



Reduction in Force and
Separation Policy
Updated January 2018



POLICY

A Reduction in Force (RIF) occurs when changing priorities, budgetary constraints, or other business conditions require the Diocese of Orlando or an entity of the Diocese to abolish positions.

I. Selection for RIF

NON-CONTRACT EMPLOYEES

A reduction in force decision requires an evaluation by the **Diocesan Office of Human Resources** in collaboration with the appropriate pastor or administrator. It is based on the need for particular positions and the relative value of work performed by specific employees in order to continue to provide quality service with a reduced work force. Determining the retention or separation of an employee includes an evaluation of the relative skills, knowledge, and productivity of the employee in relationship to necessary services required. Length of service and other factors are also considered but receive less weight in the determination. The Diocese of Orlando determines priority for reduction in force within an entity using the following guidelines:

- A.** Temporary employees performing the same work must be terminated before any employee with a probationary or regular appointment, provided that a probationary or regular employee can perform the temporary employee's tasks.

- B.** Reduction in force of permanent employees is based on the following factors
 - 1.** Which positions are most vital to the diocesan entity in the delivery of services;
 - 2.** Relative skills, knowledge and productivity of each affected employee
 - 3.** Length of service of employees

CONTRACT EMPLOYEES (Schools)

Circumstances necessitating a RIF for contract employees within a school are limited to a decline in enrollment during the term of the contract. A RIF decision concerning contract workers may result, after a collaborative review by the School Principal and the Superintendent of Catholic Schools, in consultation with the Human Resources Office.

The selection of affected contract employees in a RIF is based on the same factors as those of non- contract employees (Section I, B), with the addition of possession of appropriate teaching certifications

II. RIF Procedure

NON-CONTRACT EMPLOYEES

Pastors or Administrators of the Diocese of Orlando who have ascertained a legitimate need to reduce the number of regular and/or probationary employees must contact the Office of Human Resources prior to taking any action. No employee will be approved for release until the Office of Human Resources reviews and verifies the need for the proposed action with the management of the respective entity.

Dependant on the scope of the RIF, Human Resources may require the entity administration to participate in a detailed analysis of its current workforce. This analysis will consist of the names of all staff members, job titles, length of service, relative skills and knowledge, performance history, prior work experience, and educational background.



Upon the successful completion of the analysis and verification of the need for a RIF, Human Resources will assist management with the process of formally notifying affected employees.

CONTRACT EMPLOYEES (Schools)

Principals of the Diocese of Orlando must notify the Superintendent of Catholic Schools of the need to reduce the professional staff. After that initial notification, principals will be required to take the following steps:

- A.** The principal determines critical teaching positions for the current school year. A critical teaching position is one that is determined to be essential due to the needs of the students and the school's instructional program.
- B.** The principal then determines which teachers might continue in, or be offered different positions, based on the credentials, experience and performance of the teachers.
- C.** Preference in employment decisions may be given to practicing Catholics and/or to teachers who have fulfilled the required courses/continuing education units in Catholic theology/religious education.
- D.** After the principal evaluates employment decisions and before communication with employees who may be affected by the proposed RIF, the Principal and Superintendent will collaborate with Human Resources in a review of the RIF.
- E.** Dependent on the scope of the RIF, Human Resources may require the school administration to participate in a detailed analysis of its current workforce. This analysis will consist of the names of all instructional personnel, job titles, length of service, relative skills and knowledge, performance history, teaching credentials, prior work experience, and educational background.
- F.** Upon the successful completion of the analysis, verification of the need for the RIF and the selection of the appropriate affected contract employees, Human Resources will assist management with the process of formally notifying affected employees.

III. General Notes (CONTRACT AND NON-CONTRACT EMPLOYEES)

- A.** All employee notifications are to be conducted in person. If for some reason other arrangements must be made, Human Resources must be contacted prior to the notification.
- B.** The RIF action is not a "layoff;" all employee release actions are to be considered final. There are no "recall" provisions. No promises of re-employment should be made.
- C.** Pending (or post) RIF actions are not to be discussed with anyone who does not have a direct "need to know."
- D.** Severance pay may be paid to eligible employees based on the financial circumstances of the entity at issue. If severance is paid, it will be paid in accordance with this Policy.



- E.** Employees being released may receive severance only if the employee signs and returns his/her General Release agreement and all diocesan property. The format for the General Release is available in the Human Resources office.
- F.** Determination of severance, if paid, is based on tenure and must comply with this Policy as outlined in Section IV.
- G.** It is a manager's/supervisor's responsibility to insure ALL diocesan property is returned prior to the release of severance.
- H.** Elimination of a position according to the procedures of this policy does not meet the criteria for the employee's access to the Diocesan Review Panel.
- I.** Human Resources will make available to affected employees any known open positions in other Diocesan entities upon request of the employee.

IV. Severance Pay

Severance pay may be available for an eligible employee as determined in accordance with this Policy.

A. Calculating Severance Pay

Severance pay, if paid, is based on the employee's length of service in the Diocesan entity where currently employed. The employee will be required to execute a General Release Agreement, which releases the Diocese of Orlando from any and all claims and to return all Diocesan/entity property. Payment is made according to the entity's normal payroll procedure. Payment of severance is discontinued once an offer for re-employment within any entity in the Diocese of Orlando is made.

B. Years of Service

Less than 1 year
1 but less than 5 years
5 but less than 10 years
10 but less than 20 years
20 or more years

Payment

Up to 1 week base salary
Between 1 and 2 weeks base salary
Between 2 and 3 weeks base salary
Between 3 weeks and 1 month base salary
Between 1 and 2 months base salary

C. When Severance Does Not Apply

1. When a reasonably comparable position is available and offered;
2. Completed contracts are not renewed due to a RIF; however, if a contract employee is affected by an RIF in mid-contract year, severance policy applies; and
3. When the financial circumstances of an entity are in jeopardy; however, the entity is required to consult the Diocesan offices of HR and Finance before a determination not to pay severance is made.



Direct Deposit Enrollment

Severance payments, as well as any vacation payout due, will continue to be directly deposited into the bank account currently designated. Unused sick days are not compensated at the time of termination of employment.

V. Other RIF Benefits

A. Unemployment Compensation

Employees separated due to reduction in force are eligible to collect unemployment compensation provided they meet the normal eligibility requirements. The Diocese of Orlando does reserve the right to contest claims filed by an employee who has been separated from employment under this Policy and is not actively seeking employment, or who has refused to accept a comparable position.

B. Leave Balances

1. Vacation Leave – Accrued vacation leave is paid to the employee at the time of separation.
2. Sick Leave – Unused sick days are not compensated at the time of termination of employment.

C. Health Insurance Coverage

For those employees who are benefits eligible at the time of separation, health, dental and life insurance coverage will continue until the last day of the month of the termination. The Diocese of Orlando is exempt from COBRA regulations.

D. 403(b) Savings and Retirement Plan

Upon termination, a lay employee currently participating in the 403(b) Plan may either roll his/her funds into an IRA or other qualified retirement program, or leave his/her funds in the Diocese's 403(b) Plan for a nominal annual fee. The employee may also choose to withdraw his/her funds directly from the 403(b) Plan, but the distribution will be subject to taxes and may be subject to an early withdrawal tax penalty depending on the age of the participant.

For more information regarding the 403(b) Plan account, Certified Financial Group should be contacted directly at (407) 869-9800.

Initiated: December, 2008

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