EMPLOYEE TERMINATION POLICY

It is company policy to ensure that employee terminations are handled in a professional manner with minimal disruption to ongoing work functions.

There are three types of terminations:

a. Voluntary
b. Involuntary
c. Death

Voluntary Terminations

General

Voluntary termination of employment occurs when an employee informs his or her supervisor of employee’s resignation, or termination is deemed to have occurred when an employee is absent from work for three consecutive workdays and fails to contact his or her supervisor (job abandonment).

Procedure

a. Employees are expected to provide a minimum of two weeks’ notice of their intention to separate from the company in order to allow a reasonable amount of time to transfer ongoing workloads. It is expected that written notification will be provided to the employee's line manager.

b. Upon receipt of an employee's resignation, the line manager must notify Human Resources (HR) by sending a copy of the resignation letter to HR, annotated if necessary, with pertinent information (i.e. employee’s reason for leaving, last day of work, etc.).

c. The HR Administrator or Branch Manager will coordinate the employee’s out-processing. This process includes:
   1. Returning all company property (i.e., keys, ID cards, parking passes, etc.).
   2. Review of benefits status.
   3. Completion of an exit Interview questionnaire. The exit interview provides employees the opportunity to freely express views about working at the company and will be held in strict confidence. HR will compile data from exit interviews to determine if feedback to an employee’s director is necessary.

d. A “Supervisory Termination Summary” will need to be completed by the line manager. This form is located in the Leader Handbook. The completed Summary should be returned to HR where it will be maintained in the employee's personnel file.

e. Employees who possess a security clearance are required to check out and debrief with the Security Officer no later than their last day of employment.
Involuntary Terminations

General

a. An involuntary termination of employment, to include layoffs and stand-downs over 30 days, is a management-initiated dismissal.

b. Discharge may be for any reason, i.e., misconduct, tardiness, absenteeism, unsatisfactory performance, etc. In some cases progressive discipline may be used, prior to termination, to correct a performance problem. However, certain types of employee misconduct are so severe that one incident of misconduct will result in immediate dismissal without prior use of progressive discipline.

c. Prior to an involuntary termination, consideration will be given to an employee's service and past contributions to the company. The possibility of transfer or demotion will be explored in all cases except those which involve gross misconduct.

Procedure

a. Before any action is taken to discharge an employee, the employee’s line manager, through the cognizant director, must request a review by the Termination Review Board.

b. The Termination Review Board consists of the President, Vice President of HR and the employee's director. It is the Board's responsibility to review the situation and determine if dismissal is warranted.

c. If the Board recommends dismissal, it is the supervisor's responsibility to notify the employee and coordinate with HR to ensure that the terminated employee follows the checkout procedure in Sections 2.2(c) and 2.2(e) of this policy.

d. The line manager should complete an "Employee Change Form" or e-mail HR to confirm the last day worked.

Deceased Employees

General

A termination due to the death of an employee will be made effective as of the date of death.

Procedure

a. Upon receiving notification of the death of an employee, the supervisor must notify the Benefits Administrator immediately.

b. The Benefits Administrator will process all appropriate beneficiary payments from the various benefits plans.

Final Pay

General

An employee who resigns or is discharged will be paid through the last day of work, plus any unused PTO, less outstanding loans, advances or other agreements the employee may have with the
company. Final pay due, upon the death of an employee, will be paid to the deceased employee's estate.

**Procedure**

It is the responsibility of the employee's line manager to ensure that the Payroll office receives the terminating employee's timecard in sufficient time to process the final paycheck.

**Unemployment Compensation**

**General**

The company is able to monitor and control the cost of unemployment compensation by being responsive. Typically, employer information must be submitted to the appropriate state office within seven days of request. Failure to respond in a timely manner often results in unemployment compensation awards to former employees who otherwise would not qualify.

**Procedure**

a. Line managers are required to follow the process described in this policy.

b. HR handle the response to all claims of unemployment.

c. HR will research each claim as necessary and advise the company on hearing attendance requirements, as well as required materials and presentation.