

Sam Houston State University
A Member of The Texas State University System

Finance & Operations Human Resources Policy HR -26
Separation of Employment

SUBJECT: Separation of Employment

PURPOSE: To provide a standard procedure to ensure that all faculty and staff are properly separated when ending employment.

POLICY: It is the policy of Sam Houston State University (University) that separating employees be properly cleared and checked out from the University to assure proper settlement of wages, benefits, and related matters. All personnel actions are reviewed to ensure Equal Employment Opportunity (EEO) compliance.

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1) Procedure

- a) Employee Separation Notification
 - i) Faculty and staff who voluntarily separate from the University should notify their supervisor at the earliest practical time.
 - ii) A written notice of resignation must be provided and must include the employee's final workday.
 - iii) The employee should also notify their supervisor if they are transferring to another Texas state agency or higher education institution, as direct transfer rules could apply.
 - iv) Student Employees should refer to the [HR-27 Student Employment Policy](#) for offboarding procedures specific to student workers.
- b) Supervisor's Responsibility
 - i) Staff Employees
 - (1) Supervisors are responsible for submitting the [End Job Form](#), attaching the employee's resignation letter, and indicating whether the offboarding employee is transferring to another Texas state agency or higher education institution.
 - (2) Once the End Job Form is received, Human Resources (HR) will initiate and complete the Electronic Personnel Action Form (EPAF).
 - ii) Faculty and Grant-Funded Positions
 - (1) Departments are responsible for submitting the EPAF to initiate the separation process.
 - (2) A copy of the resignation letter must be forwarded to separation@shsu.edu.

2) Benefits Eligible Employees

- a) Benefits-eligible employees will be emailed/mailed employee separation information from HR after notification from the department of the employee's separation.
- b) The employee separation information will provide the procedures for a proper exit and benefits information, such as insurance in accordance with the COBRA Act, Teachers Retirement System (TRS), and Optional Retirement Program (ORP) information if applicable.
- c) In addition, the separation information will include an Exit Interview Questionnaire. This form is voluntary.

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- d) The employee is responsible for clearing all matters such as returning equipment, keys, uniform(s), telephone cards, travel credit cards, and paying outstanding obligations, e.g., parking tickets, debts, library book/fines, etc. The employee should contact Human Resources directly regarding these matters before leaving the University.

3) Retiring Employees

- a) Employees should start paperwork for retirement at the beginning of the semester they plan to retire or at least ninety (90) days in advance. Contact HR for counseling, specific documents, forms, and procedures required by the University and State retirement and insurance programs.
 - i) Teacher Retirement System (TRS) participants are eligible for retirement based on the TRS membership tier and retirement eligibility rules that belong to the participant as described in the TRS Handbook available through the TRS webpage (www.trs.texas.gov). TRS determines participants TRS creditable years of service.
 - ii) The Optional Retirement Program (ORP) participants are eligible for retirement when age and years of Texas ORP service equals 80 with at least 10 years of service credit with ERS insurance or with minimum of 10 years of service credit with ERS insurance at age 65. Human Resources determines Texas ORP years of service based on ERS guidelines.
 - iii) Retiring from SHSU with insurance benefits is based on a combination of age and service and depends on the employee's state mandated retirement plan. Retiree group insurance is not a guaranteed lifetime benefit. The Texas Legislature and administering governing boards may make future changes to eligibility, benefits, funding or other program provisions. Insurance benefits for retirees are subject to change based on available state funding. The Texas Legislature determines the level of funding for such benefits and has no continuing obligation to provide those benefits beyond each fiscal year. Information is available through the Employees Retirement System (ERS) webpage (www.ers.texas.gov). Contact HR regarding retiree insurance eligibility.

***Note:** Employees who anticipate enrolling in retiree group insurance as an ORP retiree now or at a later date should refrain from withdrawing all ORP funds as this could affect insurance eligibility. Likewise, TRS participants must have a valid TRS account to be eligible to enroll in retiree group insurance. ERS rules for retiree insurance apply.*

- b) Faculty Early Retirement Program participants, in addition to coordinating retirement forms through Human Resources, must also follow the procedures outlined in [Academic Policy Statement 840901](#), Early Retirement Program for University Faculty.

4) Leave Accruals

- a) Vacation Leave --- An employee who separates employment is entitled to be paid for all their unused balance of vacation at the time of separation provided the employee has had continuous employment with the state of Texas for six (6) months; and is not directly transferring to another Texas state agency into a position which accrues vacation time within a period of thirty (30) calendar days from the date of separation.
- b) Sick Leave --- Accumulated sick leave shall not constitute claim for reimbursement when an employee leaves the employment of the University. However, an employee separated from employment with the state under a formal reduction-in-force shall have their sick leave balance restored if re-employed by the state within twelve (12) months of termination; an employee separated for other reasons shall have their sick leave balance restored if re-employed by the state within twelve (12) months of termination, and provided there has been a break in service of at least thirty (30) calendar days since termination if re-employed by the same state agency.

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- c) Donating Sick or Vacation Leave – Separating employees can choose to donate sick time to the Sick Leave Pool, sick or vacation to the Family Leave Pool, or may donate sick time to a specific employee (see HR-04(b) at separation. Any sick time donated will not be restored if the employee is re-employed by the state within twelve (12) months of termination. See Employee Leaves [HR-04\(b\)](#) for more information.

5) Miscellaneous Provisions

- a) A Separation EPAF is required for all employees who are separating employment for any reason (faculty, staff, and/or Student/Doc/Grad employees. Separation EPAFs alleviate security risks and prompt the termination of accounts such as email, internet connectivity, purchasing privileges, computer system access, and building access. Failure to submit the EPAF promptly may result in overpayment of wages, use of non-eligible insurance benefits, or delay in initiating retirement pay.
- b) In the event of the death of an employee (faculty, staff and/or Student/Doc/Grad), the department must inform HR and Payroll as soon as the department is notified.
- c) The Department Head or designee should notify HR and Payroll regarding employees who leave without notice. Failure of notification may result in an overpayment of wages.
- d) The Human Resources office will provide separating faculty and staff employees with a clearance/exit form. The separating employee and department head (or designee) will complete the form. The employee is responsible for returning equipment, keys, uniform(s), paying outstanding obligations, e.g. parking tickets, debts, library book/fine, etc., before leaving the University. The completed form will be forwarded to HR. Departments are responsible for the return of any department-issued equipment.

Reviewed by: Rhonda Beassie, Associate VP for People and Procurement Operations, May 2025