



CALIFORNIA STATE UNIVERSITY, SAN MARCOS EARLY EXIT PROGRAM

As part of a plan to create opportunities for organizational adjustments to meet future needs, California State University, San Marcos ("CSUSM" or "University") is implementing this EARLY EXIT PROGRAM ("EEP" or "Program"), which is intended to encourage employees to voluntarily separate or retire from the University no earlier than December 15, 2021, and no later than December 31, 2021, and thus receive a severance package. This Program is not generated by, nor does the University anticipate, implementing layoffs in connection with the Program. This is a one-time, non-precedent setting program. Employees interested in participating in this EEP should carefully read these TERMS AND CONDITIONS. Participation in the EEP will require the employee to execute two (2) separation agreements, which will include a general release of all claims, as further explained below.

TERMS AND CONDITIONS

CSUSM hereby implements this EEP with the following TERMS AND CONDITIONS:

1. Employee Eligibility: To participate in this Program, employees must meet **all** the criteria below:

- a. **Employee Status:** As of June 1, 2021, an employee must be a current CSUSM state-side employee who is a non-faculty employee in a permanent position, or in a Management Personnel Plan ("MPP") position, or a tenured faculty employee, or a full-time lecturer with a 3-year appointment, or a lecturer with a 3-year appointment who has a minimum of ten (10) consecutive years at CSUSM and in the Spring 2021 semester was appointed with a 0.8-0.99 time base in a single department. Non-faculty temporary employees, other faculty temporary employees, and probationary employees are not eligible to participate in the EEP. An employee who is otherwise eligible to participate in the EEP must be in good standing with the University; and
- b. **CalPERS Service Retirement Eligibility:** Employees must be CalPERS service retirement eligible as of the date of their separation. To determine service retirement eligibility, an employee should contact CalPERS at 1-888-CalPERS (1-888-225-7377). **Please note there is no requirement to retire as part of this EEP, only that the employee is eligible to retire;** and
- c. **Years of Service:** As of the date of their separation, employees must have at least five (5) years of CSUSM service to be eligible. Service must have been consecutive and excludes student employment.

2. Faculty Early Retirement Program (FERP): Faculty employees who are currently in FERP, in accordance with Article 29 of the CSU-CFA (Unit 3) Collective Bargaining Agreement, are not eligible; however,

faculty with FERP applications pending may withdraw their FERP application in order to participate in this EEP. Participation in FERP and in the EEP is mutually exclusive.

3. Retired Annuitants: Retired annuitants are not permanent employees and are, therefore, not eligible for this EEP.

4. Previous Notice of Retirement: Current employees who have established a retirement date but have not yet retired are eligible for this Program, provided they comply with all TERMS AND CONDITIONS of the EEP.

5. Severance Package: Employees who voluntarily separate or retire from the University as part of the EEP will be offered severance pay. In exchange for voluntarily separating and executing separation agreements (which will include a general release of all claims), employees will be paid six months' salary or a minimum of \$35,000 (whichever is higher) up to a maximum cap of \$90,000. Severance pay is calculated using an employee's monthly base salary (prorated for employees appointed for less than full time) at the time of separation. Separation must occur no earlier than December 15, 2021, and no later than December 31, 2021. Moreover, a maximum of three weeks (i.e., fifteen (15) workdays) of accrued vacation may be used prior to the separation date.

The severance package will be divided into two (2) parts. Employees will receive \$10,000 of the calculated severance package (a signing bonus) in exchange for signing the first separation agreement ("First Separation Agreement and Release"), which shall include a signed letter of voluntary resignation, after obtaining conditional approval to participate in the EEP, as explained in Section 7 below. Employees will receive the remainder of the calculated severance package for signing the final separation agreement ("Final Separation Agreement and Release") after separation.

The severance package shall be paid in lump sums within thirty (30) calendar days after each of the aforementioned actions above, i.e., the first payment after the submission of the First Separation Agreement and Release and voluntary resignation letter, and the final payment after the separation date as indicated on both the First Separation Agreement and Release and Final Separation Agreement and Release.

Note: The severance package is taxable income and is to be paid through the State Payroll System. This income is not considered compensation earnable for purposes of calculating CalPERS retirement benefits. Moreover, the severance pay cannot be deferred to the following tax year nor into a defined contribution plan, defined benefit plan, brokerage account, or an annuity of any kind.

6. Limitations:

No Entitlement: Submission of an application is not an entitlement and not a guarantee of participation in the EEP. All provisions of the EEP are subject to change at the discretion of management.

Order of Application: The application submission period will begin no earlier than 8:00 a.m. on June 1, 2021 and end no later than 11:59 p.m. on June 15, 2021. Completed applications will be processed on a

first-come, first-served basis in the order in which completed applications are received by Human Resources. Incomplete applications will be sent back to employees and will not be entered or considered for processing unless a completed application is received before the 11:59 p.m. deadline on June 15, 2021. There is no guarantee that an application will be processed before termination of the EEP. Termination of the EEP may occur at any time at management's discretion, including but not limited to expenditure of funds allocated to the EEP.

Funding: A one-time allocation of funds has been earmarked for this EEP. Once these funds have been assigned to approved participants, the EEP will be closed to any further applications. Termination may occur immediately and without notice.

7. Approval Process:

Application Form: The Application Form, located online at <https://www.csusm.edu/hr/eep.html>, must be filled out completely and signed via AdobeSign by both the employee and the employee's appropriate administrator. Please note the employee still must sign both separation agreements via AdobeSign after submitting the Application Form. It is the employee's responsibility to collect all pertinent information before having the appropriate administrator review and sign it and before the application is submitted to Human Resources via AdobeSign. Employees needing assistance with the Application Form or process may contact the Office of Human Resources, Benefits, at (760) 750-4418.

Application Period and Deadline: Completed applications may be submitted via AdobeSign beginning no earlier than 8:00 a.m. on June 1, 2021. The deadline for completed applications to be received by Human Resources via AdobeSign is no later than 11:59 p.m. on June 15, 2021.

Irrevocable after Execution of Separation Agreement and Release: The employee agrees that participation in the EEP and receipt of the respective severance pay (including the signing bonus) is conditioned on the employee voluntarily resigning from the employee's employment with CSUSM and executing the respective separation agreements. The employee acknowledges that his/her resignation is voluntary and permanent and will be irrevocable as of the date of execution of the First Separation Agreement and Release. Further, the employee will be required to waive any right s/he may have under any applicable law, regulation, collective bargaining agreement, or policy to revoke or rescind the employee's resignation.

Separation Date: A separation date must be no earlier than December 15, 2021, and no later than December 31, 2021. If the employee intends to retire, it is highly recommended the employee immediately contact CalPERS as CalPERS service retirement processing may take up to three (3) or four (4) months.

Execution of Separation Agreements: The appropriate administrator will review the employee's application to confirm, to the best of his/her knowledge, the employee's eligibility to participate in the EEP based on the above-stated TERMS AND CONDITIONS specified for this Program. If the appropriate administrator confirms the employee is eligible to participate in the EEP, that administrator will conditionally approve the employee's application. The conditional approval is predicated on the

employee's timely execution of the First Separation Agreement and Release and submission of the voluntary resignation letter. Human Resources will notify the employee and the employee's appropriate administrator of the conditional approval by e-mail and send the employee the First Separation Agreement and Release. The First Separation Agreement and Release will include, among other provisions, a general waiver and release of all claims. The employee will have fourteen (14) calendar days from the date the employee receives notice of the employee's conditional approval and the First Separation Agreement and Release to return a fully executed First Separation Agreement and Release to Human Resources, including a voluntary resignation letter with an effective date of no earlier than December 15, 2021, and no later than December 31, 2021 via AdobeSign. The employee's failure to return the fully executed First Separation Agreement and Release and signed voluntary resignation letter to Human Resources via AdobeSign within this specified time period will result in the University rescinding the conditional approval of the employee's application to participate in the EEP. Human Resources will acknowledge receipt of the First Separation Agreement and Release and accept the voluntary resignation letter.

Human Resources will send the employee the Final Separation Agreement and Release at least fourteen (14) calendar days before the employee's final date of employment. The employee must execute the Final Separation Agreement and Release no later than the employee's final date of employment and return the fully executed Final Separation Agreement and Release to Human Resources via AdobeSign. The employee's failure to timely return a fully executed Final Separation Agreement and Release to Human Resources will result in the employee not being eligible for the remaining severance payment and being responsible to fully repay the \$10,000 payment associated with the submission of the First Separation Agreement and Release.

8. Non-Waiver of Management Rights: The EEP is not to be construed as a waiver of management's rights. CSUSM retains and reserves unto itself, without limitation, whether exercised or not, all powers, rights, authorities, duties, and responsibilities which have not been specifically abridged, delegated or modified by the current and respective collective bargaining agreements. Nothing in this EEP shall constitute a waiver of management's right to enforce any articles under the collective bargaining agreements.