

WORKFORCESOLUTIONS
G R E A T E R D A L L A S

Policy Number: A0120	RE: Employee Severance
Date Issued: April 19, 2023, Supplement to Employee Handbook	Effective Date: March 1, 2023

EMPLOYEE SEVERANCE POLICY

Background and Purpose

Workforce Solutions Greater Dallas (**WFSDallas**) is a state-appointed Local Workforce Development Board and, as such, is subject to complying with the requirements of Texas state and Federal law governing grant funds and related grant contracts. Subject to certain limitations provided in applicable law and this policy, WFSDallas may potentially provide separation severance payments to Board Staff in certain limited circumstances. This policy also establishes procedures that WFSDallas must follow regarding any potential employee separation severance payment(s). WFSDallas is committed to complying with applicable law.

Nothing in this policy shall conflict, revise, or modify any vested benefit or other payment obligation to any Board Staff employee under the WFSDallas Employee Handbook as revised from time-to-time.

This severance policy is not intended to create any vested entitlement or benefit for any WFSDallas employee. No WFSDallas employee has any vested or unvested right to any benefits or entitlement under this policy. This policy does not create any contract of employment or right to employment for any period of time. Employment with the WFSDallas is and remains at-will and may be terminated by either the employee or WFSDallas at any time for any reason.¹

Policy

Application. This policy applies solely to individuals who are eligible WFSDallas employees on the respective employment termination date for an eligible employee. This severance policy is not funded, and payment of severance hereunder is made from the general assets of the Company or available funds from grant contracts (if any).

Eligibility and Conditions. This policy applies to all exempt, nonexempt full-time and part-time WFSDallas employees after five (5) years of continuous employment with the organization and in cases where employment termination is due to a Triggering Event (as defined below).

Any payment of severance is conditioned upon the employee timely signing an agreement and release (in a form satisfactory to WFSDallas) which will include restrictive covenants and a comprehensive release of all claims, including but not limited to, all employment-related claims. No employee vests in any entitlement or eligibility to benefits under this policy until he or she has satisfied all requirements for eligibility specified in the policy, his or her employment has terminated under eligible Triggering Events, and WFSDallas has determined that the employee is entitled to severance under this policy.

No interest accrues on any severance to which an employee may be entitled under this policy. Employees cannot assign or pledge any severance that they are eligible for under this policy. Subject to state and federal law, no creditor may attach or garnish any employee's severance.

¹ This applies to all WFSDallas board staff except where the WFSDallas board has specifically authorized and approved a formal employment agreement with a Board President.

Triggering Events. The term "**Triggering Event**" means an involuntary termination of employment due to reductions in force (i.e., downsizing), material loss of grant funding or change in organization direction or mission, position elimination, or any other involuntary termination of employment; provided, however, Triggering Event shall not include, and employee shall not be eligible for severance for the following:

- Voluntary resignation, including job abandonment or constructive termination.
- Termination of employment in connection with the sale or transfer of any portion of the Company's business to a successor if the employee is offered a comparable position with the successor or if the employee accepts employment with the successor (without regard to whether such employment is in a comparable position).
- Misconduct as described in the Employee Handbook.
- Excessive absenteeism or lateness.
- Position elimination or reduction in force, including but not limited to, position elimination or reduction in force in connection with a merger, acquisition, sale, transfer, outsourcing or subcontracting of a job function, or reorganization.
- Failure to report to work or to return from a leave of absence beyond the approved leave period.
- Return from an unprotected leave of absence and no position is available.
- Death or retirement.
- Failure to meet performance standards or management's loss of confidence in the Employee.
- Transfer to a position of employment that is not eligible for severance under this policy.
- Termination for cause.
- Refusal to be reassigned.
- Refusal to be relocated.
- Violation of WFSDallas policy(ies) or Employee Handbook.

Severance Payment Amount. Except as otherwise provided in this policy, the potential amount of severance payment to an eligible employee (if any) shall be determined by the Board President, in her or his discretion. See specifically the Authority of Board President section below. In determining the potential amount of a severance payment for an eligible employee, the Board President shall consider the length of employment and employee's work performance as documented in employee's prior performance reviews (including, without limitation, any disciplinary items contained in employee's employment record with the organization).

Authority of Board President. The Board President is hereby granted the authority, under this policy approved by the WFSDallas Board and without further Board action being required, to approve a severance payment or payments for an eligible WFSDallas employee in an aggregate, maximum amount of up to two (2) calendar months of such employee's Regular Base Salary. "**Regular Base Salary**" means and is the employee's current annual rate of base cash compensation paid on each regularly scheduled payday for the employee's regular work schedule as of his or her termination date and is calculated to include any before-tax contributions that are deducted for WFSDallas benefit plans. Regular base salary does not include premium pay, such as shift differential and overtime, taxable or nontaxable fringe benefits or awards, vacation, performance awards, bonus, commission, or other incentive pay, or any payments which are not made on each regular payday, regardless of how such payments may be characterized.

The above grant of discretionary authority to the Board President under this policy does not include the determination or payment of any severance (if any) for or payable to the Board President.

Required WFSDallas Board Approval. The Board retains and has the exclusive authority to negotiate and determine the amount of potential severance (if any) payable to the Board President upon employment termination. In addition, and for the avoidance of doubt, the following shall be applicable when the Board President's employment is terminated:

1. Action to terminate the Board President shall be taken in compliance with the WFSDallas governing documents (including, without limitation, its Bylaws) and the terms of any Board approved employment agreement with the Board President (if any),
2. The process and conditions set out in this policy; provided, however, the above grant of authority to the President in this policy shall not be applicable in any manner whatsoever with regard to the Board President's employment termination, and

3. In approving the potential amount of a severance payment for an eligible Board President, the Board shall consider the length of employment and employee's work performance while Board President; provided, however, the Board may, in its complete and exclusive discretion, enter into negotiations regarding and correspondingly approve the amount of severance (if any) as well as the agreement terms of the Board President's separation from employment with WFSDallas.

Action Required

This policy should be distributed to all affected staff.

Contact

Inquiries regarding this policy should be directed to the Workforce Solutions Greater Dallas President at 214.290.1000.

Approved for Content:	
<i>Connie Rash</i>	April 19, 2023
Signature	Date
<i>Laura Paula Garcia</i>	April 19, 2023
President's Signature	Date