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RE: Final Report – Seattle Colleges District VI Voluntary Separation Program

To Whom It May Concern:

Seattle Colleges District VI (“Seattle Colleges”) is one of Washington State’s Community and Technical College districts, serving the City of Seattle, Vashon Island, and their surrounding communities. Seattle Colleges is a multicollge district, comprised of three comprehensive colleges and five specialty training centers with 1,600 faculty and staff serving over 18,000 students per year.

In order to help align Seattle Colleges' employee roster with current enrollments and to otherwise help balance its budget, amongst other reasons, Seattle Colleges elected to offer a voluntary early separation or early retirement incentive program for each of its four employee groups (i.e. classified staff, represented professional staff, faculty, and non-represented staff). This letter is limited in scope to a discussion regarding the voluntary early separation or early retirement incentive plan offered to classified (i.e. civil service) staff under the authorization of the *Office of Financial Management* (OFM).

Program Overview

Offers were made consistent with Seattle Colleges' OFM approved Classified Employee Voluntary Separation or Retirement Incentive Plan (the "Plan"). All classified staff with at least three years of service were able to express interest in participating in the Plan. Formal offers to participate in the Plan were made to eligible classified employees who expressed interest in participating in the Plan except in limited circumstances.

Under limited circumstances an employee's appointing authority may have declined to accept an employee's signed notice of interest to participate in the Plan. This decision was made for objective documented reasons and was not used to target specific individuals or on the basis of any personal factors. These circumstances included, but were not limited to: 1) in order to retain positions, occupations, and skills that were key to achieving Seattle Colleges' mission and priorities; 2) in order to ensure adequate levels of continuing services in needed occupations; 3) ability to eliminate the function/service performed; 4) ability to provide the service/function in a different manner; 5) ability to merge the service/function with other services/functions; 6) known difficulty, including cost to replace, in replacing an employee with particular skills; 7) risk management or compliance concerns; 8) potential disruption to District operations, including revenue generation, due to overall loss of experienced employees; AND 9) the overall costs of providing the incentives outweigh the projected cost savings.

The amount of the incentive payment offered to classified staff was equal to the corresponding percentage of the employee's 2020-2021 annual base salary, up to a maximum amount of \$25,000. This annual base pay amount included any "across the board" regional pay authorized by the Legislature for classified employees, but excluded any other additional incentives including, but not limited to, pay for temporary assignments/duties, scheduled/anticipated overtime, etc.

Staff Participation

Thirty-one classified employees submitted a notice of interest to participate in the Plan by the deadline. Two classified employees withdrew their notice of interest after the submission deadline, but before formal offers to participate in the Plan were made. Nine classified employees who submitted a notice of interest were not offered a formal offer to participate in the Plan for one or more of the objective reasons outlined above. The majority of these nine individuals were not made a formal offer to participate in the Plan because their early separation would have caused a significant disruption to Seattle Colleges as it was in the process of transitioning to a new student information system.

Seattle Colleges ultimately made twenty formal offers to classified staff to participate in the Plan. Sixteen of these offers were accepted. One offer was not accepted because the employee passed away before they could accept the offer and separated from employment.

Service Delivery Changes & Efficiencies

Seattle Colleges has not identified any adverse impacts to services due to the voluntary separation of these sixteen classified staff members. Generally, separating staff's duties were reassigned to colleagues of the same or similar job classification. In some circumstances, these staff's voluntary separation avoided an involuntary layoff due to continued decreased workload that could not sustain current staffing levels.

Continued efficiencies and cost savings will be gained by backfilling vacated positions at a more appropriate level classification that more closely aligned with the current and anticipated needs of the involved units. This includes the anticipated backfilling of specialist type positions with generalist type positions to provide a wider breadth of services to our faculty, staff, and students.

Costs per Participant

Sixteen classified employees accepted Seattle Colleges' formal offer to participate in the Plan and subsequently separated. The incentive payments per employee were as follows:

Job Title	Annual Pay (07/01/2020)	Incentive Amount
Administrative Assistant 3	51,444.00\$	25,000.00\$
Administrative Assistant 4	61,176.00\$	25,000.00\$
Custodian 2	42,468.00\$	8,493.60\$
Custodian 2	41,508.00\$	12,452.40\$
Custodian 2	42,468.00\$	19,110.60\$
Custodian 2	42,468.00\$	19,110.60\$
Custodian 2	42,468.00\$	21,234.00\$
Custodian 3	45,564.00\$	20,503.80\$
Custodian 3	45,564.00\$	22,782.00\$
Heavy Equipment Operator	59,700.00\$	25,000.00\$
IT Systems Administrator - Journey	94,416.00\$	25,000.00\$
Maintenance Specialist 4	82,332.00\$	25,000.00\$
Painter Lead	43,722.00\$	10,930.50\$
Program Coordinator	48,972.00\$	17,140.20\$
Program Specialist 3	42,606.00\$	12,781.80\$

Job Title	Annual Pay (07/01/2020)	Incentive Amount
Program Specialist 3	62,676.00\$	25,000.00\$

Projected Net Savings

For fiscal year 2020-2021, the net salary savings realized by offering the Plan to classified staff was approximately 133,755.91\$. This figure accounts for salary paid to the sixteen staff members prior to their voluntary separation, any leave balances paid out upon their separation, and the cost of the incentive payment documented above. These savings are exclusive of employer paid benefits savings (e.g. health insurance premiums of approximately 939\$ per month, retirement contributions of approximately 12.86% per month, federal payroll taxes, etc.).

It is expected that six of the sixteen positions vacated through the Plan will be backfilled during fiscal year 2021-2022 at a cost of approximately 224,900.00\$ in salary. Disregarding any incremental step increases separated staff would have been due under the terms of their collective bargaining agreement in 2021-2022 given that most, if not all, of these employees were at the highest step in their salary grade, Seattle Colleges expects to realize approximately 624,652.00\$ in salary savings in fiscal year 2021-2022 as a result of the Plan. Assuming no additional vacated positions are backfilled, the salary savings realized for the second year of the biennium (i.e. fiscal year 2022-2023), would be 578,376.00\$ due to the cost of annual incremental step increases under the applicable collective bargaining agreement. These savings are exclusive of employer paid benefits savings (e.g. health insurance premiums of approximately 939\$ per month, retirement contributions of approximately 12.86% per month, federal payroll taxes, etc.).

Should you require additional information, please do not hesitate to contact me.

Respectfully,



Joshua R. Ernst
Human Resources Director, North Seattle College

cc: Jennifer Dixon, Vice Chancellor for Human Resources, Seattle Colleges
Susan Engel, Director of Payroll, Seattle Colleges