



Guidelines for the Elimination of Severance Pay for Non-Bargaining, Management and Professional, and Senior Administrative Management Employees

- 1) These guidelines come into force on Jan.1, 2020.
- 2) A permanent or contractual employee who was appointed prior to Oct. 1, 2004, and who has nine or more years of continuous service in the employ of the university immediately prior to Jan.1, 2022, is entitled to be paid, or in the event of death paid to the employee's estate, severance pay equal to five days' pay for each year of service, up to a maximum of 100 days' pay.
- 3) For the purpose of this article, periods of long term disability or other periods of authorized leave without pay are regarded as service when determining the nine year entitlement threshold. Periods of long term disability and authorized leave without pay up to a maximum of 52 weeks shall be counted as service in the calculation of the severance payment amount.
- 4) The maximum severance pay which an employee shall be paid for their total period of employment with the university shall not exceed 100 days' pay.
- 5) The effective date of these guidelines shall be Jan. 1, 2020. Notwithstanding that employees may elect which quarter of the 2022 calendar year to receive their severance payment, the rate of pay, service for severance entitlement and position used shall be that on Dec. 31, 2021. Where an employee is on long term disability or an approved leave of absence, the position and rate of pay at the date of long term disability or date of leave of absence shall be used.
- 6) The calendar year commencing Jan. 1, 2022 shall be divided into four quarters:
 - Jan. 1, 2022 to March 31, 2022
 - April 1, 2022 to June 30, 2022
 - July 1, 2022 to Sept. 30, 2022
 - Oct. 1, 2022 to Dec. 31, 2022
- 7) An employee shall notify the university in writing and no later than Jan. 31, 2022, in which quarter they wish to receive their severance entitlement. Furthermore, the employee shall indicate in their written notification if they wish to transfer all or a portion of their severance entitlement to an RRSP. Transfers to an RRSP are subject to the rules and regulations set out by the Canada Revenue Agency. Where an employee fails to indicate their desire to transfer to an RRSP, they shall receive their full severance entitlement in the final quarter as a lump sum cash payment, subject to the normal statutory deductions. The university will use its best efforts to accommodate payment in the quarter chosen by the employee.

- 8) Effective Jan. 1, 2022, there shall be no further accumulation of service for severance pay purposes.

Early Payout of Severance Prior to Jan. 1, 2022

Employees who are entitled to severance benefits under these guidelines may, at their option, request an earlier payout of severance prior to Jan. 1, 2022. The university will use its best efforts to accommodate payment as soon as practicable following receipt of the request. In such cases severance will be calculated based upon the employee's position, rate of pay and service accrued to the date of payment. Future service accrual and/or salary increases will not be anticipated to Dec. 31, 2021, in the calculation of the amount of an early severance payment.

Note - Timing of an Early Payout

The payment of severance to certain unionized employees is underway and will take precedence over an early payout to non-bargaining, management and professional, and senior administrative management employees. Best efforts will be used to accommodate requests for an earlier payout, however, the timing of when a payment is made cannot be guaranteed.

Deferral of Severance to Retirement Date

Employees who are entitled to severance benefits under these guidelines may, at their option, request a deferral of the severance payment to their retirement date. In such cases severance will be calculated based upon the employee's position, rate of pay and service accrued at Dec. 31, 2021.