



UNIVERSITY HUMAN RESOURCES

Layoff FAQs **Regular Nonexempt and Exempt Employees**

What determines a layoff or reduction in time?

Indefinite layoffs and reductions in time for staff are implemented when there is a lack of funds, lack of work, or a reorganization that results in the elimination of a position or a reduction in time of a position.

Is a reduction in time considered a layoff?

Yes. If a staff member's time (FTE) is involuntarily reduced, it is considered a layoff, and the employee is entitled to layoff rights as specified in the appropriate staff policy.

Who makes the determination of what positions are proposed for layoff?

The department head determines when layoffs are necessary and shall identify the position(s) selected for layoff, due to a lack of funds or lack of work.

Is a layoff based on seniority?

Generally, a layoff is based on seniority, which means that the employee with the least amount of University service in the identified classification is laid off. However, in the case of layoffs of some exempt positions, considerations may be given to special skills and certifications.

Is the layoff candidate entitled to any advance notice of layoff?

All nonexempt employees and exempt employees covered by a collective bargaining agreement are entitled to a 90-day paid period of notice. For exempt employees who are NOT covered by a collective bargaining agreement, the period of notice may be shorter than 90 days if the layoff is due to a reduction in funds and the notice by the funding source of reduction or termination of funds is provided to the USM institution less than the required 90 calendar days' notice.

What are reinstatement rights?

Reinstatement is the return to USM employment after a break in service of less than three (3) years. A reinstated employee shall receive full credit for prior USM and/or State service as it applies to service time, annual leave earnings rate, and sick leave balance. Refer to the following policies for specific leave provisions: [VII-7.45 Policy on Sick Leave](#); [VII-7.00 Policy on Annual Leave](#).

Nonexempt employees, who are laid off, have priority placement rights. “The employee will be entitled to priority for appointment to vacancies in the classification in which the employee was laid off, any lower level classification in that job series, or any classification for which the employee has completed an original probationary period or for which a probationary period was not required.” <https://www.usmd.edu/regents/bylaws/SectionVII/VII130.pdf>

An employee who is laid off from an Exempt position shall be recalled for reappointment following a layoff if, in accordance with applicable MOU and policy provisions, the specific position from which the layoff occurred is reestablished. <https://www.usmd.edu/regents/bylaws/SectionVII/VII132.pdf>

Does the employee continue to earn leave after being informed of the layoff?

During the period of notice, the employee will continue to earn annual leave, sick leave, and holiday leave. The employee will not be paid for personal leave or sick leave upon final separation, but sick leave may be restored if the employee is later reinstated at the University. Applicable policies would govern in this situation. Refer to the following policies for specific leave provisions: [VII-7.45 Policy on Sick Leave](#); [VII-7.00 Policy on Annual Leave](#).

What resources are available for staff facing layoff?

There are a variety of services available to staff, which include:

- [Faculty Staff Assistance Program](#)
- [Maryland Division of Unemployment Insurance](#)
- [Maryland One Stop Career Center](#)
- [Maryland Professional Outplacement Center](#)
- [Employ Prince George's \(COVID-19 Workforce Development Recovery Program\)](#)
- [Mid-Atlantic Higher Education Recruitment Consortium](#)
- [University Human Resources](#)
- [UMD Job Vacancy Postings](#)
- [USM Job Vacancy Postings](#)
- [UMD Policies and Procedures](#)

When does the laid-off employee receive their final paycheck?

Generally, the laid-off employee receives their final paycheck in the pay period following the separation date via the regular payroll process.

How does the department process the employee's leave accruals?

Annual leave and earned but unused holiday leave is paid out to the employee on the termination date.

What is the impact of layoff on the employee's insurance benefits?

Medical (which includes vision coverage), prescription, and dental coverage will end on the last day of the separation month. For example, an employee separates effective July 6 – coverage will end effective July 31. If an employee separates July 31 – coverage will end July 31. The employee and/or the eligible family members may be eligible to continue health insurance coverage under COBRA. There is a very limited time (60 days from the termination date) to take advantage of COBRA continuation. The employee should consult with a UHR Benefits Counselor at 301-405-7575 for additional information.

How does layoff affect the employee's retirement benefits?

The employee stops accruing UMD service credit on the last day on pay status. If the employee wishes to inquire about retirement eligibility, they should call and make an appointment with a Benefits Counselor at 301-405-7575 as soon as possible.