

Reduction in Force (RIF)
and
Severance Salary Continuation/Discontinued Service Retirement (DSR)

General Guidelines:

- ❖ Reduction in force is NOT an employee’s decision; it is a management decision.
- ❖ Management must make decisions as to the persons who will be reduced in force based on the agency’s RIF plan.
- ❖ Any eligible employee who is part of a reduction in force that results in “economies in the State Budget” is eligible for severance, provided reemployment is not available.
- ❖ Generally, as a starting point, to qualify as an “economy to the State Budget” the reduction in force should result in the abolishment of a position(s) and a subsequent reduction in the agency’s position count. The State Budget Officer, in determining whether an employee is entitled to severance, will consider actual reductions in position count.
- ❖ If the General Assembly targets a position for abolishment, they reduce the state budget by the amount of money budgeted for the position, thus creating an “economy to the state,” so an employee who is separated is eligible for severance provided reemployment is not available.
- ❖ Payment of severance must have prior approval from the State Budget Officer.
- ❖ While the State does have the obligation to pay severance in certain circumstances, the State does not have to pay a discontinued service retirement allowance.

Note: Please refer to the [Reduction in Force Policy](#) and the [Severance Salary Continuation Policy](#) for additional guidance.

Steps to follow when a RIF is necessary:

1. Complete the following forms:
 - a. RIF Plan (including pre and post Adverse Impact);
 - b. RIF Plan Checklist;
 - c. RIF Severance/DSR Pay Request form; and

d. DSR Form (if applicable, from the Retirement System)

2. Scan and save documents as two (2) .pdf files with the below naming convention:

File # 1: RIF Plan and RIF Plan Checklist

RIF-Date-EE LastName

EX: RIF06302017Smith

File #2: RIF Severance/DSR Pay Request Form and DSR Form, if applicable

SEV-Date-EE LastName

EX: SEV06302017Smith

3. Use the below link to submit the file to OSHR

<https://app.smartsheet.com/b/form/104f20b01d104d8e8a606044f8b5a24b>

Note: *An automatic email will be sent to the email address of the submitter upon approval of the RIF Plan and payment request.*

After receipt of an approval,

4. Notify Employee*

5. Initiate Separation Pay Continuation/RIF Severance payment**

6. Submit employee information within 30 days of RIF notification to OSHR

* To ensure timely notification, please allow 15 days for processing.

** *Agencies in the HR/PR Integrated System are not required to route PCRs to OSHR for approval, but must attach the approval documents to the PCR.*