

## ARTICLE 27: SEVERANCE

### A. General Provisions

Employees who are laid off from employment for an indefinite period are eligible for severance payments in accordance with the following provisions.

### B. Definitions

The following definitions shall apply for purposes of severance payments.

#### 1. Continuous Service

Service is continuous if an employee is on Laboratory pay status each month without a break in service or is on approved leave without pay. Continuous service is reestablished when an employee is recalled from layoff.

#### 2. Equivalent Job

An equivalent job is any permanent position within the Laboratory at a beginning salary at least equal to the salary paid the employee in the job from which that employee was laid off, regardless of salary range.

#### 3. One (1) Week's Pay

One (1) week's pay for hourly rated employees is defined as the basic hourly rate x 40 hours or the specifically approved workweek. This rate excludes all forms of ancillary or special assignment pay.

### C. Severance Payment Calculations And Methods Of Payment

#### 1. Calculation

The severance payment will be made in an amount equal to one (1) week's pay for each year of continuous full-time equivalent service (a fractional year of full-time service of six (6) months or more is counted as one (1) year of service), not to exceed a total of twenty-six (26) weeks pay.

#### 2. Method of Payment

An employee receiving severance will receive a lump-sum payment at time of termination.

### D. Limitations

#### 1. Layoff

Severance payments will not extend the period of employment beyond the date of termination due to layoff.

#### 2. Previous Service Payment

Severance payments made to an employee will not include payment for any period of service for which the employee has previously received such payment.

### **3. Exceptions**

Severance payment will not be made to any employee who terminates for any reason other than layoff, with the following exceptions.

- a. An employee who resigns after receiving formal notification of layoff but prior to the effective date of layoff will be provided severance payments.
- b. Subject to management approval, an employee who resigns in lieu of another employee in an equivalent position who would have been laid off will be provided severance payments on request.

### **E. Reemployment**

Should an individual who has received severance payments be rehired by the Employer before the expiration of the number of weeks for which the employee has received severance payments, the amount of the balance shall be credited as an advance on earnings.