**Faculty Separations and Conversions**

**Guide for HR Staff**

**Question:** If a 9-month faculty member is leaving the university at the end of their May 15th contract, when does their health coverage end?

**Answer:** 9-month faculty remain eligible for employee health coverage through August 31st as long they complete their contracts in a paid status. This eligibility is lost if they retire in June, July, or August.

**Question:** If a 9-month faculty member is leaving the university at the end of their May 15th contract what date should be used on the TERME to separate the faculty member?

**Answer:** If the 9-month faculty member is hired into a non-benefited (i.e. adjunct or hourly) position during the summer, the separation date for the TERME should be August 9th.

**Question:** If the 9-month faculty member is not going to be working during the summer, the separation date for the TERME can be either May 9th or August 9th depending upon whether the department wishes to accommodate an employee who prefers to be paid current throughout the summer. May 9th separations result in a lump-sum pay-up in June of all pay deferred for the summer, which can have tax consequences for the employee. If the faculty member is retiring June 1, then removal from the payroll is required and current pay through the summer is not available.

**Faculty Conversions (12 to 9 Months)**

**Options for the Transition Period**

If a tenured faculty member steps down from an administrative role to return to a 9-month appointment, there are three options for the transition period between June 30th (when the administrative appointment would normally end) to August 9th. when the 9-month appointment would normally begin. These options are as follows:

**Option 1:** With permission from the Dean, the faculty member could remain in an “active” status” with full pay during the transition period by using their accrued paid leave other than sick leave. Sick leave cannot be used for salary continuation except in the case of illness. Use of leave can allow the faculty member to retain all their benefits as well as to continue to contribute towards retirement (i.e. creditable compensation). The faculty member would then convert to a 9-month appointment on August 10th. They faculty member would be eligible to be paid out for the remainder of any accrued annual leave up to the allowable maximum of 288 hours upon conversion to 9-month. The payout of leave is usually within a month after the change to a 9-month appointment. If the leave balance is not sufficient to cover the period, any portion of the period after the leave is exhausted would be considered leave without pay. If this option is chosen, the department is responsible for all timekeeping associated with the use of paid leave.

**Option 2:** With permission from the Dean, the faculty member could continue to stay on their 12-month contract through August 9th and then convert to a 9-month appointment on August 10th. This would allow the faculty member to retain all their benefits as well as to continue to contribute towards retirement (i.e. creditable compensation). They faculty member would be eligible to be paid out for their accrued annual leave (at their hourly rate) up to the allowable maximum of 288 hours. The payout of leave is usually within a month after the change to a 9-month appointment.

**Option 3:** If the faculty member did not have enough accrued annual leave to use during the transition period of July 1st to August 9th or the faculty member is not permitted to continue on a 12-month appointment through August 9th, they would need to be placed on a **leave of absence, without pay** as follows:

* If the reason for the ending of the 12-month administrative appointment is **voluntary**, the leave of absence would need to be a leave **without pay for personal reasons**. The faculty member will not have creditable compensation during the transition period and in order to retain health insurance, they would have to pay their portion plus the state’s premiums during the period of leave. They faculty member would be eligible to be paid out for their accrued annual leave (at their hourly rate) up to the allowable maximum of 288 hours. The payout of leave is usually within a month after the change to a 9-month appointment.
* If the reason for the ending of the 12-month administrative appointment is **involuntary**, the leave of absence would be a **leave without pay, with benefits**. The faculty member will not have creditable compensation during the transition period and in order to retain their health insurance, they would have to pay their portion of the health care premiums during the period of leave. They faculty member would be eligible to be paid out for their accrued annual leave (at their hourly rate), up to the allowable maximum of 288 hours. The payout of leave is usually within a month after the change to a 9-month appointment.

The respective HR staff member (VP/Dean’s level) is responsible for counseling faculty members regarding the selected transition, including the effect on pay and benefits. Personnel Administrators may consult with the respective VP office or with Human Resources areas, as applicable (e.g. Benefits, Payroll, etc.). in order to be able to provide information to effectively counsel faculty members. Faculty members, should not, however, be referred directly to central Human Resources or Payroll unless all counseling opportunities have been exhausted at the VP/Dean/Department level.