

SECTION 3 – EMPLOYEE SEPARATION

3-1. Types of Separation

Employee separation is an inevitable part of organizational life. The following definitions and procedures are instituted in order to minimize the disruption of turnover on all concerned parties.

- A. Service Retirement: is a voluntary separation after having satisfied the age and length of employment requirements of: IMRF, Police/Fire Pension or another pension system, with the employee applying for retirement.
- B. Disability Retirement: is a voluntary separation necessitated by an injury or illness which renders the employee incapable of performing the essential job duties of their position. A request for disability retirement is initiated by receipt of a written request from the employee to his/her Department Head indicating the date of separation. Supporting documentation shall include a ruling by the Illinois Worker's Compensation Commission verifying the disability and approving the retirement, and any other documentation required by the Deputy Clerk's Office.
- C. Employee–Initiated Resignation: is a voluntary separation given by the worker for any reason other than retirement. A resignation letter is expected with information that includes the person's reason for leaving and the proposed last day of employment. Please provide the customary Two-Week Notice period before the person's actual last day of work. Department Heads are requested to provide four weeks' notice in order to provide sufficient time to make departmental specific plans during the vacancy and provide for a smooth transition in departmental leadership. Two weeks' notice is understood to mean that the resigning employee will work during this time to aid in the transition of duties to another. If for any reason the ~~Village President~~Village Administrator or Department Head feels the worker is not contributing positively to the workplace, the two (2) week period may be cut short and the person's resignation will be accepted immediately.
- D. Discharge: is an involuntary termination of an employee which is initiated by the Village.
- E. Reduction in Force (RIF) or Layoff: is the discharge of an employee(s) by the Village for lack of work, lack of funds, other working condition changes or restructuring as determined by the Village. The Village will normally consider departmental service reductions and/or skill and ability when deciding which employees to lay off. The Village shall provide employees with at least two (2) weeks advance notification prior to layoff.

Non-probationary employees, who are laid off pursuant to the above paragraph, shall be placed on a recall list for a maximum period of one year following the date of layoff.

- F. Recall: If an employee is qualified for an open position in another Village Department that is not being affected by the downsizing, the employee may be considered for transfer provided the employee possesses the minimum qualifications for the position and maintained a satisfactory performance history prior to the layoff. In applying this provision, if multiple employees are affected, and where qualifications, experience and performance are equal, longevity shall govern.

Laid off workers must provide the Village their current contact information and inform the Deputy Clerk's office of any changes. If the Village is unable to contact a laid off employee within seven (7) calendar days, the Village's obligation to recall the employee shall cease. The Village shall have no obligation to recall an employee after continuous layoff for a period which exceeds one (1) year. Should an employee not return to work when recalled, their employment will be terminated and the Village shall have no further obligation to recall him/her.

3-2. Exit Interview

To the extent possible, the Department Head or Village Clerk will conduct an exit interview with separated employees on the employee's last day of work. Terminating employees are expected to return uniforms, specific department issuances, ID cards and/or other Village issued property.

3-3. Final Pay and Benefit Issues

An employee shall receive pay for work performed through their separation date reduced by any prior, authorized deductions. Any other payments they have earned in accordance with these policies and applicable employment laws will be paid in the pay period on which the separation date falls.

3-4.Consolidated Omnibus Budget Reconciliation Act (COBRA)

Federal law (COBRA) gives employees and their qualified beneficiaries the opportunity to continue their existing health insurance coverage under the Village's health plan for a period of time after the occurrence of a "qualifying event" which otherwise would result in the loss of coverage. Some common qualifying events are termination of employment (whether by layoff, discharge, or even death); a substantial reduction in an employee's hours; an extended non-FMLA leave of absence; or legal separation or divorce of the employee and his/her spouse.

When such a qualifying event occurs, the Village will notify the employee of the right to continue health insurance coverage under COBRA, as well as the time limits and triggering events which are applicable in order to continue coverage. To continue coverage, the employee (or beneficiary) must elect to exercise their COBRA rights in a timely manner and must pay the Village the total premiums required for coverage

(including their own share and the Village's share) and any administrative fee; if applicable.

Upon request, the Village will also provide a written notice to covered family members which describes their separate rights under COBRA (such as the rights of a divorced spouse to continue coverage by payment of applicable premiums). It is very important to keep the Village advised of all contact information so that notices may be sent and received in a timely manner.

3-5. Unemployment Compensation

The Village is a covered employer under the Illinois Unemployment Compensation Law. Unemployment compensation benefits are designed to provide a partial replacement of wages to eligible employees during short periods of involuntary unemployment. For further information, contact the local Illinois Department of Employment Securities Office.

3-6. Retirement Benefits (see also Section 9-4; Retirement System)

- A. Pension Application: Employees are generally included in the Illinois Municipal Retirement Fund (IMRF). Detailed information concerning pension funds can be obtained from the Administration Department or IMRF representatives. Employees contribute to Social Security and Medicare. The required tax contribution to Social Security is established by the U.S. Congress.
- B. Accumulated Benefit Payments: retiring employees are eligible for payment of accumulated vacation time. Payment for accumulated vacation will be based on the amount of benefits accrued at the time of retirement. To be considered as retiring, the employee must apply for a pension. Retiring employees may continue to participate in the Village's medical insurance program, although they will be required to pay the full premium cost.