



## Exempt Voluntary Employee Separation Incentive

This Memorandum of Understanding (this “MOU”) is by and between the Board of Trustees of Seattle Colleges, State of Washington Community College District VI, (the “District”) and AFT SEATTLE PROFESSIONAL STAFF, Local 6550, AFT/AFT WA/AFL-CIO (the “AFT-SPS”) and outlines the procedure for a Voluntary Early Separation Incentive (this “VESI”) for full-time employees represented by AFT-SPS.

This MOU supersedes any previous memorandum of understanding regarding voluntary employee separation incentives.

This MOU is separate from and in addition to any retirement plans in which the employee may be participating. Employees who participate in the program outlined in this MOU will voluntarily sign an agreement which provides for separation from the employee’s employment relationship with the District and a general release of claims that the employee has or may have relating to that employment relationship.

The Voluntary Employee Separation Incentive (VESI) plan is based on the following considerations.

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### *Purpose:*

The purpose of this VESI is to reduce the District and its colleges’ personnel related expenses.

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 current full-time employees, represented by the Union, who have worked full-time in the District for at least ten (10) years.

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;
- b. have already tendered a notice of resignation to the District or have already tendered a retirement announcement;
- c. are 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 this VESI will receive an incentive payment equal to 50% of their 2020-2021 annual base salary. The District will maintain the employees' benefits, including health care, at current levels until their final day of employment with the District, no later than November 2<sup>nd</sup>, 2020.

#### *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 notices of interest and make formal written offers to employees who qualify for participation, and are accepted into, 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 District policy, less required withholding.

Any payments will not be subject to retirement plan contributions 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 submit a signed notice of interest to participate in this VESI, on a designated form, no later than August 31, 2020, with a desired 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 as outlined later in this document.

The District will review notices of interest and make a written offer to employees who qualify for participation, and are accepted into, this Plan by September 18, 2020. The District's 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. Circumstances under which the District may not make an offer include, but are not limited to:

- the need to retain positions, occupations, and skills that are key to achieving the District's mission and priorities;
- the need to ensure adequate levels of continuing services in specific occupations;
- the ability to eliminate the function/service performed;
- the ability to provide the service/function in a different manner;
- the ability to merge the service/function with other services/functions;
- known difficulty, including cost, 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.

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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.

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 the 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 may be eligible for unemployment subject to the rules of the Employment Security Department.

#### *Repayment & Return to Service*

Employees who are approved to participate in this VESI and subsequently are hired to return to work within the District within three (3) 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.



*Notices to the Union*

No later than seven (7) calendar days from the deadline for the District to make formal offers to individual employees regarding their participation in this VESI, the District will provide the union with a list of the names, titles, and college (or District office) and intended date of separation of its members to whom formal offers have been made. Within 30 calendar days of the last employee's separation under this VESI the District will provide details of the reassignment, reallocation, reorganization, or cessation of the duties assigned to that position.

The District will abide by the terms of the Collective Bargaining Agreement with respect to the reassignment, reallocation, reorganization, or cessation of work as a result of vacancies created by the VESI.

The Union reserves their right to bargain the impact of changes made to the terms and conditions of employment as a result of this VESI. Any agreements made regarding impacts of the VESI, shall be reduced to writing and memorialized in an appropriate manner.

*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](mailto:josh.ernst@seattlecolleges.edu)

Central: Scott Rixon – [scott.rixon@seattlecolleges.edu](mailto:scott.rixon@seattlecolleges.edu)

Siegal: Sylvia Juarez – [sylvia.juarez@seattlecolleges.edu](mailto:sylvia.juarez@seattlecolleges.edu)

South: Sylvia Juarez – [sylvia.juarez@seattlecolleges.edu](mailto:sylvia.juarez@seattlecolleges.edu)

*Effect of this MOU*

The District and AFT-SPS agree this Memorandum of Understanding is for the contract(s) in effect through the Fall 2020 academic quarter and does not establish precedent beyond the content and implementation of this agreement.

*MOU Acceptance*

The parties, by their signatures below, accept and agree to the terms and conditions of this agreement.

\_\_\_\_\_  
President, AFT SEATTLE PROFESSIONAL STAFF, Local 6550

8-10-2020

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chancellor, Seattle Colleges District VI

August 6, 2020

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Date