

## County of Summit Voluntary Separation Plan

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1. The County of Summit is offering an extension of the Voluntary Separation Plan (“VSP”) as part of its continuing efforts to reduce the long term expenditures of the County. All employees of all appointing authorities, offices, agencies, boards and commissions of the County of Summit (hereinafter collectively referred to as “Offices”) are eligible to participate in the VSP. Each Office shall sign a memorandum of understanding with the County Executive agreeing to the terms of the program, as set forth herein, no later than 4:00 p.m. on October 9, 2009.

**Plan Eligibility, Payout and Separation Details**

2. The VSP is available to all full-time (defined as an employee who works at least 72 hours a pay period), permanent, bargaining (pending union approval) or non-bargaining employees who were on the payroll and completed their initial probation period as of January 1, 2009 and who continually maintain their full-time, permanent status through the date of their application for the VSP. Individuals seeking to retire as a result of disability are not eligible to participate in the VSP. Elected officials and appointed or elected board members are not eligible to personally participate in the VSP. In order for employees of a bargaining unit to be eligible, that unit must agree to participation either through terms of a collective bargaining agreement or a memorandum of understanding between the unit and the employer.
3. Employees participating in the VSP shall receive a lump sum payment, after the separation of their employment, equal to 30% of the first \$50,000.00 of the employee’s “base salary” and an additional 5% of the portion of the “base salary” that exceeds \$50,000.00. Said payment shall be made only upon separation of the employee from employment with the County.
4. “Base salary” is calculated by using the employee’s regular hourly rate as of January 1, 2009, times 2080 hours for an 80 hour per pay period employee, or 1872 hours for a 72 hour per pay period employee. The “base salary” does not include any amounts for overtime, salary roll-ups, or any benefits. Income paid to an individual on a contract basis or attributed to a 1099 is not included in “base salary.”
5. In the event that an employee has not been employed for at least one year immediately preceding their termination date, the “base salary” will be the regular hourly rate as of January 1, 2009 multiplied by the actual number of hours actually worked (i.e., paid or unpaid leave will not be included) during the previous twelve months.
6. Any employee who elects to participate in the VSP will also receive the normal vacation payout pursuant to CH 169 of the County codified ordinance and/or Collective Bargaining Agreement, after they resign or retire from County employment, in the same form, fashion and amount as a normal severance from the County.
7. If an employee elects to voluntarily terminate employment under the VSP and retire, the employee will also receive their sick leave payout pursuant to CH. 169 of the County Codified Ordinances and/or Collective Bargaining Agreement, in the same form, fashion

and amount as a normal severance from the County. In order to receive a sick leave payout, the County will need to receive confirmation of the eligible employee's election to receive an age and service pension from OPERS.

8. Employees electing to participate in the VSP must agree to terminate their employment with the County, effective no later than the close of business on November 30, 2009. The employee's termination shall be a voluntary resignation or retirement and the employee shall agree on the VSP application to the voluntary nature of the termination and acknowledge that, as such, the employee is not eligible for unemployment compensation. Employee agrees that election to participate in the VSP shall be a voluntary termination of employment for any purpose whatsoever. Employees who elect to participate in the VSP will be removed from the payroll at the close of business on the effective date of their resignation. Employees may elect to be paid half of all payouts (VSP, sick and vacation) in 2009 upon separation of employment and half of the payouts between January 1, 2010 and January 31, 2010. As stated below, resignation of an employee pursuant to the VSP may be delayed pending the Office's submittal and approval of the required savings/reduction plan.

### **Employee Enrollment**

9. An employee must enroll for the VSP during the enrollment period of October 12, 2009 through October 26, 2009. Failure to enroll in the VSP during that enrollment period will render an employee ineligible for the VSP.
10. Employees must indicate their election to participate in the VSP and their acceptance of all conditions and terms of the VSP, no later than 4:00 p.m. on October 26, 2009, by delivering the fully completed and signed VSP Application and Resignation Form to the Human Resources Department ("HRD"), Room 102, Ohio Building, 175 S. Main St., Akron, Ohio 44308. Delivery shall constitute physical delivery to the HRD or mailing the application by regular U.S. mail. If mailed, the application must be completed, signed and U.S. post-marked no later than October 26, 2009. Electronic or faxed copies, and/or copies submitted by intra-departmental mail are not sufficient to constitute delivery.
11. If the VSP application is incomplete and/or filled out incorrectly, the County will allow the affected employee to correct and/or complete the application within three (3) business days from notification of the incompleteness or incorrectness. If the employee fails to correct the problems and/or complete the VSP application within that period of time, that employee's VSP application will be rejected by the County.
12. Employee may revoke the VSP application by delivering a notice of revocation, in writing, to the HRD no later than seven (7) days after the date that the application is delivered to the HRD. For purposes of the notice of revocation, deliver shall have the same meaning as that set forth in paragraph 10, above.

### **Salary Savings/Reduction Plan**

13. No later than November 6, 2009, the HRD shall compile and deliver to each participating Office a list of employees that have elected to participate, and are eligible to participate,

in the VSP. No later than November 15, 2009, each Office must submit a written plan to DFB demonstrating salary savings/reduction of at least 50% of the total amount of **non-general fund** salaries for the employees that elect to participate in the VSP. Said savings may be accomplished through (i) permanent abolishment of positions or (ii) promotion of remaining employees to newly vacant positions and underfilling or abolishing the prior positions, or (iii) other personnel reorganization that will result in the required 50% salary savings/reduction for the employees electing to participate in the VSP. **The balance of the 50% that may be reused by an Office must be used only for transfers or promotions into positions vacated through the VSP.** Following receipt of the required plan, the DFB will review and approve the plan, or suggest revisions to the Office. Failure to submit a plan meeting the required savings/reduction will delay and possibly prevent the processing of personnel actions necessary to replace separating employees.

14. For **general-fund and general-fund supported** positions, the Office shall receive a credit towards the Office's required 2010 budget reductions and/or any savings requested by the Executive's Department of Finance and Budget ("DFB") for the final quarter of 2009, as set forth in the 2010 budgetary packets previously provided by DFB to those Offices. The amount of the credit shall be equal to the salary and benefits of the vacated positions for the balance of 2009 and 2010, less the payout to the employees under this plan and any payouts for sick and vacation leave. Because 100% of the salary and benefits savings for the separating employees must be used to cover the cost of the separating employee's payouts and as a credit towards the Office's required 2009/2010 budget reductions/savings, the Office will not be able to reuse any of the salary and benefits saved through the Plan for promotions or transfers, as is permitted for the non-general fund positions. As such, it is not necessary for Offices to submit a written savings plan as is done with the non-general fund positions. The following example illustrates the operation of this Section:

VSP Participant 2010 Salary and Benefit Savings	\$100,000
VSP Participant 2009 Salary and Benefit Savings	5,700
<u>2009 Payout to VSP Participant</u>	<u>-\$40,000</u>
Net 2009/2010 VSP Budget Savings	\$65,700
Office's Required 2009/2010 Budget Reduction/Savings	\$500,000
<u>Less Net 2009/2010 VSP Budget Savings</u>	<u>-\$65,700</u>
Office's Adjusted Required Budget Reduction/Savings	\$434,300

Following completion of the enrollment period, and the calculation of the savings achieved by each Office, the Executive shall make the necessary adjustments to the proposed 2010 budgets for each Office and shall submit a resolution to Council to make any necessary appropriation adjustments for 2009, consistent with this Section.

15. Once the HRD delivers to each participating Office a list of electing and eligible employees, the Office shall complete a personnel action for each employee indicating the retirement/resignation of the employee, which shall be processed through normal procedures.

### Miscellaneous Provisions

16. The County cannot and does not give any representation as to the treatment given to the Voluntary Separation Plan by the Ohio Department of Jobs and Family Services and the Ohio Public Employees Retirement System. See attached Federally Funded Agency Addendum for Guidelines pertaining to those Agencies.
17. An employee who accepts a voluntary separation payment is ineligible for full-time re-employment in any position with the County for a period of 24 months from the date of voluntary separation (or consequently must repay the full amount of the voluntary separation payment prior to being eligible for any County position). An employee who accepts a voluntary separation payment is eligible to return to the County in either a part-time position or seasonal position that is of a different job classification than the position vacated by the employee, during said 24-month period, provided that there is not a hiring freeze in effect that otherwise bars or limits said employment.