INTRODUCTION

Effective October 1, 2014, the University of Nebraska offers to its qualified tenured faculty, who are retirement-eligible under the University's policies, the Voluntary Separation Incentive Program ("VSIP"). VSIP provides eligible faculty, who voluntarily elect and are approved to separate employment from the University, with the separation benefits described herein.

VSIP is intended to provide the University with savings over the long-term. Savings is most likely achieved through the separation of eligible faculty in state-funded positions. However, the University may also consider eligible faculty in positions funded from other sources, if doing so meets its goals.

Please refer to this document for information concerning any rights and obligations faculty may have under the VSIP, as it shall govern the terms of the program, including eligibility, obligations and benefits.

DESCRIPTION

The opportunity for faculty to apply for participation in the VSIP is limited. The application period begins on October 6, 2014, and ends November 24, 2014. Approved faculty will be required to separate from their University employment on June 30, 2015 for annual twelve-month appointments and August 15, 2015 for nine-month academic year appointments ("Date of Separation"). Approved faculty will be required to sign a Separation Agreement with a release of claims. Additional information, including a template of the Separation Agreement, can be reviewed online at http://go.unl.edu/vsip2014.

In general, faculty who separate from University employment pursuant to the VSIP will each receive a lump-sum cash payment equal to 90% of the faculty member's annual base salary as of October 1, 2014, less federal and state withholding taxes and any other legally required reductions. Base salary is the annual budgeted salary for the faculty member, not including summer sessions, overloads or other one-time payments, such as professorships, or administrative or other stipends.

The VSIP is not an entitlement and any approvals under the VSIP must be consistent with the University's goals, including cost savings. Therefore, not every eligible faculty member's application to participate in the VSIP will necessarily be approved.

1 Includes faculty positions funded from Programs of Excellence (POE) funds.
1. VOLUNTARY PROGRAM

If eligible, faculty are encouraged to consider the program and determine if it is right for them; no one at the University may require a member of the faculty to apply, or prohibit faculty from applying, for the VSIP. The VSIP is completely voluntary. Nor are there any adverse consequences to one’s University employment should a member of the faculty decline to participate; non-participating faculty will be treated in the same manner as other similarly situated faculty with respect to future terms and conditions of employment.

2. ELIGIBILITY

A member of the faculty is eligible for VSIP only if he or she:

a) has a continuous appointment (tenure);

b) is 62 years of age or older at the Date of Separation; and

c) has completed at least ten (10) years of service upon the Date of Separation, as determined by the University’s Human Resources offices.

3. INELIGIBILITY

The following faculty are ineligible for VSIP:

a) Pre-tenure specific term/tenure track faculty;

b) Non-tenured faculty, e.g. Lecturers, Senior Lecturers, Extension Educators, Professors of Practice, Research faculty;

c) Medical, Veterinary or similar professional residents/interns;

d) Postdoctoral Research Associates;

 e) Faculty already party to a phased retirement agreement; and

f) Retirees.

4. VSIP APPLICATION PROCEDURE

Eligible faculty, who wish to separate employment and receive the payment and other consideration available under the VSIP, must download a VSIP Application Form at http://go.unl.edu/vsip2014. The application period for the VSIP begins on October 6, 2014, and ends on November 24, 2014. Applications submitted later than 5:00 p.m. on November 24, 2014, will not be considered.

Receipt of applications will be acknowledged by the Office of the Senior Vice Chancellor for Academic Affairs for the applicant’s campus. An applicant may withdraw his or her Application Form at any time before an executed Separation Agreement is submitted by the applicant. To withdraw an application, submit the Withdrawal Form, located at http://go.unl.edu/vsip2014. Withdrawal Forms must be hand-delivered or date stamped and mailed via US Postal Service on or before February 4, unless prior arrangements have been made with the SVCAA:

Office of the Senior Vice Chancellor for Academic Affairs
Voluntary Separation Incentive Program
A Withdrawal Form for an application sent by any other delivery method will not be accepted.

On or before December 8, 2014, VSIP applicants will be notified in writing whether or not their applications have been approved. If approved, the notification will include instructions on how to pick-up and execute the Separation Agreement.

5. **Timeline**

The timeline for the VSIP program is summarized below.

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
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</thead>
<tbody>
<tr>
<td>October 1, 2014</td>
<td>VSIP Program announced</td>
</tr>
<tr>
<td>October 6 – November 24, 2014</td>
<td>VSIP applications received</td>
</tr>
<tr>
<td>December 8, 2014</td>
<td>Notification of acceptance or non-acceptance</td>
</tr>
<tr>
<td>December 15-19, 2014</td>
<td>Faculty can pick-up the VSIP Separation Agreements in Senior Vice Chancellor for Academic Affairs office</td>
</tr>
<tr>
<td>February 4, 2015</td>
<td>Last day Faculty may return signed VSIP Separation Agreements</td>
</tr>
<tr>
<td>June 30, 2015</td>
<td>Faculty with 12-month appointments separate</td>
</tr>
<tr>
<td>August 15, 2015</td>
<td>Faculty with 9-month appointments separate</td>
</tr>
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6. **VSIP SELECTION CRITERIA**

While faculty are encouraged to consider the VSIP program, the University in its discretion reserves the right to limit the total number of participants for reasons, including but not limited to, preserving the viability of programs and services, as well as the integrity of financial resources. In the event an applicant is not accepted for the VSIP program, the University and the applicant (with the approval of the relevant Chancellor) may agree to an alternate, later Date of Separation, in order to preserve the viability of programs and services and/or the integrity of financial resources.

Decisions to fund any particular voluntary separation package, as well as the source of funds, will be made by the relevant Chancellor, in consultation with the faculty member’s dean and department head.

7. **VSIP INCENTIVE PAYMENT**
Each approved applicant, who submits (and does not revoke) an executed Separation Agreement, will receive a lump-sum cash payment equal to 90% of his/her annual base salary as of October 1, 2014, less required deductions. The base salary is the “9 months over 12” or 12-month faculty salary in effect at October 1, 2014, and does not include any other payments such as summer sessions, overloads, or other additional payments, such as professorship or administrative stipends.

The VSIP payment will be made on or before the Date of Separation; provided that no VSIP payment will be made before the Separation Agreement’s seven (7) day revocation period, described below, has passed.

8. MAXIMUM PAYMENT

The lump sum payment described above is the maximum VSIP payment available under this VSIP program. The payment may be coordinated with and reduced by the amount of any benefits related to disability benefits or any temporary total, temporary partial, or similar benefits based on a worker’s compensation claim to the extent permitted by law.

9. EMERITUS STATUS

The normal process for approving emeritus status and associated privileges will be followed, in accordance with campus procedures and applicable Regents policy.

10. INFORMATION REGARDING OTHER BENEFITS

Accrued and unused leave, as of the Date of Separation, shall be paid in accordance with those applicable University policies in effect for all employees. Any other compensation and all NU Flex benefits will terminate or cease at the end of the last month in which the faculty member receives salary, in accordance with the law and the University's policies, plans and procedures.

Faculty accepting a VSIP payment will be eligible to continue insurance coverage up to 18 months under COBRA, or purchase ongoing retiree coverage from the University. Employee and Dependent Scholarship benefits for dependent children will be continued in accordance with the general policies of the University's Employee and Dependent Scholarship Program.

11. FORFEITURE OF CONTINUOUS APPOINTMENT (TENURE)

Faculty, who apply and are approved to participate in this VSIP program, shall relinquish their continuous appointment (tenure) effective upon the Date of Separation.

12. INFORMATION TO BE FURNISHED

Upon request, faculty who apply for participation in the VSIP shall furnish the University with such documents, data or other information as the University considers necessary to administer the VSIP. Failure to so cooperate may jeopardize participation in the program.

13. SEPARATION AGREEMENT WITH WAIVER AND RELEASE

If a VSIP Application is approved, the applicant will receive an individual Separation Agreement for review and signature. The faculty member shall then have no fewer than 45 days to consider and
review the agreement. If the faculty member decides to sign the Separation Agreement, it must be then be delivered and received by the relevant campus's Office of the Senior Vice Chancellor for Academic Affairs, either delivered by hand or by mail via US Postal Service. The last day to deliver the signed Separation Agreement is February 4, 2015. Separation Agreements must be hand-delivered or date stamped and mailed via US Postal Service on or before February 4, unless prior arrangements have been made with the SVCAA:

Office of the Senior Vice Chancellor for Academic Affairs
Voluntary Separation Incentive Program
208 Canfield Administration Building
Lincoln, NE /68588-0420

The faculty member may revoke a submitted Separation Agreement on or within seven (7) calendar days of the date the faculty member signs the agreement. Revocation of the submitted Separation Agreement will constitute automatic withdrawal of the faculty member's application for participation in the VSIP. Revocation of the Separation Agreement must be clearly stated in writing, signed by the faculty member, and received by the Office of the Senior Vice Chancellor for Academic Affairs identified below.

Revocations must be hand-delivered or date stamped and mailed via US Postal Service to, unless prior arrangements have been made with the SVCAA:

Office of the Senior Vice Chancellor Academic Affairs
Voluntary Separation Incentive Program
208 Canfield Administration Building
Lincoln, NE /68588-0420

Revocations sent by any other delivery method will not be accepted.

If the faculty member does not revoke the submitted Separation Agreement on or within seven (7) calendar days of the date the Agreement is fully executed, the faculty member's employment will end on the Date of Separation, and payment will be made in accordance with the VSIP and the Separation Agreement.

14. RECOMMENDATION OF ATTORNEY REVIEW

Pursuant to the Older Workers' Benefit Protection Act of 1990 and the Age Discrimination in Employment Act, eligible faculty are advised to contact an attorney at their own expense to discuss the VSIP and to review the Separation Agreement. Faculty may similarly contact a tax advisor, if they so desire.

15. RECOVERY OF VSIP PAYMENTS MADE BY MISTAKE

An eligible employee shall return to the University any VSIP payment or other consideration, or portion thereof, made by a mistake of fact or law or paid contrary to terms of the VSIP.

16. VSIP BENEFICIARY PAYMENTS
The Separation Agreement will provide for a beneficiary designation. If a faculty member dies prior to receiving the VSIP payment, the entire VSIP payment will be made to the beneficiary.

17. REPRESENTATIONS CONTRARY TO THE VSIP
No employee, officer, director or agent of the University has the authority to alter, vary or modify the terms of the VSIP, except by means of an authorized written amendment to the VSIP approved by the relevant campus’s Vice Chancellor for Business and Finance. No verbal or unauthorized written representations or amendments shall be binding upon the University.

18. NO EMPLOYMENT RIGHTS OR CONTRACT
The VSIP shall not confer employment rights upon any person. No person shall be entitled by virtue of the VSIP to remain employed by UNL.

If a complaint is filed, pursuant to the Bylaws of the Board of Regents and the processes establish by the relevant campus to terminate the applicant’s continuous appointment, prior to the VSIP Date of Separation, the VSIP payment is suspended until the complaint is finally resolved. If termination is approved, no VSIP payment will be made.

19. APPLICABLE LAW
The VSIP shall be governed and construed in accordance with the laws of the State of Nebraska, without reference to its conflicts of law provisions.

20. SEVERABILITY
If any provision of the VSIP is found, held or deemed by a court of competent jurisdiction to be void, unlawful or unenforceable under any applicable statute or other controlling law, all of the remaining provisions of the VSIP shall continue in full force and effect.

21. NONDISCRIMINATION STATEMENT
It is the policy of the University not to discriminate on the basis of sex, age, disability, race, color, religion, marital status, veteran’s status, national or ethnic origin or sexual orientation in its educational programs, admissions policies, employment policies, financial aid, or other school-administered programs.

22. END OF THE PROGRAM
The University will terminate this VSIP when all VSIP payments due hereunder have been made; provided that the University in its discretion may extend the program should it determine that doing so is in its best interests.

23. QUESTIONS REGARDING THE VSIP
The relevant Chancellor for participating campuses shall have the discretionary authority to determine eligibility for the VSIP payment and other consideration and to construe the terms of the VSIP, including the making of factual determinations. The decisions of the Chancellor shall be final
and conclusive with respect to all questions concerning the administration of the VSIP on his campus. Questions or concerns regarding this program should be directed to:
24. DISPUTES REGARDING THE APPLICATION OF THE VSIP

Faculty may request reconsideration of a VSIP decision by contacting the Office of the Senior Vice Chancellor for Academic Affairs on their campus. In order to be considered, any reconsideration request must be in writing and hand delivered or sent by the US Postal Service postmarked no later than thirty (30) calendar days from the date of the occurrence of the matter giving rise to dispute or disagreement, or within thirty (30) calendar days after the faculty member, through the use of reasonable diligence, could have obtained knowledge of the occurrence of the matter giving rise to the dispute or disagreement. Requests for reconsideration sent by facsimile, electronic mail, or campus mail will not be accepted.