

**LEON COUNTY BOARD OF COUNTY COMMISSIONERS
PROPOSED DRAFT
VOLUNTARY SEPARATION INCENTIVE PROGRAM (VSIP)
DESCRIPTION - 2011**

Purpose

The primary purpose of the VSIP is to enable the County to achieve budget reductions through voluntary separations of employees in order to avoid or minimize the need for a reduction in force. The program has been developed to provide an incentive to employees who are interested in voluntarily leaving their positions. The results of implementing a VSIP is to reduce cost and eliminate positions or reduce FTE's; filling vacant positions at a lower cost, or to facilitate redeployment and reorganization by filling positions with another employee who may be facing the elimination of his/her position. The VSIP is used at the County's discretion and is not an employee entitlement.

Summary

Once an employee is offered the opportunity to participate, the employee may voluntarily initiate a request for consideration for the Voluntary Separation Agreement. Approval by the County will be dependent upon the strategic, financial and organizational need of the department, division and that of Leon County as a whole. For a separation agreement to be approved, the Division Director must identify a position to be permanently eliminated. In eliminating a position, either the position occupied by the requesting employee or another position of equal FTE will have to be eliminated.

Recommendations to approve voluntary separation applications will be made by the Division Director, Group Director, Deputy County Administrator, Assistant County Administrator, Human Resources Director, with final approval by the County Administrator.

Re-employment

Employees who leave the County under the terms of the Voluntary Separation Program may not be re-employed for a period of 12 months following the ending of their employment under the Voluntary Separation Incentive Program. Employees who have separated under this program, may apply for positions for which they are qualified just as any other applicant. Return to employment will be at the sole discretion of the County.

Estimated Schedule

- The program implementation will begin by April 22, 2011.
- Applications will need to be submitted to Human Resources by May 13, 2011.
- Educational Workshops for employees to be held by May 13, 2011.
- Executive Leadership Team approval or denial of applications by May 25, 2011

- Present preliminary update to the Board at the Budget Workshop on June 14, 2011 on the number of employees who have been approved for VSIP.
- Final approval required by the Board no later than the Budget Workshop on July 5-7, 2011 in order for written agreements to be sent to employees.
- Written Agreements sent to approved employees by July 8, 2011
- Employees sign and return written agreements no later than August 23, 2011 (45 days)
- Employees have 7 days after signing Agreement to revoke (August 31, 2011)
- Separations may occur immediately or no later than September 30, 2011.
- Lump Sum payments occur the pay period following the employee's date of separation.

Eligibility

The VSIP program will be offered to regular full time or part time employees of the Board and Constitutional Office with the following eligibility criteria:

- Deferred Retirement Option Program (DROP) participants, that have 10 or more years with Leon County, with mandatory service end dates beginning January 1, 2013 through the end of September 2016 or;
- Rehired Florida Retirement System (FRS) Retirees that have 10 or more years of service with Leon County (Employees receiving an FRS benefit and rehired by Leon County) or;
- Employees with twenty (20) or more years of Florida Retirement System (FRS) service as of September 30, 2011 which includes a minimum of ten (10) years of Leon County service.
- Excluded employees include employee in grant funded positions, and DROP participants with mandatory service end dates prior to January 1, 2013.

Payment Incentives under the VSIP

Employees who are approved for the VSIP program and voluntarily resign will receive the following incentive payment:

- An amount equal to 6 months (1040 hours) of their current annual base salary or \$25,000; whichever is greater.
- Assistance with the cost of health insurance. The County will pay the cost of 50% of the employee's current medical insurance coverage for up to 18 months, as a retiree or through COBRA contingent upon the employee continuing to make the remaining 50% premium contribution.

Overtime payments, extra assignments, and other forms of hourly premiums will not be taken into account in calculating the payment incentive. Payments to part time employees will be prorated based on FTE. Payments to employees in GIS, Cooperative Extension and Planning will be prorated in direct proportion to Leon County funding.

Selection Criteria

The separation must help the division or program area achieve its strategic, budgetary and organizational needs. The County may approve those VSIP applications that provide the least amount of disruption to government services.

Departments and Divisions should consider and address:

- Retention of adequate levels of skilled workers in needed occupations and locations.
- Retention of employees in positions with skills that are key to achieving the Divisions mission, goals and priorities.
- Potential disruption due to overall loss of experienced workers.

Approval by the County will be dependent upon the strategic and organizational needs of the Department, Division and that of Leon County as a whole. For a separation agreement to be approved, the Division Director must identify a position to be permanently eliminated. In eliminating a position, either the position occupied by the requesting employee or another position of equal FTE will have to be eliminated.

Applying for a Voluntary Separation Agreement

Participation by employees is voluntary. Employees should consider their situation carefully. If an employee has been thinking of leaving their position for other opportunities, or preparing for retirement, a voluntary separation agreement may be appropriate. Employees must inform their Division Directors of their decision to apply to participate in the Program. Employees should contact Human Resources for the Application Form. Individual communications about an employees' possible voluntary separation will be shared only on a need-to-know basis.

Provisions

Payment will be made in a lump sum. All dollars received are considered wages and are subject to Federal and Social Security taxes.

The terms and conditions of separation will become effective for an employee only if he/she is approved for voluntary separation under this program and:

1. The County during its process of budgeting offers the requested separation agreement;
2. Both Leon County and the employee enter into a formal agreement signed and executed by the both.

The County will review and approve or disapprove voluntary separation applications as soon as feasible following receipt of a complete and timely filed application. The County

reserves the right to reject applications in cases of ineligibility or in the exercise of its sole discretion in light of program, division and organizational goals. Leon County may also defer action on applications until a later date pending assessment of progress of goals. If the County defers action on an application and later offers the applicant an opportunity to participate in the program, the employee is not obligated to accept the offer at that time.

The County will consider and approve requests as soon after receipt as is reasonably possible. Applications for voluntary separation must be received by Human Resources by May 13, 2011.

Individuals offered a VSIP incentive will be given sufficient time to make a decision. Employees choosing to accept a VSIP will sign an Agreement indicating their decision to participate is voluntary. In accordance with the Age Discrimination in Employment Act and the Older Workers Benefit Protection Act, an employee will have up to a 45 day period following a formal offer of a separation agreement to consider signing it. During this period of time the employee will be advised to consult with his/her attorney and persons providing tax advice. After signing the Agreement, the employee may revoke his/her decision to accept the terms and conditions of the Agreement by submitting a written request to the Director of Human Resources, no later than 7 calendar days after the date upon which the employee signed the Agreement. The County cannot give tax advice, so employees should consult with their own tax advisors about tax consequences of the payment.

Employees will need to submit a written notice of resignation with their signed Agreement.

Upon termination of employment, the employee will be paid for any used annual leave, compensatory leave as well as 25% of the balance of their sick leave. Employees will be eligible to continue their medical insurance through COBRA or as a retiree. The County will pay for 50% of the cost of coverage for up to 18 months. Any monies owed to Leon County will be deducted from the separation payment.

Approval or denial of applications for the VSIP will be at the sole discretion of the County. All decisions made by employees to resign under this program are voluntary and are not considered grievable and will not be subject to appeal.

The VSP will be administered solely by Leon County. The County will have the final right to interpret its terms. Leon County may amend or terminate the Program but not adversely impact a staff member who has been approved under a written agreement.

VSIP Implementation Team

A Voluntary Separation Implementation Team has been established to provide technical advice and assistance to managers, directors and employees. The team is also responsible for tracking the status of and managing the process of approval or denial of applications. The team members are:

Lillian Bennett, Director of Human Resources; Amy Cox, Human Resources Manager;
Chansidy Daniels, Employee Relations Manager