As part of these efforts, the University offered a **Voluntary Separation Incentive Plan (VSIP)** program for eligible faculty and staff.
- / On **June 21, 2019**, the **WVU Board of Governors** adopted a **\$1.1 billion budget** for **FY 2020**, some **\$17 million less** than the previous year.
- / The approved budget contained a nearly **\$15 million reduction** in salaries, benefits and supplies.
- / Many colleges, schools and units were able to meet their budget reduction targets through a variety of means (e.g., eliminating vacant positions, reducing discretionary operating expenses, new sources of revenue, etc.) independent of the VSIP program.

BACKGROUND

- / In general, the VSIP program was open to all faculty and staff across the WVU System who met eligibility requirements*, which included:
 - / The employee held a **regular, benefits-eligible position** at the University (as of **April 22, 2019**); and
 - / The employee had **20 or more years of benefits-eligible service** (as of **March 31, 2019**).

* **NOTE:** The 2019 VSIP program was not open to WVU Research Corp. or WVU Innovation Corporation employees; however, the program was open to WVU Research Office State employees who meet eligibility requirements. Further, employees with established employment end dates were not eligible to participate in the program. Established employment end dates are dates now or in the future that have been documented in writing on or before April 18, 2019. Examples include, but are not limited to employees who have submitted written documentation of their plans to resign or retire on a specific date; or employees who have received official notice from the University regarding plans to end their employment on a specific date.

BACKGROUND

- / Eligible employees were provided **two exit date** options through the program:
 - / **December 31, 2019** (employees would receive a lump-sum incentive payment equal to **100% of their annual base salary** for their primary assignment); or
 - / **End of FY20 appointment** or **June 30, 2020**, whichever comes first (employees would receive a lump-sum incentive payment equal to **50% of their annual base salary** for their primary assignment).

EFFORTS TO DATE

- / Faculty and staff who met eligibility requirements received an invitation to express interest in the VSIP program on **April 22, 2019**.
- / Eligible employees had until Friday, **May 10, 2019**, to make their interest known.
- / Of the approximately **1,300 employees** who were eligible to receive a VSIP offer, approximately **464 employees** expressed interest in the program.
- / In early summer, the **WVU Separations Incentives** team met with each **executive leader** and **dean** to present their list of employees who expressed interest in the program.
- / Following these discussions, the **WVU Separations Incentives** team worked with these leaders to conduct an **operational and financial assessment** for each college, department or unit.
- / In mid-July, proposed plans for each college, department or unit were presented to the **WVU Separations Committee**.

OPERATIONAL AND FINANCIAL ASSESSMENT AND RESULTS

- / As part of the **operational and financial assessment**, the decision whether an employee who expressed interest in the VSIP program will receive an official offer primarily was based on the following criteria:
 - / In general, an approved VSIP offer should result in an approximate **50% cost savings** for the University.
 - / An offer also could be approved if it supported **strategic projects** or broader **reorganization efforts** within a college, division or unit.

OPERATIONAL AND FINANCIAL ASSESSMENT AND RESULTS

- / After careful assessment, the **WVU Separations Committee** determined **174 employees** who expressed interest in the VSIP program will receive an offer.
- / The combined total of **annual base salaries** for eligible employees who will receive an offer is approximately **\$11.5 million**.
- / While **acceptance rates** (employees who receive and accept an offer) for this program may differ, **acceptance rates** for prior VSIP programs typically have ranged between **60%** and **65%**.

NEXT STEPS

- / All eligible employees who expressed interest in the VSIP program will be notified via email of the University's decision by **noon** on **Tuesday, September 24**.
- / Employees who have questions about the program's results should contact the **WVU Separation Incentives** team at WVUSeparationIncentives@mail.wvu.edu or **304-293-4399**.
- / Employees who receive a VSIP offer will have **45-day consideration period** in which they may choose to accept or reject the offer. The consideration period will end on **Tuesday, November 26**.
- / Employees who receive an offer will be provided a formal written contract at individual meetings, which will take place between **October 2-11**. Employees may return their signed contract any time during the **45-day consideration period**. However, the contract will be considered null and void if not signed and returned by **5 p.m.** on **Tuesday, November 26**.

NEXT STEPS

- / Employees who accept an offer will have an additional **seven-day revocation** period after submitting their paperwork in which they may choose to cancel their VSIP contract.
- / The first **exit date** for employees who accept an offer is **December 31, 2019**.
- / The second **exit date** for employees who accept an offer is the end of their **FY20 appointment** or **June 30, 2020**, whichever comes first.

QUESTIONS?

CONTACT INFORMATION

- / Contact the **WVU Separation Incentives team** at **WVUSeparationIncentives@mail.wvu.edu** or **304-293-4399** with any questions.
- / An archived version of this Campus Conversation will be available at **bureaucracybusters.wvu.edu/campus-conversation**.
- / You may continue to submit questions to **campusconversations@mail.wvu.edu**.
- / Stay tuned for upcoming Campus Conversations.