



EMPLOYEE SEPARATION

I. PURPOSE

To ensure timely and accurate processing of employees who are being removed from the City payroll and to stay consistent with positive employee relations practices.

II. SCOPE

This policy applies to all City employees.

III. POLICY

It is the policy of the City to terminate employment because of an employee's resignation, release, death, incapacity, discharge, or retirement; or the expiration of an employment contract or a permanent reduction in or restructuring of the City's workforce. Discharge can be for any reason not prohibited by law. In the absence of a specific written agreement, an employee is free to resign at any time and for any reason, and the City reserves the right to terminate employment at any time and for any reason.

IV. DEFINITIONS

A. Resignation

A voluntary separation, including:

1. Resignation. To be separated in good standing, employees must give two weeks written notice including the reason for leaving. The two week notice shall be a working two weeks to provide good transition for coverage.
2. An absence of two consecutive working days without authorization from supervisor. See [Attendance #423](#).
3. Failure to return from leave of absence as arranged with the City.



B. Release

A separation in which the employee is not qualified or for which an accommodation cannot be made for the type of work assigned and no other assignment is available. Release usually results from no fault of the employee. Employees who are unable to perform satisfactorily during the new employee orientation period will be considered as released.

C. Reductions in Force or Layoffs

A separation which results as a consequence of organizational restructuring, work redesign, or reduced staffing requirements.

D. Death

The death of an employee in employment.

E. Retirement

A voluntary separation which usually includes qualification for benefits under the Texas Municipal Retirement System.

F. Incapacity

1. An employee may be separated for incapacity due to medical reasons when the employee no longer meets the standards of fitness required for the position.
2. A finding of incapacity shall be made by the Division Director based on the employee being medically unable to work as determined by medical certification, the exhaustion of the employee's benefit time and time on Leave Without Pay, and under circumstances where the employee's continued absence creates a hardship to the effective operation of the City.
3. An employee who has received notice of the City's intent to terminate due to the finding of incapacity for absences in excess of thirteen (13) weeks in a twelve month period or for absences due to an off-duty injury or illness may apply for an Extended Leave of Absence for up to thirteen (13) weeks of additional leave to the City Manager who is the final authority. See [Leave Without Pay #321](#)



G. Discharge

A separation in which the employee is removed from the payroll for violation of employee standards of conduct or safety regulations, unsatisfactory job performance, or any other reason deemed by the City to warrant termination.

V. PROCEDURE

A. Resignation

An employee who resigns with or without notice, will be asked by the supervisor to complete a resignation letter as soon as possible. The completed notice will be forwarded to the Human Resources Department for filing in the employee's permanent record.

B. Personnel Action Forms

The immediate supervisor of the separated employee is responsible for initiating the Personnel Action Form (PAF) and designating the appropriate separation code. PAFs should be provided to the payroll office with all signatures as soon as practicable, and one week before separation date, if possible.

C. Return of Equipment and Keys

The supervisor shall complete an Exit Checklist which includes obtaining all equipment and keys from the separated employee and shall do so prior to the last day of work, if possible. Applicable equipment will be designated by department (e.g. computer, cell phone, PDA, uniforms, etc.).

D. Exit Interview

Separated employees, whether voluntary or involuntary, will be referred to the Human Resources Department for an exit interview, before their last day of work, if possible. See [Exit Interviews #820](#).

E. Employment References for Separated Employees

See [Personnel Records and Privacy #040](#).



F. Final Paycheck

1. *Voluntary Separation*

Employees who voluntarily separate from the City (in good standing or otherwise) will be issued their paycheck with the next regular payroll after effective date of separation.

2. *Other Separations*

In all other circumstances, the final paycheck will be issued no later than the 6th day after termination.

VI. BENEFIT ELIGIBILITY AT SEPARATION

A. Benefits an Employee is Entitled to or May Be Eligible For:

1. *Vested Rights under the Texas Municipal Retirement System*

General provisions of benefit credit are specified in the summary plan description available from the Human Resources Department.

2. *Health Insurance Benefit*

Extended coverage and conversion privileges of the health insurance benefit plan is provided in accordance with conditions outlined through COBRA. Please see the Human Resources Department.

3. *Compensatory Time*

An employee will be paid for all unused accrued compensatory time upon separation of employment. See [Compensatory Time #221](#).

B. Employees Separating in Good Standing

An employee will be considered to have separated in good standing if he or she provides two weeks' notice of resignation and has no non-approved leave during the notice period. Personal Leave is not allowed in last two weeks.



Employees who separate in good standing shall receive:

1. vacation time earned but not taken at the time of separation (See [Vacations #311](#));
2. for employees hired prior to October 1, 2004, payment for fifty percent of the unused accrued sick leave, up to a maximum of 60 days of pay for 120 days of accrued sick leave (See [Sick Leave # 313](#)).

C. Employees Discharged for Medical Incapacity:

Employees who are discharged for incapacity due to medical reasons will be eligible for payment of accrued vacation and compensatory time, and for employees hired prior to October 1, 2004, payment for fifty percent of unused accrued sick leave (up to 60 days of pay at their rate on September 30th, 2004 for 120 days of unused accrued sick leave).

D. Employees NOT Separating in Good Standing

Employees who do not separate in good standing or who are terminated for any reason other than for Medical Incapacity are not eligible for payment of vacation and sick leave benefits.