A reduction in force is an action to downsize the University's work force or a unit within the University. Such actions are taken only after examining all other available alternatives. When normal attrition does not produce the desired results and no other measures seem feasible, the University may terminate the employment of permanent employees subject to the State Personnel Act.

Reduction in force will not be used as a means to circumvent the disciplinary process; however, overall performance as evaluated in the performance management evaluation process will be a factor in determining the order of layoff.

**Basis for a Reduction in Force**

The following are permissible reasons for a reduction in force:

1. Reorganization of positions within the unit which materially changes the nature of one or more positions
2. Abolishment of a filled position
3. Material change in duties assigned to a position
4. Lack of work
5. Cancellation or termination of grant or contract
6. Shortage of funds

**Identifying Employees for Reduction in Force**

For the purpose of determining which employee(s) will be adversely affected by a reduction in force, comparisons will be made between employees within the same division, with the same career banded classification and same competency level.

**Reduction in Force Plan:**

A RIF plan will be developed by each division head that identifies which positions are to be eliminated and the current career banded classification and competency level assigned to each of those positions. In addition, the type of appointment (probationary, temporary, full time, part time, time limited or trainee), funding source, and relative efficiency (PMP's for the last three years and any other actions in the official personnel file in HR) will be included in the RIF plan. The completed RIF Plan will be forwarded to the Associate Vice Chancellor of Human Resources (or designee) a minimum of six weeks before the date that the notification letter of lay off will be sent to employees in positions that are to be eliminated.

Prior to laying off employees of the university, HR will review vacancies university wide in an attempt to place employees (who occupy positions that are to be eliminated) in similar or related banded vacant positions. The AVC for HR will conduct a comparative analysis before determining the actual person(s)
whose employment will be terminated as a result of the divisional RIF Plan. The analysis will begin with a
review of the following factors in descending priority order:

1. **Type of Appointment**
   Permanent employees will be retained over temporary, probationary, and trainee employees in positions that
   have the same career banded classification and same or lower competency level within the same division.
   Trainees are defined for purposes of the RIF policy as employees in their initial six months of training.

2. **Relative Performance**
   Reduction in force often results in fewer employees to perform the same work tasks. Therefore, in the
   interest of efficiency, the better performers should be retained. Performance management evaluations
   should be compared. Those whose evaluations consistently show higher ratings will be given preference
   over those whose performance shows lower ratings. The performance management evaluations for the past
   three years, if available, will be considered in determining relative performance. In addition, all personnel
   actions, that are part of an employee's official personnel file, will be given consideration when determining
   relative performance for purposes of lay off.

   Full-time permanent employees with documentable specialized skills that are deemed by the appropriate
   Vice Chancellor to be necessary to the effective operation of a department may be exempted from layoff. An
   Assessment of Need for Specialized Skills (Attachment A) form must be initiated by the department head and
   approved by the Associate Vice Chancellor of HR. The Department of Human Resources will review all
   specialized skills requests prior to forwarding the request for final approval by the Chancellor/Provost/Vice
   Chancellor.

3. **Adverse Impact Analysis**
   The Associate Vice Chancellor for Human Resources (or designee) will perform an Adverse Impact Analysis
   based on the University’s Affirmative Action Plan. If the effect is negative, discussion will be held with the
   Vice Chancellor or Provost regarding how this problem will be addressed in the future to compensate for the
   action taken.

4. **Length of Service**
   Total length of service with state government will be considered in determining which employees are to be
   separated. Years of service may become a differentiating factor in the separation decision, particularly in
   instances where other retention criteria are equivalent. Employees who are eligible veterans shall be
   accorded one year of state service for each year or fraction thereof of military service, up to a maximum of
   five (5) years credit.

   The above factors will be considered in turn, beginning with the type of appointment. The boundaries for
   conducting this analysis will be the division of the targeted position.

   The effect of this analysis is that the incumbent in the targeted position may not be the person removed by
   the reduction-in-force action. Another employee may be removed instead, with the opening in the retained
   position to be filled by the employee who formerly occupied the targeted position. The incumbent in the
   position to be eliminated in a RIF situation may be given the option to accept the RIF and take advantage of
   the severance salary and priority re-employment consideration policies, or to accept placement in a different
   position within the division or university as proscribed by this policy.

   Following review of each division’s RIF Plan, the Associate Vice Chancellor will review all the steps toward
   selection of the person to be separated and general compliance with this and Office of State Personnel’s RIF
   related policies. The Associate Vice Chancellor communicates the final outcome of the RIF Plan by a
   confidential letter to the division head. The outcome will include a list of the employees who will actually be
   laid off after the RIF analysis has been completed and the costs associated with the projected layoffs and a
   copy of the sample letter that must be provided to each employee regarding his/her RIF rights.

**Notice to Affected Employees**

Affected employees are to be notified as soon as possible after approval for the decision regarding who will be laid off
is received. The employee must be given a minimum notice of thirty (30) calendar days in writing. The letter must
contain the reasons for the reduction in force, date of separation, his/her eligibility for priority reemployment
consideration, appeal rights, and other benefits available. Other issues, including priority reemployment consideration, severance salary continuation, continuation coverage of health benefits, retirement options, and any other benefits available will be covered by a representative of the Department of Human Resources in a separate meeting.

Rights of Employee

Once the employee has been notified of separation because of a reduction in force, he/she is eligible to receive benefits described below:

1. A permanent full-time or part-time (20 hours per week and over) employee who does not obtain another permanent job as a state employee by the effective date of the reduction in force may be eligible for severance salary continuation when separated. This provision does not apply to employees whose reduction in force is not considered permanent; that is, employees who are reduced in force on a temporary or seasonal basis with the expectation that they will return to work within twelve months. Payment is based on total state service supplemented by an age factor. The “Severance Salary Continuation Policy” is administered by the Department of Human Resources.

2. Permanent employees notified of reduction in force are eligible to receive priority reemployment consideration for a period of twelve months from the date of notification. Prior to the commencement of the actual lay off date and following the notification of lay off, the employee will be offered any available vacant position with a career banded classification and competency level equal or below the position held at the time of notification, provided the employee meets the qualifications for the position and can perform the job in a reasonable length of time, including normal orientation and training given to any new employee. Policy on Priority Consideration (after 7/1/11)(.pdf) is administered by the Department of Human Resources.

3. A career state employee who is separated due to reduction in force can appeal through the campus grievance procedure or directly to the State Personnel Commission only upon the following two grounds: (1) that the reduction in force was in retaliation for the employee’s opposition to alleged discrimination on account of the employee’s age, sex, race, color, national origin, religion, creed, political affiliation, or handicapping condition as defined by Chapter 168A of the General Statutes or (2) denial of the veteran's preference granted in accordance with Article 13 of Chapter 126 of the North Carolina General Statutes for an eligible veteran as defined by G.S. 126-81.

4. A career employee will receive specific benefit information from the Department of Human Resources.

5. Career employees, who are subject to RIF, may have their accrued sick leave reinstated should they be reemployed in any state agency within five years from the date the RIF takes effect.

6. Career employees may have up to one year's state portion of their medical plan premium paid by the University beginning with the official date of lay off and may continue to participate in the State Health Plan by paying the full premium on an indefinite basis. Contact the benefits supervisor in HR (334-5009) for further details.

Responsibility for Administration

The Department of Human Resources has responsibility for administration of this policy and all other policies referenced herein, including the Severance Salary Continuation Policy, the Policy on Priority Consideration (after 7/1/11)(.pdf) and the Grievance Policy and Procedures for Staff Employees. Employees and supervisors can obtain information and assistance in understanding and implementing these policies from the Department of Human Resources.