



Commonwealth of Virginia Office of the Governor

EXECUTIVE SEVERANCE POLICY

This policy is intended to establish uniformity and guidance regarding severance payments to Gubernatorial Appointees and Lieutenant Governor Appointees.

1. EMPLOYEES TO WHOM POLICY APPLIES

The following policy applies to all gubernatorial and Lt. Governor appointed employees, including full-time positions appointed into agencies, involuntarily separated from state government.

11. SEVERANCE POLICY

All appointed employees will be eligible to receive transitional severance benefits conferred under Title 2.2, Chapter 32 of the Code of Virginia, Workforce Transition Act (WTA) of 1995.

111. TRANSITIONAL SEVERANCE PAYMENTS

The WTA allows for transitional severance payments to be made to employees based on their continuous years of service as indicated in the table below.

| Years of Service | Transitional Severance Benefit |
|------------------|--|
| 2 years or less | 4 weeks of salary |
| 3-9 years | 4 weeks of salary plus an additional week for every year over 2 |
| 10-14 years | 12 weeks of salary plus 2 additional weeks for every year over 9 |
| 15 years or more | 2 weeks of salary per year not to exceed 36 weeks of salary |

The maximum severance payment allowed under provisions of the WTA is 36 weeks of salary. Partial years of total service shall be rounded up to the next highest year of service. Payments will be based on weekly salary amounts (annual salary divided by 52) and distributed in the same manner as normal salary.

Transitional severance benefit payments shall cease if an involuntarily separated employee is reemployed or hired in an individual capacity as an independent contractor or consultant by any agency or institution of the Commonwealth during the time he/she is receiving such payments.

IV. TRANSITIONAL HEALTH CARE BENEFITS

Appointed employees who are involuntarily separated from state government will be eligible to continue their health care coverage with the state for a period of one year after their date of separation. If an employee elects to continue coverage with the state, he or she must continue with the same coverage they had prior to separating from the state **and continue contributing to the total premium at the same rate as before the separation.**

V. TRANSITIONAL LIFE INSURANCE BENEFITS

Appointed employees who are involuntarily separated from state government will continue to be covered by the state-provided life insurance policy for a period of one year after the date of separation.

VI. ENHANCED RETIREMENT BENEFITS

Eligible appointed employees will be allowed to apply the value of the severance payments, and portions of the state-paid life and health premiums to their age, years of service, or a combination of both to enhance their retirement benefit.

This benefit is only available to employees who are at least 50 years old and vested members of VRS, SPORS, or VaLORS.

VII. UNEMPLOYMENT COMPENSATION

Some appointed employees may be eligible to receive unemployment compensation. If an employee receives unemployment compensation and transitional severance payments simultaneously, the severance payments will be reduced by the amount of the unemployment compensation. At the end of the employee's transitional severance payments, the employee will receive a lump sum payment equal to the amount of the reductions for unemployment compensation.

VEC should be contacted to discuss the details of this option.

VIII. OTHER TRANSITIONAL BENEFITS

There may be other benefits available to "At-will" employees who are involuntarily separated from state government. It is incumbent upon each "At-will" employee to meet with his or her Human Resource office to discuss all benefits that may be available relative to involuntary separation.

IX. TERM

This policy shall be in effect beginning January 17, 2026, and ending on January 12, 2030, unless otherwise amended or rescinded.

X. NOTICE OF RECEIPT

In accordance with § 2.2-109.01, upon initial appointment or reappointment, the Governor or other appointing authority, or their designee, shall obtain a signed statement from each covered appointee providing that such person has read and understands the severance benefits for which they are eligible under the Workforce Transition Act of 1995. Each employee must acknowledge receipt of this policy by signing the attached form ESP - 001.

The signed form shall become a part of the employee's permanent personnel record.

APPROVED:

Bonnie Kreny-Schnurman

Chief of Staff

4/2/2026

Date

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CERTIFICATE OF RECEIPT

I acknowledge that I have been informed of the severance options available to me under Title 2.2, Chapter 32 of the Code of Virginia, The Workforce Transition Act of 1995.

| | | |
|----------------------------------|--------------------|-------|
| _____ | _____ | _____ |
| Name (Please Print) | Employee Signature | Date |
| _____ | _____ | |
| Human Resource Officer Signature | Date | |