

FAQs on Involuntary Layoffs

The following answers some anticipated questions about layoffs.

A. What are the benefits available if you are involuntarily laid off?

You will receive University severance pay, in accordance with Stanford policy as set forth in Administrative Guide Memo 22.16 and the terms of a General Release of All Claims and Severance Repayment Agreement or in accordance with the collective bargaining unit agreement (see paragraph 328). The Guide Memo can be found at http://adminguide.stanford.edu/22_16.pdf and the Collective Bargaining Agreement can be found at <http://stanford.edu/dept/elr/documents.html>. Severance pay is based on your length of service with Stanford.

Benefits include (1) continuation of your medical plan coverage for the first three months after layoff at your current employee premium; (2) continuation of your dental coverage for 18 months (at your expense under COBRA); and (3) continuation of your medical insurance (at your expense under COBRA) for an additional 15 months after the first three months following layoff.

If you are eligible for University retirement and you elect it, you may secure these medical plans on a more permanent basis without having to immediately start your pension or retirement annuity. For information please consult Teresa Juarez in the SLAC Benefits office at X2357.

Two organizations, DBM and Peninsula Works, will provide our laid off employees with career counseling, resume writing and interview training.

B. Will staff that are laid off be eligible for State Unemployment Insurance?

SLAC does not determine eligibility for State Unemployment Insurance. We provide information upon request to the State Unemployment Department (EDD). When asked about our layoff program, we will inform EDD that this was an involuntary layoff program.

C. If staff is eligible for unemployment insurance, how will the severance payout and any vacation payout affect unemployment payments?

Once again, this is determined by the EDD. It is our understanding that severance pay will not be considered as income for unemployment calculations, but the vacation payout will be.

D. Are my accrued vacation payout and severance pay eligible for retirement contributions?

You can roll over your vacation payout into your tax deferred annuity up to the maximum allowed by law. The University will contribute to your retirement plan based on the additional vacation pay income. The severance payout cannot be tax deferred and the University will not contribute to your retirement plan based on those dollars.

E. What are my re-hire rights as an involuntarily laid off employee?

If you are represented by United Stanford Workers, you will have layoff re-hire preference for one year after your layoff. Please refer to paragraph #105 of the collective bargaining agreement for more detailed information. It can be found at <http://stanford.edu/dept/elr/documents.html>.

All non-bargaining unit staff also receive re-hire preference for one year after their layoff. Please see University Administrative Guide Memo 22.1 at http://adminguide.stanford.edu/22_1.pdf for more detailed information.

F. What impact might my layoff have on my retiree medical (if I am eligible)?

If you return to University employment within two years, you will retain what ever retiree medical eligibility you had when you were laid off. If you return to University employment after two years, you will be required to start retiree medical eligibility as a new employee unless you stay at the University for 10 additional years of employment which will allow you to restore your pre-layoff eligibility.

G. What if I decide to leave SLAC before my official layoff date?

You will receive 60 days notice of your layoff date. If you decide to leave prior to your effective date, you will be paid only for time worked through that date.

If you have questions on the layoffs, please call Lee Lyon at x2283, Carmella Huser at x2358 or Barry Webb at x2355; for benefit questions, please call Teresa Juarez at x2357.