

Date: July 27, 2021

To: Members of the House Appropriations and Senate Ways & Means Committees
Brad Hendrickson, Secretary of the Senate
Bernard Dean, Chief Clerk of the House of Representatives
David Schumacher, Director of OFM
Caroline Kirk, OFM State Human Resources
Marcus Ehrlander, Budget Assistant to the Governor, Office of Financial Management

From: Joseph Whalen
Vice President of Human Resources

RE: Everett Community College Voluntary Separation Incentive Program Closing Report

In anticipation of significant declines in student tuition and fee revenue resulting from the COVID-19 pandemic's impact on FY2020-21 enrollment, Everett Community College applied for and received authorization to offer a Voluntary Separation Incentive plan to Faculty, Classified, and Exempt employees.

An incentive of up to \$25,000 was offered to those eligible employees who agreed to voluntarily separate from employment by September 15, 2020. To be eligible, employees must have met the following criteria:

- Eligible for retirement, based on their retirement plan criteria, for at least 12 months.
- Must be a permanent employee of Everett Community College.
- Must be currently employed at Everett Community College, and have worked for Everett Community College for 3 years.
- Cannot be currently receiving a pension benefit from any of the retirement benefit programs such as PERS or SBRP.
- Not eligible if they participated in a Washington State Voluntary Separation and Retirement Incentive Plan in the past five years.

Employees were also advised:

- If you are approved and accept a separation or retirement incentive under the VSRI program, you will not be eligible for unemployment compensation and will not be eligible to be placed on any layoff list.
- Employees who accept a separation incentive payment and return to state service within 5 years (as an employee or contractor) must repay the incentive.
- Employees accepting a separation or retirement incentive payment must sign a written agreement acknowledging they have read, understand and agree to abide by the provisions of the VSRI Guidelines and by signing the agreement the employee waives any employment-related claims against the College. This agreement will indicate their final employment date which will be on or before September 15, 2020.

Employees were required to apply no later than August 28, 2020. Three employees were approved for the incentive, signed the appropriate agreement, and retired effective September 15, 2020.

1. Classified Program Specialist 4 Cahoon, A \$25,000 incentive
2. Classified Program Manager B Christensen, L \$25,000 incentive
3. Full Time Tenured Faculty Davis, R \$25,000 incentive

EvCC's plan was effective August 1, 2020 and ended June 30, 2021. The three positions have not been replaced.

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| Total incentives paid | \$ 75,000.00 |
| Net savings for the period 09-15-20 through 06-30-21 | \$164,008.31 |
| Anticipated net savings for the 2-year recovery period 08-01-20 through 07-31-2022 | \$491,072.31 |

We appreciate the incentive program being made available by the legislature. It was a helpful option to offer to our employees, and reduced the number of layoffs that were required. If you have any questions about our program, please contact me.