

# Exempt (Non-Represented) Voluntary Employee Separation Incentive

The Seattle Colleges are offering a Voluntary Employee Separation Incentive (this "VESI") for non-represented exempt employees of the District who meet plan eligibility requirements and whose Letters of Intent are accepted by their appointing authority. Below is a summary of the plan for non-represented exempt employees, which is being offered for the limited time period outlined below.

## Purpose:

The purpose of this VESI is to reduce the District and its colleges' personnel related expenses, as well as align staffing levels with operational needs.

This VESI is a management tool and is not an employee right or benefit. No employee will have a contractual right to a financial incentive offered through this program.

Acceptance of an incentive offer is strictly voluntary. Incentive options shall not be targeted on the basis of individual or personal factors.

## Eligibility:

This VESI is open to all full-time non-represented exempt employees employed by the District who have worked full-time in the District for at least ten (10) years.

This Incentive Plan is intended only for state-funded, non-represented exempt employees. All final eligibility decisions will be made by the District.

This VESI is not available to otherwise eligible employees who:

- a. are receiving a pension benefit under a state pension plan administered by the Department of Retirement Systems or a higher education retirement plan are not eligible for the incentive program;
- b. have already tendered a notice of resignation to the District or made a retirement announcement;
- c. is subject to a pending disciplinary action with the potential for involuntary termination, including matters under appeal;
- d. have already been advised that their position has been terminated; OR
- e. are in a position that is primarily (i.e. more than 50%) funded by a fund source that does not permit funds to be used for severance, bonuses, incentives, buyouts, or other similar payments to employees.

### Incentive Amount

Employees who separate their employment from the District under his VESI will receive an incentive payment equal to 50% of their 2020-2021 annual base salary.

## Program Availability & Timeline

The District will accept notices of interest to participate in this VESI from August 10, 2020 until August 31, 2020. The District will review applications and give written notice to employees who qualify for participation in this VESI by September 18, 2020. Employees will have forty-five (45) days to consider and accept the formal offer by the District to voluntarily separate under this Plan.

### Payout

Incentive payments will be in the form of a lump sum payment less required withholding.

Unused leave accruals will also be paid out in a manner consistent with the generally applicable District policies, less required withholding.

Any payments and will not be included as retirement plan contribution or otherwise will not be considered income for retirement (average final compensation) purposes.

Payments will be made within thirty days of the employee's last day of employment.

#### Acceptance

Employees interested in participating in the program will submitting a signed notice of interest to participate in this VESI, on a designated form, no later than August 31, 2020, with an effective date for their separation no later than November 2, 2020.

The designated form will, at a minimum, indicate that the employee's request to participate in this VESI is entirely voluntary and that they fully understand the re-employment and other restrictions of this VESI.

The District will review applications and give written notice to employees who qualify for participation in this Plan September 18, 2020. Employees will have forty-five (45) days to consider and accept the formal offer by the District to voluntarily separate or retire under this VESI. The written notice to the employee will include a formal separation agreement for the employee to consider and sign upon their acceptance. This notice will also be considered an offer by the District to accept the employee's resignation under the terms of the VESI.

Under limited circumstances an employee's appointing authority, may decline to accept an employee's signed notice of interest to participate in this VESI. In such circumstances, the District will notify the employee in writing that they have declined to formally offer the employee to participate in the VESI. This decision will be made for objective documented reasons, and may not be used to target specific individuals or on the basis of any personal factors. These circumstances include, but are not limited to:

- in order to retain positions, occupations, and skills that are key to achieving the District's mission and priorities;
- in order to ensure adequate levels of continuing services in needed occupations;
- ability to eliminate the function/service performed;

- ability to provide the service/function in a different manner;
- ability to merge the service/function with other services/functions;
- known difficulty, including cost to replace, in replacing an employee with particular skills;
- risk management or compliance concerns;
- potential disruption to District operations, including revenue generation, due to overall loss of experienced employees; and
- the overall costs of providing the incentives outweigh the projected cost savings.

Acceptance of the District's offer by the employee as part of this VESI must include signing a separation agreement and delivering it to the District no later than the effective date of the employee's separation. If signed separation agreement is not returned to the District by the deadline, the District's offer to participate in this VESI will be withdrawn and the employee's offer to separate considered rescinded. After acceptance has been completed, employees will have seven (7) days within which to rescind their acceptance, after which the acceptance is irrevocable.

### Unemployment

Employees who accept a voluntary employment separation incentive option will be ineligible for unemployment compensation.

### Repayment & Return to Service

Employees who are approved to participate in this VESI and subsequently seek to return to work within the District within five (5) years of separation will be required to reimburse the District for that amount of the incentive payment received. An exception to this provision may be granted by the District Chancellor provided the rehire request is made through the respective President/Vice Chancellor, prior to the date of rehire or return to work. Such exceptions granted by the Chancellor may allow for partial repayment of the incentive and any related employment taxes on a pro-rated basis.

### Contacts & Additional Information

For further details or clarification on this Voluntary Employee Separation Incentive, and/or to determine your eligibility, please contact your college Human Resources Administrator:

North: Josh Ernst – josh.ernst@seattlecolleges.edu

Central: Scott Rixon - <u>scott.rixon@seattlecolleges.edu</u>

Siegal: Sylvia Juarez – <u>sylvia.juarez@seattlecolleges.edu</u>

South: Sylvia Juarez – <u>sylvia.juarez@seattlecolleges.edu</u>