

COVID Enhanced Separation PROGRAM (CESP)  
Tenured Faculty<sup>1</sup>  
Plymouth State University  
**Application Request/Agreement**

Employee Name \_\_\_\_\_

Faculty Rank and Program \_\_\_\_\_

Proposed Separation Date (no later than June 30, 2021) \_\_\_\_\_

I wish to apply for participation in the Plymouth State University (PSU) COVID Enhanced Separation Program (CESP) for tenured faculty<sup>1</sup>. I have read and fully understand the terms and conditions of the program as specified below, and in the details of the plan description provided to me. I understand that to be considered for participation in the plan, this Application/Agreement must be signed by me and submitted to Human Resources no later than the following:

Separation Date	Application Date
August 7, 2020	July 15, 2020
January 8, 2021	September 15, 2020
May 28, 2021	October 15, 2020

I also understand that my Application is subject to Senior Leadership approval (President and Provost), and that Senior Leadership may, for any business reason, approve a separation date for me other than the proposed separation date I submit above.

- I understand, if approved to participate in CESP, I will receive in the timeline indicated below:
  - A sum equivalent to 1½ years of my annual base pay distributed over 39 pay periods beginning immediately after my separation date, subject to applicable withholdings<sup>2</sup>. Base pay, for purposes of the CESP, does not include stipends, overload, or any type of additional pay or bonus.
  - All payments made pursuant to the CESP are not eligible for retirement contributions by the employee or matching contributions by the employer.
- In return for accepting the CESP, I agree to voluntarily terminate employment with Plymouth State University, including giving up any rights to my position and tenure.
- Once I resign under CESP, I cannot reapply or be rehired into a full-time, benefited status, position within USNH; I may be hired as adjunct faculty at the request of PSU.
- My proposed separation date must be no later than June 30, 2021 but Senior Leadership may, for any business reason, approve a separation date for me other than the proposed separation date I

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<sup>1</sup> Employees are ineligible if their position funding is shared between PSU and a grant(s)/outside entity and the grant(s)/outside entity pays more than 50% of the position budget.

<sup>2</sup> Taxation on the incentive distributed over 39 pay periods – The Internal Revenue Service law requires that the employee and the employer pay FICA taxes in the first year of separation on the total of all payments expected to be received over the full period of the salary continuation. This amount is adjusted for expected inflation and is referred to as the “present value.” This methodology affects FICA taxes only, federal income taxes are payable once payments are received. USNH will initially pay the full amount due and consider it an interest-free loan. The loan amount will then be deducted from each of your bi-weekly checks at the regular FICA rate currently 7.65% until the full balance is paid from your stipend.

submit above. If approved to participate in CESP, I will be notified in writing by Human Resources.

- CESP payments will *not* be recalculated to reflect changes in base salary or rate of pay that are implemented after the date I submit this application.
- The CESP payment will *not* be made in the event of my death prior to the approved departure/separation date. If I die after my departure date before receiving all incentive monies, the payment shall be made based on provisions of relevant federal and/or state statute(s).
- If I am under age 65 at date of separation and enrolled as the subscriber in a USNH medical plan on the date I submit this application and immediately prior to my separation date, USNH medical coverage is available for up to 1½ years, or to age 65, whichever comes first. Coverage will continue through the last day of the month before the 65<sup>th</sup> birthday or the last day of the prior month if the birthday falls on the first of the month, whichever comes first. USNH employee medical benefits plans, as amended from time to time, and their premium rates will be based upon what is in effect for similarly-situated employees. All medical insurance plans and contribution rates are subject to change, and this medical coverage runs concurrent with COBRA.
- If I am under age 65 and enrolled as the subscriber in a USNH medical plan on the date I submit this application and immediately prior to my separation date, and I waive medical coverage on my separation date, I will be eligible for an additional \$15,000 one-time payment upon departure (subject to applicable withholdings). I understand I cannot then be covered as a dependent or spouse on another employee's USNH medical plan.
- I understand this program was first announced by the office of human resources through email on June 26, 2020, posted on the PSU HR web site that day with a deadline for application of October 15, 2020, thus providing at least 21 days to make an election.
- I and USNH agree that this Agreement will not become effective or enforceable until the expiration of a period of seven (7) days following the date of approval, during which period I may revoke this Agreement. Once this period has passed, my signature is irrevocable.
- I have executed a Release and Waiver of Claims using the form specified by USNH, the terms and conditions of which are hereby incorporated into and made a part of this Agreement.

I agree with the terms and conditions of the Plymouth State University's COVID Enhanced Separation Program Agreement. I understand that submission of this application constitutes a final separation decision if my application is approved.

\_\_\_\_\_  
Faculty Member's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Caryn Ines, Director of Human Resources

\_\_\_\_\_  
Date