



REDUCTION IN FORCE AND SEPARATION POLICY

POLICY

While every effort is made to avoid reduction in force actions, the Archdiocese of Miami recognizes that there are times when conditions require a planned reduction in force – reducing the number of positions and therefore, staff -- in order to adjust to economic downturns, fiscal constraints, assessed needs or a shift in the Archdiocese's organizational strategy to carry out its mission. The Archdiocese recognizes and complies with the applicable stipulations of federal, state and local legislation regarding reduction in force procedures. Additional procedures required by the Office of Schools may be applicable for educational personnel serving in the schools.

I. PROCEDURES

A. Proposal for Reduction In Force

The decision for reduction in force ("RIF") must be made in consultation with the Archdiocesan Office of Human Resources and the approval of the Chancellor for Administration. In addition, the Superintendent of Schools must be consulted in any RIF involving a school. The Human Resources Office will provide assistance and guidance with evaluation of the organizational needs and the appropriateness of the proposed measures to address the needs.

The rationale for undertaking the decision of reduction in force should be one or more of the following:

- Economic necessity of the organization (Archdiocese, parish, entity)
- Change in strategy resulting in the closing or loss of funding of a ministry or program
- Consolidation of job functions or streamlining of processes
- Outsourcing of job functions

The pastor, principal or director of the office intending to carry out the RIF will submit a proposal that:

1. Articulates the justification for the RIF;
2. Indicates criteria for selection of positions and/or employees who stand to lose their jobs (*see "C", below, for procedure on selection criteria*);
3. Lists the positions that are to be eliminated and the names, and ages of employees whose positions may be in jeopardy;
4. Quantifies the savings in financial cost or other resources that the job eliminations will accomplish;
5. Indicates how the work will be redistributed among staff or outsourced vendors (if the Office itself is not closing), including updating job descriptions to reflect re-tooled jobs;
6. Indicates how the parish, school or Office will maintain effectiveness and efficiency after the reduction in force is carried out (if the office or entity itself is not closing). This includes a strategy for re-engaging and supporting those affected by the departure of their colleagues / co-workers.

B. Review of Proposal

The proposal for the reduction in force should be reviewed by the Chancellor for Administration/Chief Operating Officer with respect to the Pastoral Center, the parish finance council with respect to the parish or the board of directors for applicable entities. All proposals



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should be reviewed by the Senior Director of Human Resources who will consult, as needed, with the Chancellor for Administration/Chief Operating Officer.

1. After reviewing the proposal, the responsible individuals, finance council, or board should document (i.e., in their meeting minutes) the review and their subsequent approval, recommendations and requests for additional information, or decline of the proposed RIF.
2. The Senior Director of Human Resources will analyze the proposed RIF and its effect on selected positions and individuals, for objectivity, consistency/precedent and potential adverse impact on groups of people with special protections under federal, state and/or local law.

C. Selection Criteria

The office, parish or school carrying out the RIF will establish clear, objective criteria to determine which jobs and who among the employees, are selected for position elimination.

1. Selection criteria relative to job will rank positions most essential to performing the duties and/or providing the service required to meet strategic objectives, and slate the least integral for elimination.
2. Selection criteria relative to person may be either:
 - a. Length of service, or seniority in the position considered for elimination;
 - b. Education, certification, licenses or other expertise required to carry out responsibilities;
 - c. Job performance
 - Please note that employee performance may be used as criterion for selection only in cases where the employees' performance has been evaluated or appraised, and documented.
3. The Office of Human Resources may require the list of selected employees and corresponding positions to include additional data such as age, length of service, race, national origin, job-related knowledge and skills, documented performance record, or other data deemed necessary for objective analysis.

D. Communication

A systematic plan for communication of the RIF should be developed at the same time that the RIF decisions above are being taken.

1. A RIF may involve large numbers of employees, whole offices or departments, or one or two employees. Communication strategy depends on the numbers of employees affected.
2. The parish, school or Office should consult with the Senior Director of Human Resources as to what, if any, advance notice is recommended or required.
3. Any RIF resulting in the downsizing of significant numbers of employees should plan advanced-notice communication. Such a RIF may require additional procedures under the WARN Act, designed to protect a local economy and labor market from the domino effect of significant numbers of newly-unemployed persons in the local demographic. The Senior Director of Human Resources will advise the pastor, principal or Office director of any additional communication requirements, including the need to consult the Archdiocesan Communications Office for assistance.
4. The content of the communication should include:
 - a) The rationale for the RIF decision,
 - b) Which jobs were selected for elimination and why,
 - c) When the event will take place,
 - d) How the procedures will be carried out, and



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- e) What assistance may be available for affected employees.
5. The focus of the rationale in any communication should be kept on the organizational need, and not the individual employee or her/his performance. The manager will need to communicate the selection process so that the employee understands that an objective and fair procedure was applied in selecting employees who would lose their jobs.
6. All matters regarding the RIF should remain confidential and involving only those on a need-to-know basis, until the plan has been approved.
7. All employee notifications must be made in-person unless granted an exception by the Senior Director of Human Resources for serious reasons. The Human Resources Office can provide assistance on best practices for conducting the notification meeting.
8. The manager or director conducting the notification should have another member of management or a neutral party present at the meeting.

E. Separation Agreements and Release

Every effort will be made to offer affected employees any comparable, open positions elsewhere in the entity or other entity within the Archdiocese. Should no comparable position be available or would cause undue hardship to take, the Archdiocesan parish, school or Office may issue severance pay as a monetary cushion to eligible employees, if the Pastoral Center or parish is in a position to absorb this financially.

1. Severance pay must be part of a conditional agreement in which the employee's signature releases the Archdiocese of any claims, the employee returns all Archdiocesan property, agrees to confidentiality where indicated, and other possible conditions. The Human Resources Office will provide required language for the Separation Agreement.
2. The Separation Agreement and Release action is governed by federal law regarding timing of transactions. The Senior Director of Human Resources must approve the document prior to finalization. The document should be signed and dated by the director, pastor or supervisor prior to issuing the agreement. Affected employees are encouraged to consult with an attorney prior to signing the agreement.
3. Determination of severance pay is based on tenure in the entity where employed and status (temporary employees, for example, are not entitled to severance pay) and must comply with this Policy as outlined in section F.
4. The RIF is not a layoff or furlough; it is a final action and there are no promises of re-employment.
5. Employees who sign a separation agreement and release upon an involuntary RIF must forfeit any remaining severance pay upon re-employment at any Archdiocesan entity, including parishes, schools, Catholic Health Services, St. Thomas University, Catholic Charities, Radio Paz or other organization sponsored by the Archdiocese of Miami..
6. In the event that a school experiences an unforeseen increase in enrollment before the start of the upcoming academic year and thus needs to reinstate a position eliminated at the end of the prior school year, the job must first be offered to the former employee whose position was eliminated.
7. The separation packet should include frequently-asked-questions and contact information for providers of employee benefits, and Agency for Workforce Innovation
8. Employees offered a voluntary separation package (*see section I.A., above for reference*) will not be eligible for re-hire with the Archdiocese for one year upon effective date of separation.

F. Severance Pay and Benefits



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Any severance pay issued to the employee is calculated using length of service in the Pastoral Center, parish or entity where currently employed. One week of severance is paid for each year of service in the place of current employment. Parishes, schools, and entities with limited funds and long-term employees may limit the severance to three months of pay according to consistency of practice. For contracted school personnel with a signed contract for the following school year, who are notified of the RIF before the last day of the school year, severance will be paid only to those employees with more than five years of service.

1. Severance is generally paid with the regularly scheduled payroll and through direct deposit or check into the separated employee's bank account. The Archdiocese will generally not issue hard-copy checks outside of the regularly scheduled payroll.
2. The unused accrued vacation leave, calculated according to the Archdiocesan policy at the time of the separation, will be paid to the employee in the next payroll period.
3. Sick days are not compensation; unused sick days will not be paid out. Although the Archdiocese of Miami is exempt from COBRA regulations governing continuance of health benefits, after an RIF the Archdiocese may provide a continuation of health benefits up to the end of the third month following the date of separation for those affected employees who had been enrolled in health insurance at the time of separation.
4. Dental benefits, if the employee participates in the dental plan, will remain through the last day of the month in which the date of separation occurs.
5. Life insurance will terminate at 11:59 p.m. on the date of separation. [or end of the contract, in the event of instructional school personnel].
6. At the time of separation, any lay employee currently participating in the 403(b) plan may roll the funds into another qualified retirement program or leave them in the Archdiocesan 403(b) plan for a nominal annual fee. Entity matching funds, however, will be discontinued upon the effective date of termination, and not applied to any severance payments. Any withdrawal of funds would be subject to the same penalties and taxes as normal procedure.

G. Notification of Affected Employees and Supervision of Exit

The notification of employees whose positions will be eliminated must be coordinated with the Office of Human Resources.

1. The pastor, principal or most senior member of the entity will have coordinated the disabling of access to software programs, e-mail accounts, databases and any other sensitive and confidential data, prior to the meeting. Paper files and documents should be appropriately secured. (*See form HR-50, RIF Checklist*)
2. The pastor, principal or most senior member of the entity will conduct the meeting with another senior member of the entity or a member of the Office of Human Resources. This individual should be an employee, rather than a volunteer Board member, Finance Committee member or parishioner. Generally, if more than one position is to be eliminated, the Senior Director of Human Resources will be present. The Superintendent or Associate Superintendent of Schools may also be present in the event of a school RIF.
3. Generally, in the event of an involuntary separation, the RIF notification will happen on the employees' last day. The separation agreement and releases must be given to the employees at the exit meeting.
4. In the event that the affected employees will be notified on a day other than their last day (and this only with the approval of the Senior Director of Human Resources) the separation agreement and releases will be given to the employees on their last day.



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5. Exiting employees will be instructed to take the agreements home and review, preferably in consultation with a legal professional, before signing and returning them.
6. The exit of the employees will be supervised, assisted and carried out in the most dignified manner, respecting the heightened sensitivities that these difficult circumstances will bring.
7. Employees will be asked to take home any personal belongings and may return at a later date in the very near future to collect the rest of their belongings. The return to the office and collection of belongings will be supervised in a sensitive manner and ideally during off-hours.
8. Keys and other access devices will be collected at the time of termination.

H. Managing and Supporting Employees Whose Positions Are Not Eliminated

Immediately upon notifying affected employees of their pending job elimination, a manager needs to meet with those employees whose positions have not been eliminated, to explain the RIF action.

1. The meeting should address the following points:
 - a. The rationale for the RIF decision;
 - b. Which jobs were selected for elimination and why;
 - c. When the event occurred;
 - d. How the procedures were carried out;
 - e. What assistance was offered (generally speaking, for example, “a package”);
 - f. That the separating employees were treated with dignity and respect;
 - g. The confidentiality of any details for the purpose of respecting the dignity of the departing employees
2. The manager should explain how the work will be reassigned and, if applicable, indicate that new job descriptions are in the process of being drafted.
3. Employees who remain will need some reassurance that there is a future for them and their jobs. The manager should not make any guarantees, but should communicate the vision of the future and offer an open-door policy to address any concerns or questions employees may have.
4. Office directors and managers should increase frequency of communication with their employees after the RIF has taken place; remaining employees often misinterpret words or gestures in the context of the RIF event.
5. Reference to separated employees should always be made with dignity and respect, and the manager should ask the same of the remaining employees.

Initial: August, 2012

Current: August, 2015