Voluntary Separation Incentive Program (VSIP) 2025

University Budget Office

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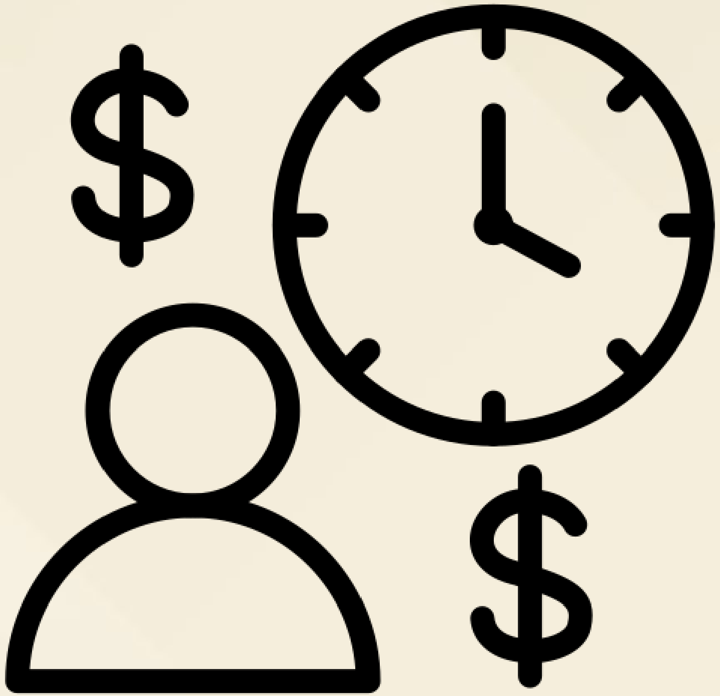

VSIP Requirements and Key Dates

Participant Eligibility

To be eligible to participate in the 2025 VSIP, a Cal Poly Humboldt employee must be: (1) permanent, (2) non-probationary, (3) state-side, and (4) full-time as of April 1, 2025, and must fall within one of the following categories:

- Management Personnel Plan employees ("MPP")
- Confidential staff
- Represented staff*
- Full-time non-probationary faculty
- Employees who are in a new probationary classification but hold permanency in a prior eligible classification

*Note: SUPA, UAPD, and UAW represented employees are not eligible for the 2025 VSIP.

- **Program announced to campus community on March 27, 2025.**
- **Applications were submitted April 1, 2025 – April 30, 2025.**

VSIP Key Points

VSIP 2025 Workflow

Application

Employees complete the application, sign it, and forward it to vsip@humboldt.edu or drop it off in person

HR/Finance Approval

HR reviews the application to ensure eligibility criteria are met and program funds are available. Participation is on a first-come, first-served basis.

Resignation/First Separation Agreement

The employee is notified of their preliminary approval and sent the Resignation Form and First Separation Agreement. Employee has two weeks (10 business days) to complete and return these forms to Human Resources.

Administrator/ Manager Review

The appropriate administrator completes Section III of the application and returns to HR. Note: Separation date must be mutually agreed upon by both the employee and manager, and resignations after June 30, 2025, require VP approval.

First Separation Agreement/Payout

After HR receives the signed Resignation Form and First Separation Agreement, employee receives 80% of their severance package pay within 30 days.

Final Separation Agreement/Payment

HR sends the employee the final separation agreement 14 days prior to their last day of work. The employee must submit the signed agreement back to HR on their last day of employment. Within 30 days, they will receive the remaining 20% of the severance pay.

Initial Estimates of Participation & Savings

VSIP Estimated Budget Savings Scenario Calculator - 01.31.25

Data Used for Calculations Below	
Average VSIP Incentive Payout	$ 48,052
Average Annual Compensation for VSIP Eligible FTE	$ 142,100
Estimated Annual Compensation for Backfill	$ 142,100
Total HM500 Unrestricted Eligible FTE	544

	Scenario A	Scenario B	Scenario C	Scenario D
Participation Rate - Plug in Assumption to Calculate Impact	*10%*	*5%*	*5%*	*5%*
Backfill Rate - Plug in Assumption to Calculate Impact	*70%*	*70%*	*60%*	*40%*
# of Participatants *(assuming Participation Rate shown above)*	54.4	27.2	27.2	27.2
Total Estimated VSIP Incentive Payout - One Time Cost	**$ 2,614,029**	**$ 1,307,014**	**$ 1,307,014**	**$ 1,307,014**
Estimated Annual Salary & Benefit Savings	$ 7,730,240	$ 3,865,120	$ 3,865,120	$ 3,865,120
Estimated Backfill Annual Cost Salary & Benefits *(assuming Backfill Rate shown above)*	$ (5,411,168)	$ (2,705,584)	$ (2,319,072)	$ (1,546,048)
Annual Ongoing Savings	**$ 2,319,072**	**$ 1,159,536**	**$ 1,546,048**	**$ 2,319,072**

- **Initial estimates indicated potential ongoing savings of $1.2 million to $2.3 million depending on the participation rate and backfill rate.**

Actual Overall Participation

2025 Voluntary Separation Incentive Program (VSIP)	All Funding Sources	HM500 Funding	Other Funding
Actual Participation Rate	**6%**	**6%**	**8%**
Backfill Rate as of 09.22.25 *(Interim, Under Recruitment, Filled)*	**48%**	**45%**	**56%**
Actual # of Participants	40	31	9
Total VSIP Incentive Payout - One Time Cost *(Presented for Information Only)*	**$ 1,881,638**	**$ 1,497,192**	**$ 384,446**
Maximum Ongoing Annual Salary & Benefit Savings	$ 5,751,375	$ 4,597,892	$ 1,153,483
Backfill Annual Cost Salary & Benefits *(assuming Backfill Rate shown above)**	$ (2,731,896)	$ (2,076,466)	$ (640,825)
Potential Annual Ongoing Savings *(assuming Backfill Rate shown above)*	**$ 3,019,479**	**$ 2,521,426**	**$ 512,658**

*Assumes HM500 average participant compensation of $148,319 and other funding average participant compensation of $128,165.

Actual Participation by Division

2025 Voluntary Separation Incentive Program (VSIP)	HM500 by Division				
	Academic Affairs	Enrollment Management	Administrative Affairs	Other Divisions	Total
Actual Participation Rate	**3%**	**17%**	**8%**	**4%**	**6%**
Backfill Rate as of 09.22.25 *(Interim, Under Recruitment, Filled)*	**42%**	**78%**	**22%**	**0%**	**45%**
Actual # of Participants	12	9	9	1	31
Total VSIP Incentive Payout - Actual One Time Cost	**$ 619,360**	**$ 414,041**	**$ 383,053**	**$ 80,738**	**$ 1,497,192**
Maximum Ongoing Annual Salary & Benefit Savings	$ 1,728,492	$ 1,153,101	$ 1,423,076	$ 293,223	$ 4,597,892
Backfill Annual Cost Salary & Benefits (*assuming Backfill Rate shown above)**	$ (741,595)	$ (1,038,233)	$ (296,638)	$ -	$ (2,076,466)
Annual Ongoing HM500 Savings	**$ 986,897**	**$ 114,868**	**$ 1,126,438**	**$ 293,223**	**$ 2,521,426**

*Assumes HM500 average participant compensation of $148,319.

- **VSIP Incentive Payout - Actual One Time Cost was funded by the University Wide division and allocated to the divisions respectively to cover the cost of the program.**

Actual Participation by Employee Group

Participants by Bargaining Unit	Total All Funding Sources	HM500 Funding	Other Funding
R03 - CFA California Faculty Association	5	4	1
M80 - Managers	9	8	1
R02 - CSUEU - Health Care Support	3	1	2
R04 - APC Academic Professionals of California	11	11	0
R05 - CSUEU - Operations Support Services	1	1	0
R06 - Teamsters	1	0	1
R07 - CSUEU - Clerical/Administrative Support Services	8	4	4
R09 - CSUEU - Technical Support Services	2	2	0
Total	40	31	9

Analysis of Potential Ongoing Savings

2025 Voluntary Separation Incentive Program (VSIP)			
Estimated High Range of Ongoing Savings	All Funding Sources	HM500 Funding	Other Funding
Actual Participation Rate	6%	6%	8%
Backfill Rate as of 09.22.25 *(Interim, Under Recruitment, Filled)*	**48%**	**45%**	**56%**
Actual # of Participants	40	31	9
Annual Salary & Benefit Savings *(assuming position costs of actual participants)*	$ 5,751,375	$ 4,597,892	$ 1,153,483
Backfill Annual Cost Salary & Benefits (*assuming Backfill Rate shown above)*	$ (2,731,896)	$ (2,076,466)	$ (640,825)
Annual Ongoing Savings	**$ 3,019,479**	**$ 2,521,426**	**$ 512,658**

2025 Voluntary Separation Incentive Program (VSIP)			
Estimated Low Range of Ongoing Savings	All Funding Sources	HM500 Funding	Other Funding
Actual Participation Rate	6%	6%	8%
Estimated Backfill Rate	75%	75%	75%
Actual # of Participants	40	31	9
Annual Salary & Benefit Savings *(assuming position costs of actual participants)*	$ 5,751,375	$ 4,597,892	$ 1,153,483
Backfill Annual Cost Salary & Benefits (*assuming Backfill Rate shown above)*	$ (4,313,520)	$ (3,448,417)	$ (865,114)
Annual Ongoing Savings	**$ 1,437,855**	**$ 1,149,475**	**$ 288,369**

Key Takeaways

Strategic Timeline – one year in advance, enabling planning, smooth transitions.

Upfront Cost – $1.5M in one-time operating funds.

Projected Savings – $1.1M–$2.5M annually, depending on 45–75% backfill rates.

Overall Impact – actual savings will vary by how divisions have managed and will continue managing backfilling and reorganization.

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