

**ROWAN UNIVERSITY**  
**MANAGERIAL EMPLOYEES TERMS OF VOLUNTARY SEPARATION INCENTIVE PLAN**

WHEREAS, Rowan University continues to grow and evolve, and emphasizes careful and responsible planning for future endeavors, while remaining strong, flexible and well-positioned to invest in its academic mission, and

WHEREAS, the University's growth is and will continue to be guided by this careful and responsible planning to ensure expanded access to high-quality education, as well as keeping affordability for students and families, and continuing to serve as a powerful economic engine for the University's region and the state, and

WHEREAS, the University has a responsibility to make thoughtful decisions that allow it to remain focused on its mission and to continue investing in the student experience, including learning environments and facilities that support academic success, and

WHEREAS, institutions of higher education throughout the United States have recently experienced changes that have led to a degree of financial uncertainty, which has affected higher education in various ways including fiscal consistency, and this situation is expected to continue in both the present and near future, and

WHEREAS, these factors have caused unforeseen changes in University finances, and the University projects to experience increases in costs associated with its operations and its commitments to its educational, public service and community goals, and

WHEREAS, due to these circumstances, and to implement a thoughtful, forward-looking approach to institutional stewardship that allows the University to support long-term planning and ensure that it continues to make strategic investments, while maintaining the flexibility to grow and adapt,

As such, Rowan University (the University) hereby presents a voluntary program to certain managerial employees, which includes the following terms:

1. The intent of this Memorandum of Agreement is to offer a financial incentive to voluntarily separate from employment to certain eligible long-term managerial employees whose voluntary separation would generate savings to the University. This program is hereinafter referred to as the Voluntary Separation Incentive Program ("VSIP"). Implementation is subject to any necessary approvals (should there be any needed) for any part(s) of this program by the appropriate regulatory body(s), which the University is currently in the process of determining.
2. The University recognizes the valuable contributions of these individuals and respects their many years of service to the institution and community.

- The University would benefit from the cost-savings in salary and benefits from individuals who are approved to voluntarily separate from the University through either resignation or retirement.

4. **ELIGIBILITY**

Current managerial employees may apply to participate in the VSIP and select a preferred separation date according to initial eligibility based on total combined service length at Rowan University, as set forth in paragraph 6 below.

Any managerial employees who are or will be scheduled for separation from employment from the University independent of the VSIP, or are currently on a sabbatical at the time of chosen separation date under the VSIP are not eligible to participate in this program.

- In order to be considered for the VSIP, all interested managerial employees who meet initial service length requirements must submit a completed application by May 4, 2026. The opening of application dates and the closure of application dates for the VSIP will reflect all “time to consider” and “revocation” requirements as required by law, including the Older Workers Benefit Protection Act (OWBPA), 29 U.S.C. § 621 *et seq.* All completed applications received from managerial employees will be evaluated by the University on a case-by-case basis to determine each application’s effect on the operational needs and financial impact on the University. At any point after its review and up through the time of the release of decision, the University may decline to approve any application received based upon its analysis, even if the employee meets service length eligibility requirements. Decisions on completed applications are expected to be released by May 31, 2026 or sometime shortly thereafter.
- In consideration for their voluntary separation, eligible managerial employees who have been approved to voluntarily sever their employment with the University under this program shall receive an incentive as follows:

<b>Total Years of Service at Rowan University as of 4/1/26</b>	<b>Percentage Payout of institutional Base Salary as of 1/1/26, with 7/1/26 Separation Date</b>	<b>Percentage Payout of institutional Base Salary as of 1/1/26, with 1/1/27 Separation Date</b>
10-15 years	50%	38.50%
15-20 years	75%	56.25%
20+ years	100%	75%

The “Total Years of Service at Rowan University requirement as of April 1, 2026” does not include service time at any other institution outside of Rowan University. Any service time at Rowan University as a permanent employee is included, including service outside of a managerial level employment position. Further, the total years of service at Rowan University are not required to be current consecutive years of service at Rowan, but the

employee must be a current managerial employee at Rowan at the time of submitting application and through the time of the chosen separation date under the VSIP in order to be considered eligible to participate in the VSIP. If an applicant has non-consecutive years of service at Rowan University, the employee must indicate this on the submitted completed application.

7. In consideration for their agreement to voluntarily separate, managerial employees who are approved under this program with a separation date of July 1, 2026 shall receive payment in the following manner: 50% of the total incentive payment owed to be paid on or about July 1, 2026, and the remaining 50% of the total incentive payment owed to be paid on or about January 1, 2027.
8. In consideration for their agreement to voluntarily separate, managerial employees who are approved under this program with a separation date of January 1, 2027 shall receive payment in the following manner: 50% of the total incentive payment owed to be paid on or about January 1, 2027, and the remaining 50% of the total incentive payment owed to be paid on or about July 1, 2027.
9. The University also agrees to permit managerial employees who are approved under the VSIP to continue utilizing the benefits afforded under the Rowan University Tuition Benefit for Dependents, Spouse, Domestic or Civil Union Partner Policy (the "Tuition Benefit Policy") for any dependent, spouse, domestic or civil union partner who has already separately been approved for use of the Tuition Benefit Policy as of July 1, 2026. All requirements and terms of the Tuition Benefit Policy other than the requirement that the employee be a current full-time permanent employee of the University during the time of usage of the Tuition Benefit (post voluntary separation) must be followed in order to continue usage of the Tuition Benefit.
10. The University agrees to provide employees with relevant information on enrollment requirements for health benefits in retirement.
11. Managerial employees approved for the VSIP agree that voluntary separation pursuant to this program (whether it be in the form of either voluntary retirement or voluntary resignation) is an irrevocable agreement to retire or resign.
12. An agreement to voluntarily retire/resign under the VSIP and acceptance of the monetary incentive to retire does not preclude any participating managerial employee from applying for retirement benefits to which the employee may be entitled by the state or any other entity.
13. For managerial employees who are approved to voluntarily separate through this program and are seeking retirement, the University agrees to assist those employees with processing their retirement applications with the Division of Pensions and Benefits to effectuate the applicable retirement date. The parties specifically acknowledge and agree

that any decisions or outcomes made by the Division of Pensions and Benefits with respect to any managerial employee's retirement application are outside the purview of Rowan University. The University specifically emphasizes to any managerial employee seeking to file for retirement upon approval of the VSIP that those who may seek to continue teaching as an adjunct faculty (or working in any other capacity) at the University or elsewhere at some point after the selected separation date should be specifically aware of state regulations that may require a *bona fide* waiting period to do so, and that failure to do so may lead to significant negative financial penalties associated with retirement. The University specifically urges any such interested managerial employee to communicate with the University's benefits department and/or the New Jersey Division of Pensions and Benefits with any questions regarding post-retirement employment.