

VOLUNTARY SEPARATION PROGRAM OUTCOME REPORT

An incentive program for retirement eligible employees to assist the County with limiting reductions in force, provide cost savings, and redesign of work for efficiencies.



King County

*VSP Pilot
2014-2016*

Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

Executive Summary:

The King County Council adopted Ordinance 17833 on June 17, 2014, to support a second pilot of the Voluntary Separation Program (VSP) for the years 2014-2016. The initial pilot of this program covered the years 2012 through 2013 under Ordinance 17457. This second pilot was approved to provide additional time for the County to evaluate the program, and take advantage of possible benefits of operational efficiencies and savings, as well as reduce the risk to employees of reductions in force (RIFs), where possible.

Ordinance 17833, Section 2, requires the County Executive to provide a report to Council on the impacts of the program, specifically identifying:

- A. The total number of retirement-eligible employees by agency who participated in the pilot program;
- B. The extent to which the pilot program minimized reductions in force or resulted in cost savings, or a combination thereof; and
- C. A recommendation on whether the pilot program should be codified.

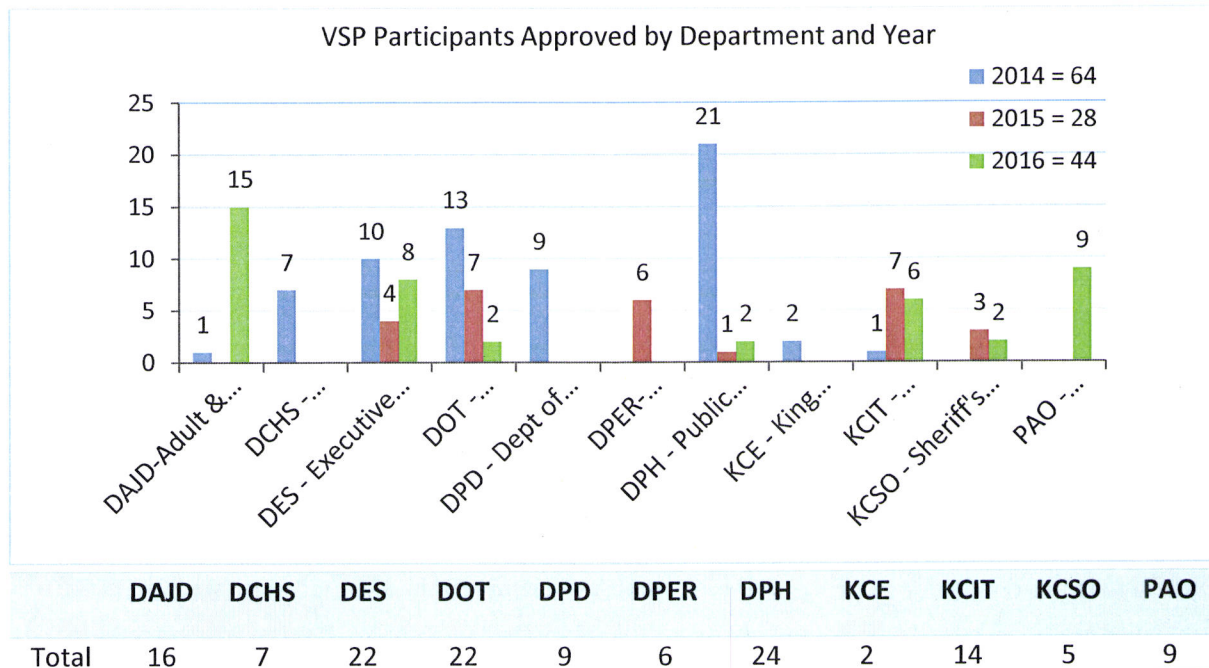
General descriptions of the above program impacts are as follows:

- A. The total number of retirement-eligible employees by agency who participated in the pilot.

From 2014 through 2016 there were 136 approved participants, across 11 departments, as shown in the following chart. Agencies encountering budgeting shortfalls requested approval from the Director of the Office of Performance, Strategy and Budget to participate. Once approved, those agencies would review and approve their employee applications based on their budgetary needs and work redesign approaches, and possibilities to avoid reductions in force. Agencies were not required to offer the program in years where they determined it to be unnecessary. Participation by employees was voluntary.

Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)



* Participation for prior pilot years: 2012 = 52 VSP participants; 2013 = 81 VSP participants.

- B. The extent to which the pilot program minimized reductions in force or resulted in cost savings, or a combination thereof.

The Human Resources Division (HRD), in partnership with participating agencies and the Office of Performance Strategy and Budget (PSB), conducted a comprehensive evaluation of the VSP program. The ordinance stipulated that the savings shall be greater than or equal to twice the amount of the VSP incentive payment over the 24-months following the employee’s separation from employment.

The following are some of the high-level findings:

- Thirty-four reductions in force were avoided: seventeen in 2014, zero for 2015, and seventeen in 2016.
- Savings were achieved by reassigning positions to lower salary range(s), or lower pay step(s) within the existing range, or by eliminating vacated positions.

Across the 136 approved applications, VSP reduced labor expenses by approximately \$7.6 million. These savings are reflective of the net reduction in salary expenses over the 24-month period following a retiree’s separation from County employment.

Categorizing the savings by type of action taken following separation reveals that \$6.1 million of the net savings were achieved by eliminating positions after the

Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

retiree's separation from County employment, with the remainder of the savings from reclassifying to lower salary ranges or hiring employees at lower pay steps.

- Additional savings or benefits, though less quantifiable, were noted by agencies, including: the earlier notification provided by participation of eligible employees retirement; the ability to better align resources and work programs with agency priorities and initiatives; the opportunity to repurpose needed positions; and increased productivity and flexibility.

C. A recommendation on whether the pilot program should be codified.

Executive leadership, HRD and the participating agencies recommend establishing VSP as a permanent option to agencies facing budget shortfalls as a means to limit reductions in force, achieve cost-savings, and provide flexibility to agencies for managing their workforce. Through survey and feedback from participating agencies, discussion internally within the Human Resources Division, and with the Office of Performance, Strategy and Budget, there were some noted reservations regarding employee participation. Considerations included that some participants would have eventually retired without the incentive program, and some separated employees may not have applied for unemployment insurance.

Though recognizing these points, it was consistent that participating agencies, HRD, PSB and Executive leadership valued the benefits over those concerns, and will look at options to address potential improvements as part of a future proposed ordinance.

Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

General Summary:

I. History of the Program

The program was intended to help the County reduce the number and impact to employees of reductions in force layoffs, as well as assist agencies with a tool to streamline and redesign work, and compile savings through efficiencies (including the elimination of positions).

Programs used by other employers to induce retirement of employees were researched as part of the prior pilot (2012-2013). This research resulted in the configuration and continued secondary pilot addressed as part of the report.

Per that 2012-2013 pilot report,

Early retirement incentive programs have been used by other public jurisdictions in Washington State and across the country as a creative alternative to other expenditure reduction methods such as layoffs, pay freezes, furloughs, and program cuts. In most cases, the reason for offering the incentive was cost savings which, in turn, minimized RIFs and avoided the need to cut programs. Because retirement-eligible employees were often at the top pay rate, money was saved when the positions were refilled at a lower rate.

Because of the proven cost-cutting successes in other jurisdictions, King County opted to pilot a program and measure whether it too could achieve similar success. The County's Voluntary Separation Program was piloted in 2012 and 2013 to incent the voluntary separation of employees eligible to retire under a Washington state public retirement plan. Agencies run by elected officials were also allowed to participate upon the approval of the executive and the head of the agency.

Employees approved to participate were provided a one-time financial incentive of \$16,200 to separate from employment by year end, although the employees were not required to actually begin drawing their state pension. The employees agreed not to return to County employment in a benefits-eligible position and not to apply for unemployment insurance. The amount of \$16,200 was an increase from the prior pilot offering of \$15,000, with that increase intended to have the amount match the time adjusted, but not exceed the County's maximum monetary exposure for unemployment, which would be paid to a laid off employee. '

Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

II. How the Process Worked

The extension of the pilot program involved the same partnership of HRD administering the work and review of application submittals following agencies' approval of participant positions, along with coordination of union participation, the Office of Labor Relations, and support of the financial review and summary data by the Office of Performance Strategy and Budget.

Approved participating agencies in the 2014-2016 pilot were:

- Department of Adult and Juvenile Detention (DAJD)
- Department of Community and Health Services (DCHS)
- Department of Elections (DOE)
- Department of Executive Services (DES)
 - Facilities Management Division, (FMD)
 - Finance and Business Operations Division (FBOD), and
 - Human Resources Division (HRD),
- Department of Information Technology (KCIT)
- Department of Transportation (DOT)
 - Fleet Division (DOT Fleet), and
 - Roads Division (DOT Roads)
- Department of Permitting and Environmental Review (DPER)
- Department of Public Defense (DPD)
- Department of Public Health (DPH)
- Prosecuting Attorney's Office (PAO)
- Sheriff's Office (KCSO – AFIS Funded Positions Only)

For this pilot, the County entered into a Memorandum of Understanding (Attachment 1) with twenty-four labor unions representing employees under thirty-three contracts representing employees within the eleven approved County departments (listed above). Non-represented employees in those approved agencies were also eligible to apply and participate.

Once approved for participation, agencies and their employees followed the steps below to learn about, apply for, and ultimately participate in the program. Flexibility within the program allowed for agencies to gain approval, but did not require them to implement or approve submittals.

Step 1: Participating agencies communicated with their employees within their participating sections each year about the VSP opportunity. Employees received

Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

information via the *Employee Frequently Asked Questions* document (Attachment 2), and program application documents.

Step 2: Retirement-eligible employees voluntarily applied with their agencies to be considered via a *Voluntary Separation Program (VSP) Pilot Application form* (Attachment 3 and 4).

Step 3: Those employees who were approved to participate entered into the *Voluntary Separation Agreement By and Between King County and Employee* for represented and non-represented employees with the County (Attachments 5 and 6).

Step 4: Agencies submitted the employee applications and agreements to HRD for a quality control review and then HRD communicated final approval for the authorization of the incentive sum payment to Central Payroll Operations. Payment was issued after the participant's HR system record was updated to a VSP retirement/separation.

Revisions to the program that were adopted as part of Ordinance 17833 were:

- Explicitly added the following criteria which the executive branch has used to approve agency participation in the Voluntary Separation Program:
 - The agency will experience budget shortfalls which will result in program cuts or RIFs; and
 - The agency will not fill the position or will fill the position at a lower wage rate which is expected to result in double the cost savings over the next twenty-four months. Due to equity concerns regarding lower wage workers and possible savings, agencies were provided the option to pool savings to allow for average savings per usage to meet this threshold.
- Increased the incentive payment to \$16,200 to match the current maximum monetary exposure for unemployment that the County would pay to a laid off employee. The 2012 and 2013 \$15,000 incentive payment was based upon the same premise.
- Revised the incentive payment rate to prorate the \$16,200 payment for part-time employees to reflect the County's monetary exposure for unemployment that would be paid to part-time employees.
- Revised the provision that participating employees will not seek reemployment with the County in any position, including any temporary position.

Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

II. Employees Who Participated in the Program

For 2014-2016, 171 total employee applications were submitted for the pilot program. Of those, 136 were approved for participation in the program, with 104 of those participants represented by a union. There were 29 submittals (approximately 17%), that were denied, and 6 where employees withdrew their applications. The most common reasons noted for denial were no or insufficient cost savings were identified, or no reduction in force would be avoided.

Retirements – All Reasons for years 2010 - 2016								
Retirement Reason			Pilot 2012 - 2013		Current Pilot 2014 - 2016			Total
	2010	2011	2012	2013	2014	2015	2016	
BEN-Retirement w/Benefits LEOFF1	8	1	1		3	1	4	18
DIS-Disability-related retirement	9	8	7	1	7	3	2	37
ERT-Svc retirement approved	278	250	286	283	292	322	348	2059
NOR-No Rehire Allowed/Settlement							1	1
RLL-Retired in Lieu of Layoff	3		7		1	1	1	13
<i>*VSP - Voluntary Separation Program</i>			49	68	58	29	40	244
Total	298	259	350	352	361	356	396	2372

* Voluntary Separation Program counts are retirements only, and do not include cases where VSP participants separated without claiming retirement benefits. There were 10 VSP Terminations over the 2012-2013 period; and 9 over the 2014-2016 period

The average age of retiring employees at the County between 2014 and 2016 was 64 years. The average age of Voluntary Separation Program 2014-2016 pilot participants was 65 years. Between 2014 and 2016 the average years of service at retirement was 24 years. The average number of years of service for Voluntary Separation Program pilot participants was 25. The average annual salary for Voluntary Separation Program pilot participants was approximately 9.3% higher than all retirees over the same period. Data for these points is shown below.

Retirements by Average Age, Years of Service and Annual Salary All Retirements vs. Voluntary Separation Program Participants					
Average Age		Average Years of Service		Average Annual Salary	
ALL Retirements	VSP Participants	ALL Retirements	VSP Participants	ALL Retirements	VSP Participants
64 years	65 years	24 years	25 years	\$77,236	\$84,421
2012-2013 VSP Pilot					
64 years	64 years	24 years	25 years	\$ 73,945	\$ 73,611

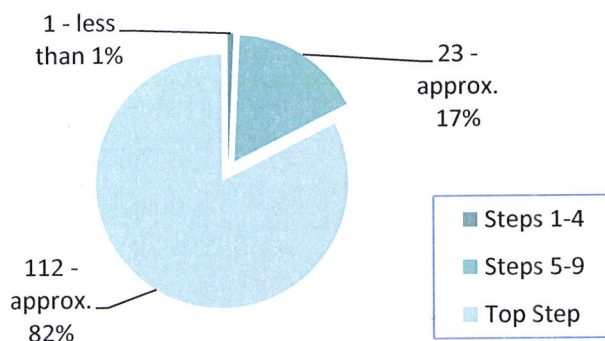
Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

Pay Steps of VSP Participants:

Approximately 82% of VSP pilot participants were at the top pay step for their salary range (or higher¹) of their salary range, which means there was significant opportunity for agencies to fill the resulting vacancy by hiring the successor at a lower step, thereby creating opportunities for cost savings. The pay step breakdown is provided in the pie chart to the right.

VSP Participants' Salary Step Placements at Separation



Job Classifications of VSP Participants:

Job Classifications of Participants	Total
Corrections Officer	8
Project/Program Manager III	7
Administrative Specialist II	6
Paralegal	5
Engineer II	5
Engineer III	4
Administrative Specialist III	3
Other classifications	98

Employees from a wide variety of job classifications across the County participated in the Voluntary Separation Program pilot. A list of the highest count of approved participant job classifications is provided.

The span in the number of different job classifications indicates the flexibility and span of the program for agencies.

¹ Some collective bargaining agreements and the King County Code provide for merit pay above step 10. For the 2012-2013 pilot, approximately 82% of participants were at top step or higher.

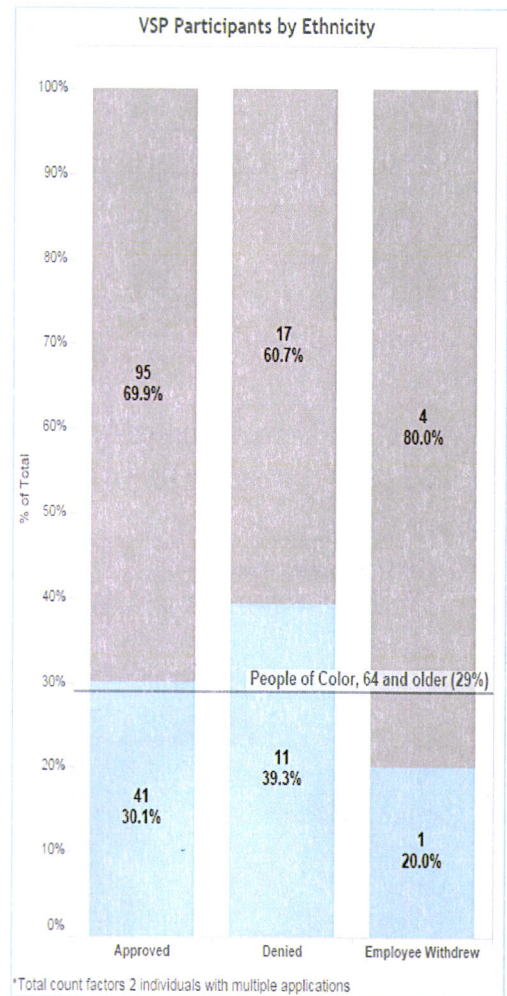
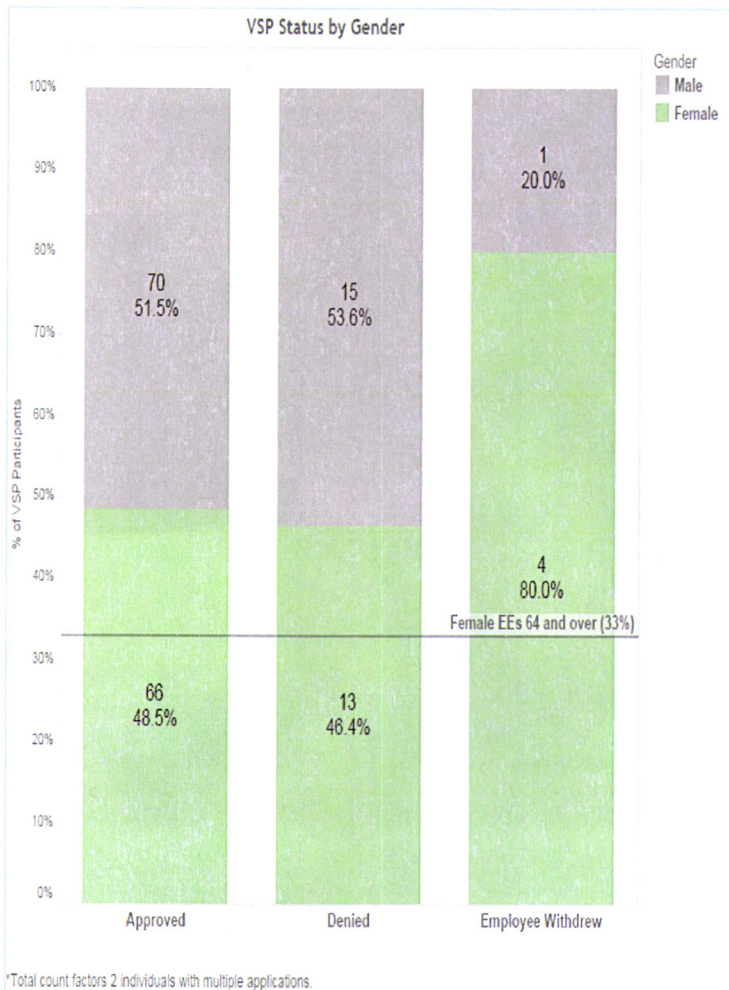
Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

Additional Profiles of Participants:

Females made up approximately 33% of the regular employee population that was 64 years and older. Female employees represented 49% of the VSP applicants. Females made up 48.5% of those VSP applications approved. Males made up 51% of the VSP applications, and made up 51.5% of those approved.

People of Color made up approximately 29% of regular employees 64 and older. People of Color made up 31.4% of the employees that applied to participate in VSP, and were 30.1% of those that were approved.



Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

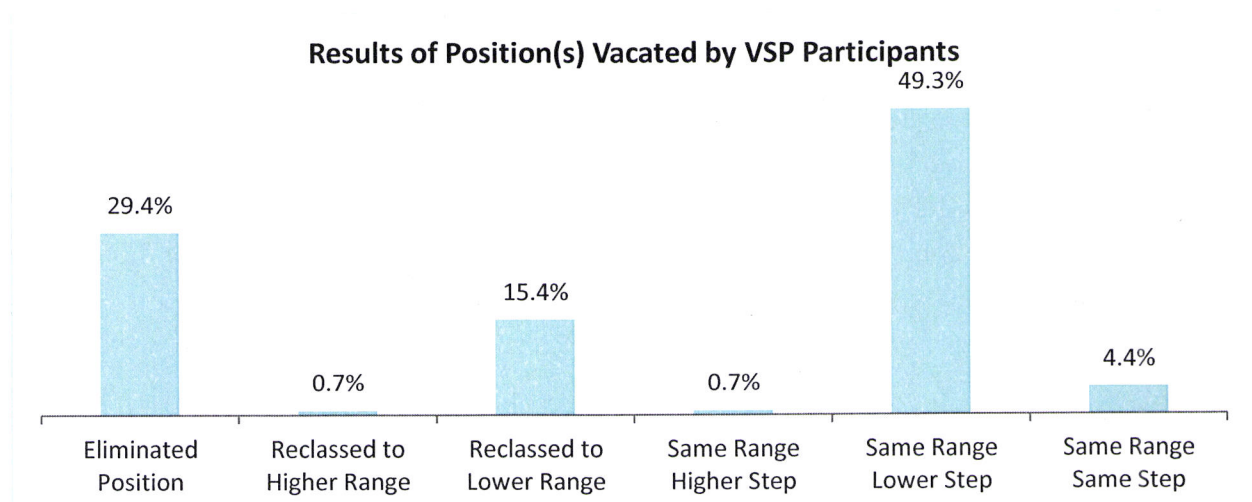
IV. Program Outcomes

The Office of Performance, Strategy and Budget and the Human Resources Division identified five distinct outcome categories for positions held by employees who participated in the program:

1. The position was eliminated from the budget, thereby creating permanent, on-going cost savings.
2. The position was repurposed into a job classification with a lower salary range, thereby creating permanent on-going cost savings.
3. The position was filled in the same salary range, but at a lower step, thereby providing more limited cost savings. For the purposes of costing, those positions that remained vacant as of the time of this report were assigned to pay step 2 of their current salary range.
4. The position was filled in the same salary range, and at the same step. These instances nearly all were the result of a reduction in force being avoided.
5. The position was repurposed and filled at a higher range or higher step in the current range. The unique circumstance of the higher range assignment was the result of the agency utilizing the program to redesign work assignments resulting in a higher level designation for the position.

Additionally, there were two other key criteria reported by participating agencies:

- A reduction in force was avoided.
- One-time salary savings were realized as a result of delaying filling the position.



Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

Reductions in Force Avoided

Reductions in Force is used to refer to cases where the elimination of a position would result in an employee termination. The elimination of a vacant position is not considered a RIF, as no

employee would be terminated as a direct result of the position's removal.

Reductions in Force Avoided by Department/Agency			
Department/Agency	2014	2016	Total
DAJD -Adult & Juvenile Detention		13	13
DCHS - Community & Human Services	2		2
DES - Executive Services	2	2	4
DOT - Transportation	1		1
DPH - Public Health	12	2	14
Total	17	17	34

Avoided RIFs reduce unemployment insurance payouts, can realize salary savings by incenting employees to retire earlier than

**no reductions in force in year 2015.*

anticipated, and provide the opportunity for less senior employees to maintain employment, some of whom were at lower pay steps in their pay range.

The VSP application asked agencies to specify whether the program was being used to avoid an involuntary employee layoff. For those cases where users reported that VSP was being used to avoid a RIF, users were asked to identify the position number for the employee whose layoff was avoided. The 'RIF-Avoided' position number was used as a quality control for the reporting, so that agencies could not report that a RIF was avoided without identifying the affected position.

Out of the 136 approved applications, 34 applications were submitted indicating that approval of the VSP application would avoid an involuntary Reduction in Force, and identifying the position to be eliminated in the case that the VSP application was denied. 102 applications indicated that VSP was not being requested to avoid a Reduction in Force, and instead were to be assessed solely on the cost savings from the retiree's vacated position.

The avoided RIFs were entirely reported in 2014 and 2016, both years during which agencies were developing biennial budget proposals. The lack of avoided RIFs in 2015, an 'off-budget' year, may indicate that RIFs are not implemented as prevalently outside of the biennial budget development process and that the program's emphasis on limiting RIFs is employed more when paired with an agency's budget development.

Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

The ability of agencies to restructure their work after employee voluntary separation may also have prevented some future potential lay-offs due to the ability to re-define or create a new position where the separating employee lacked the necessary skills or aptitude.

V. Cost Savings

The savings from this Voluntary Separation Program pilot were calculated at an estimated \$7.6 million in reduced biennial salary expenses. These savings represent the reduction in salary expenses over the 24-month period following the participant retirees’ separation from King County employment, minus the incentive payouts. The majority of those savings, \$6.1 million, were net savings achieved by eliminating positions after the retiree’s separation. Approximately \$1.8 million was saved by reclassifying positions or hiring replacements at lower steps².

Approved VSP usages were expected to result in savings double the separation payment, or approximately \$32,400 for most cases, across all departmental usages³. Countywide gross savings (not including the \$16,200 separation payment) averaged about \$72,000 per participant over the 24-month period following separation. The amounts varied widely by agency: those agencies that achieved the majority of their savings by eliminating positions post-separation have much higher per-usage savings. Agencies that relied on hiring replacement employees at lower steps without reclassifying positions achieved more modest savings.

Agency	Total Gross Savings	Participation	Positions Eliminated	Average Gross Savings per Approved Application
DAJD	\$933,900	16	3	\$58,369
DCHS	\$913,400	7	5	\$130,486
DES	\$1,348,700	22	5	\$61,305
DOT Fleet	\$738,800	10	3	\$73,880
DOT Road Services	\$1,797,300	12	8	\$149,775
DPD	\$403,800	9	3	\$44,867
DPER	\$534,800	6	2	\$89,133
DPH	\$1,605,100	24	7	\$66,879

² The total program savings are net of the cases where costs increased as a result of a higher-paid employee replacing the retiree (outcome #5 noted above).

³ Participating departments were advised that the cost-savings target could be met by averaging across all participants at the department-level, in order to allow some VSP usages to be approved that otherwise would have fallen short of the savings target. This approach was developed in response to concerns over negative equity and social justice impacts on lower-wage employees who might otherwise have been excluded from VSP eligibility.

Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

Elections	\$184,500	2	2	\$92,250
KCIT	\$613,800	14	0	\$43,843
KCSO	\$96,800	5	0	\$19,360
PAO	\$661,800	9	1	\$73,533
Total	\$9,832,700	136	39	\$72,299

The cost savings associated with the Voluntary Separation Program should be interpreted with some caveats. Most notably, the role of the VSP was to allow for agencies to avoid RIFs and to better align staffing with budget goals, rather than as a tool to specifically reduce labor costs.

In many cases, cost savings would likely have been realized without the VSP program if agencies preferred to wait until employees chose to retire without the incentive. In cases where no RIF was being avoided, the advantage to agencies of offering the program was the ability to realize the savings from eliminating or reclassifying the retiree's position concurrent with the development of biennial budget proposals.

Assumptions for Determining Cost Savings

PSB, in collaboration with HRD, developed the following assumptions in order to calculate estimated cost savings from the program:

- While many agencies noted short-term vacancy savings as a key benefit of the program, those are not included in the total calculated savings. If a position remained vacant as of the development of this report, the position was assigned to step 2 of the existing pay range for cost calculation purposes.
- Benefits savings were not included as new hires would also require benefits.
- Additional compensation such as premium pays and longevity pay were included in cost savings calculations if built into the employee's hourly rate. Most additional pays are not embedded into employee's hourly rates. Such additions not built into the hourly rate, such as overtime, were not included in the cost analysis.
- Avoided costs from unemployment insurance were not included in cost savings calculations, as the separation incentive payment was determined based on the maximum employer exposure to unemployment insurance costs.
- One-time cash outs of accrued vacation leave and 35% of accrued sick leave to employees retiring from employment were not charged against cost savings, because these liabilities would have to be paid at retirement regardless of when an employee chose to separate from the County.

Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

Additional Benefits

In addition to the cost savings, agencies noted a number of other benefits from the program. Some examples included:

- The prevention of a number of reductions in force, thereby reducing impact to employees and improving overall staff morale;
- The opportunity for agencies to better manage work and positions' alignment between agency and County priorities and initiatives;
- Allowing for more proactive planning with advanced notice of departing employees; and
- Flexibility to better match staffing to changing work demands and goals, particularly during the development of budget proposals.

VI. Recommendation

Based on the savings of the program and the additional flexibility in allowing agencies to manage their workforce, the Human Resources Division, in consultation and with support of participating County departments, recommends that this program be continued. This decision has also been supported by the Office of the County Executive. Based on that recommendation, the Human Resources Division will draft an ordinance following Council review of this report.

It is assumed that a permanent VSP program would include:

- Continued usage of the criteria to approve agency participation in the Voluntary Separation Program:
 - The agency will experience budget shortfalls which will result in program cuts or RIFs; and
 - The agency will not fill the position or will fill the position at a lower wage rate which is expected to result in double the cost savings over the next twenty-four months (allowing for averaging of savings across the agency.)
- Increasing the incentive payment bi-annually to coincide with the budget cycles and having it equal to the maximum annual unemployment exposure for the County for individual reductions in force. The incentive pay amount will continue to be prorated for those employees that are part-time.
- Employees will be required to declare they will not seek, and will not be eligible for reemployment with the County in any position, including any temporary position.

Voluntary Separation Program Pilot Report

Pilot (2014 – 2016)

HRD will work with agencies, the Office of Labor Relations, and the Office of Performance, Strategy and Budget to draft an ordinance codifying the Voluntary Separation Program.

**Memorandum of Understanding
By and Between
King County
And
Office & Professional Employees International Union, Local 8
Regarding Employees in the Department of Community and Human Services**

SUBJECT: Voluntary Separation Incentive Program for 2014-2016

Introduction:

The parties to this agreement, King County (County) and the Labor Organization referenced above, discussed a Voluntary Separation Program (VSP) to run through December 2016. The VSP authorizes the King County Executive to allow County agencies to offer a financial incentive to eligible employees who choose to voluntarily separate from County service, either through retirement or through resignation.

Background:

Goals of the Program - The parties agree that the 2012-2013 VSP Pilot was successful in that it avoided layoffs and resulted in cost savings and efficiencies for King County. Because some King County agencies are currently experiencing and are expected to experience budget shortfalls again in 2015, the VSP will be extended to cover 2014-2016. The parties expect the VSP to meet their shared goals as listed below:

- Provide an incentive for retirement-eligible employees to leave County employment in 2014, 2015, or 2016 (depending on which year the VSP is offered for their respective agencies) rather than at an unknown date in the future, thereby creating vacancies for long-term savings, position elimination and/or retention rather than layoff for employees with additional years of service planned for the foreseeable future; and
- Create opportunities to restructure/realign work, thereby resulting in short- and long-term savings and efficiencies, and possibly in the avoidance of future layoffs.

Agreement:

The parties agree that the County may offer eligible County employees the option of participating in the VSP under the terms outlined in this Agreement and consistent with the VSP ordinance. Individual employees who request and are approved to participate in the VSP must meet the following eligibility requirements, in addition to any requirements set forth in the ordinance:

A. Requests for VSP participation will be limited to career service and civil service employees except that employees of agencies headed by elected officials other than the Executive may participate if their request is approved by both the Executive and the head of the applicable agency; and

B. An employee must be in regular status and have at least five (5) years of regular County service; employee must be eligible to apply for a pension from the Law Enforcement Officers and Firefighters Retirement System, Public Employees Retirement System, Public Safety Employees Retirement System, or the City of Seattle Retirement Plan before December 31, 2014, December 31, 2015, or December 31, 2016, depending on which year the VSP is offered by an agency. While the employee must be retirement-eligible and must separate from the County, the employee need not be eligible for full retirement benefits nor must he/she actually begin drawing a pension in order to be considered eligible for the VSP.

C. Participation in the VSP by employees is entirely voluntary and shall provide currently employed retirement-eligible employees who request to and are authorized by the Executive to voluntarily separate from County service a financial incentive of a one-time payment of sixteen thousand two hundred dollars (\$16,200.00), less deductions, for full-time employees, and pro-rated to reflect unemployment benefits for part-time employees.

D. Temporary employees are not eligible for the VSP.

E. Employees must enter into an express written agreement with the County that sets forth the terms and conditions of their voluntary separation, to include, but not to be limited to:

1. That the employee must submit a written request to participate in the VSP no later than November 1, 2014, November 1, 2015, or November 1, 2016 (depending on which year the VSP is offered by an agency), and must submit written notice of resignation or retirement and leave County employment by December 31, 2014, December 31, 2015, or December 31, 2016 (depending on which year the VSP Program is offered by an agency);

2. That for employees who are participating in the VSP in 2014, the employee must submit a written request to participate no later than November 1, 2014, and must submit written notice of resignation or retirement and leave County employment by December 31, 2014 (the agency may set an earlier deadline);

3. That the employee will not seek reemployment with the County after his/her separation;

4. That the employee agrees he/she will not file a claim for unemployment compensation related to his/her separation from County employment; and

5. That the employee must sign a waiver and release of any claim under the Age Discrimination in Employment Act and the Older Worker Benefit Protection Act.

The approval of any employee request to participate is discretionary and consideration will be given to the impact of that participation on service delivery, retention of a skilled employee or

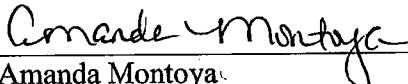
employees, cost of refilling a position or positions, short-term and long-term budget savings, and the employee's length of service with the County.

All decisions to approve or deny the requests of individual employees to participate in the VSP shall be in writing and made prior to December 31, 2014, for employees participating in 2014, December 31, 2015, for employees participating in 2015, or December 31, 2016, for employees participating in 2016. Decisions to approve or deny such requests are made at the sole discretion of the respective agency and shall not be subject to any grievance or appeal procedure, including but not limited to grievance procedures under the career service rules, civil service rules, or applicable collective bargaining agreements.

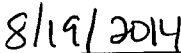
Conclusion:

This Agreement, along with the 2014-2016 VSP ordinance is the full and final Agreement between the Labor Organization referenced above and King County, with respect to the King County VSP for 2014-16. This Agreement is effective immediately upon signature of all parties and upon approval of the VSP ordinance. This Agreement, once effective, shall remain in effect through December 31, 2016.

For Office & Professional Employees
International Union, Local 8:

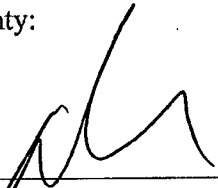


Amanda Montoya
Union Representative

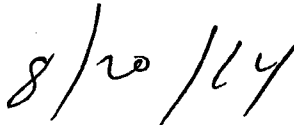


Date

For King County:



Deborah Bellan
Labor Negotiator
Office of Labor Relations
King County Executive Office



Date

EMPLOYEE FAQ -- Voluntary Separation Program King County Pilot 2014-2016

Q1: What is the Voluntary Separation Program?

The 2014 Voluntary Separation Program (VSP) is a budget tool that allows King County to extend a pilot program offering retirement-eligible employees a financial incentive to separate from employment by December 31st of 2014, 2015, or 2016. The program is expected to provide cost savings and minimize the number of employees subject to a reduction in force.

Q2: What forms and documents should I look at to learn more?

The County encourages all employees considering participation to discuss the VSP with any trusted advisors they like; and, employees are asked to read through this FAQ and to review these related program documents which are available on the Human Resources Division Policy Page Web Site at:

<http://www.kingcounty.gov/employees/HumanResources/policies.aspx>

- The VSP Application for Represented Employees
- The VSP Application for Non-Represented Employees
- The Voluntary Separation Agreement form for Represented Employees
- The Voluntary Separation Agreement form for Non-Represented Employees
- The VSP Ordinance No. 17833
- List of participating agencies
- List of participating labor organizations

Q3: Why should I consider voluntary separation?

Some retirement-eligible employees who currently work would retire if a single financial incentive that made earlier retirement a doable option was available.

Q4: How can my voluntary separation reduce future layoffs?

The position of the separated employee may be eliminated instead of eliminating one that would have resulted in a layoff.

Q5: How can my voluntary separation reduce costs?

- Your position was eliminated from the budget, thereby creating permanent, on-going cost savings.
- Your position was repurposed and filled at a lower salary range, thereby creating permanent, on-going cost savings.
- Your position was filled in the same salary range, but at a lower step, thereby providing longer-term, limited cost savings.
- The notice that you provide may provide your agency with additional time to realign work, which may lower costs, both in the short and long-term.

Q6: How much is the incentive payment?

Participating agencies may offer a full-time employee a financial incentive of \$16,200 (a sum roughly equal to the County's maximum out-of-pocket unemployment compensation cost per laid off employee) to employees.

For part-time employees, the amount is prorated to reflect the County's monetary exposure for unemployment utilizing the Washington State Employment Security Department's unemployment insurance benefits calculator which is located at: <http://www.esd.wa.gov/uibenefits/benefitcheck/how-much.php>

Q7: Is there payroll or taxable withholdings on the incentive payment?

Yes, the financial incentive is subject to mandatory withholdings. Additional questions should be directed to *Benefits, Payroll, and Retirement Operations* at 206-684-1556 or kc.benefits@kingcounty.gov.

Q8: What else should I know about the incentive?

- The monetary incentive may not be used to fund VEBA
- The monetary incentive may be used to pay for COBRA
- Legally required withholdings will be deducted from the check; the current taxable withholding rate is 25% (this rate may change in 2015) and FICA taxes will be withheld
- If you separate on 12/31/2014 you should receive the incentive check in the mail at the address that the County has on file within 45 days
- If you separate on 12/31/2014 the check will be issued in 2015
- The incentive check will show up on your W2
- The incentive will be paid in a single lump sum

Q9: Is my agency participating in the VSP pilot?

A current list of participating agencies is located on the Human Resources Division Policy Page Web Site at:

<http://www.kingcounty.gov/employees/HumanResources/policies.aspx>

Q10: I am represented by a labor organization. How do I know if my labor organization has agreed to participate in the VSP pilot?

A current list of participating labor organizations is located on the Human Resources Division Policy Page Web Site at:

<http://www.kingcounty.gov/employees/HumanResources/policies.aspx>

Q11: How do I know if I qualify to participate?

Your request to participate will be *considered* by your agency and reviewed on a case-by-case basis to determine the impact or benefit.

You are *not* eligible if:

- You are a temporary employee
- Your agency has not announced its intent to participate in the pilot program
- You are represented by a labor organization that has not agreed that its members may participate in the pilot program
- You announced your intent to retire before your agency announced its intent to participate in the pilot program

- Your position has been identified for a reduction in force and you have no bumping rights

Willing and eligible employees will be reviewed for VSP once they self-identify – each case will be reviewed to determine the impact to service delivery, impact on the retention of other skilled employees, cost of refilling the vacated position, and short and long-term cost savings.

If you can answer “YES” to all of the following questions, you *may be considered* for VSP by your agency:

- Are you a currently employed retirement-eligible employee?
- Has your agency been approved as one that would be included in this pilot project?
- Will you submit a written request to participate in this program by completing and signing your VSP Application and Voluntary Separation Agreement on or before November 1st, submitting your separation notification, and leaving King County employment before the end of the year in which you apply (*please note that agencies may require earlier deadlines*)?
- Do you accept that you will no longer be eligible for reemployment with King County in any position, including a temporary position?
- Do you accept that you will not file for unemployment compensation upon separation of employment from King County?
- Are you eligible to apply for a pension (either full or reduced benefits) from one of the following retirement systems on or before separation of employment (separation must occur but you do not have to start drawing from the pension to be considered eligible):
 - a. Law Enforcement Officers and Firefighters Retirement System; or,
 - b. Public Employees Retirement System; or,
 - c. Public Safety Employees Retirement System; or
 - d. The City of Seattle Retirement Plan.

Q12: If my request to participate in the VSP is denied, may I grieve or otherwise appeal that decision?

Denial of your request to participate in the VSP is not subject to the grievance process. There is no right to appeal the denial.

Q13: What happens when I leave County employment under VSP?

- If you participate in this pilot and you actually retire then you will be eligible for your 35% sick-leave payout, subject to a VEBA agreement (you may **not** cash out your sick leave or be eligible for the County’s retiree medical plan **unless** you will immediately begin drawing your pension)
- Accrued compensatory time is received as a cash sum
- Executive leave is not paid – it must be used or it will be forfeited
- All participating employees, regardless of their choice to retire or not, will be eligible to receive their vacation leave cashed out, subject to a VEBA agreement
- Cash out payments occur a full pay cycle (or two pay periods) after your final paycheck is issued

- Separating from employment under VSP means you cannot file for unemployment upon separating from the County under this program; but if you are employed elsewhere (not with King County) after you separate under this VSP you may be eligible for unemployment compensation if laid-off by that employer

Q14: How can I find out more about my retirement readiness?

King County participates in the Washington State Department of Retirement Systems. Access forms and get the facts on your retirement plan at the DRS site: <http://www.drs.wa.gov/>

You can find more information on Retirement Readiness by visiting the King County Retirement web site or by attending a monthly Exit Class – register at kc.orientations@kingcounty.gov; or, you may contact Benefits and Retirement Operations directly at kc.benefits@kingcounty.gov or 206-684-1556

When you retire from County employment, Benefits and Retirement Operations automatically notifies the Washington State Department of Retirement Systems (DRS); however, employees should consider contacting DRS well before separation to:

- Get a schedule of retirement planning seminars (DRS recommends attending a seminar two to five years before you retire, but it is never too late)
- Get an estimate of your retirement benefits
- Request an application for retirement

Q15: What are the retirement plans?

- **Regular or Local 587 employee** = Public Employees' Retirement System (PERS)
- **Deputy Sheriff or paramedic** = Law Enforcement Officers' and Fire Fighters' (LEOFF)
- **Public safety employee** = Public Safety Employees' Retirement System (PSERS)
- **Former City of Seattle employee** = Seattle City Employees' Retirement System (SCERS) if you were formally grandfathered with continued participation in the city retirement system <http://www.seattle.gov/retirement/faq.htm>

Standard retirement eligibility varies by plan, as noted below:

Plan	Standard <i>Full</i> Retirement Eligibility*	Reference
PERS 1	Age 60 and 5 years of service Age 55 and 25 years of service 30 years of service (any age)	RCW.41.40.180
PERS 2	Age 65 and 5 years of service	RCW 41.40.630(1)
PERS 3	Age 65 and 10 years of service Age 65 and 5 years of service, including 12 months of service after age 44 Age 65 and 5 years of service, if the member completed 5 years of service before the Plan 2 to 3 transfer date in RCW 41.40.795	RCW 41.40.820(1)
LEOFF I	Age 50 and 5 years of service	RCW 41.26.090(1)
LEOFF II	Age 53 and 5 years of service	RCW 41.26.430(1)
PSERS	Age 65 and 5 years of service credit Age 60 with 10 years of PSERS service credits	RCW 41.37.210

*For early retirement options, see more information on the referenced RCW (e.g., PERS 2: Age 55 or older plus twenty years of service with actuarial deduction).

The Washington State Department of Retirement Systems provides an annual retirement statement. As a member of one of the participating retirement systems you can log into your online personal defined benefit account:

<http://www.drs.wa.gov/administration/my-drs/>

King County Employees can also view current retirement plan contributions at any time by logging in to PeopleSoft Self Service "View Paycheck":

<https://larch.kingcounty.gov:17100/psp/SVCP1/?cmd=login&languageCd=ENG> –

Q16: What kind of documentation must I provide my agency about my eligibility to retire?

You must contact DRS at <http://www.drs.wa.gov/> to obtain the documentation. One of the following will provide the documentation that you will need:

- DRS Service Credit History
- DRS Annual Retirement Statement
- Any other DRS document that indicates retirement eligibility

Q17: Why does the VSP Agreement provide that I have 45 calendar days to consider the agreement and 7 days after I sign it to revoke my agreement?

When an employer such as the County offers voluntary separation incentive programs, your opportunity to consider and revoke the agreement is required under the federal Age Discrimination in Employment Act, also known as the ADEA. The ADEA protects workers over age forty from discrimination based upon age. You have 45 days from the date that you submitted your VSP Application to signed the Agreement. Once signed, you have seven days to revoke your agreement if you then change your mind.

**VOLUNTARY SEPARATION PROGRAM (VSP) PILOT
APPLICATION FOR
REPRESENTED EMPLOYEE**

The 2014 Voluntary Separation Program (VSP) is a budget tool that allows King County to extend a pilot program offering retirement-eligible employees a financial incentive to separate from employment by December 31st of 2014, 2015, or 2016. The VSP is expected to provide cost savings and minimize the number of employees subject to a reduction in force.

EMPLOYEE APPLICATION TO PARTICIPATE IN KING COUNTY VSP PILOT

Employee Instructions: *You fill out the application section of this form in the box below. Provide the original to your agency VSP administrator. Approval or denial is not subject to grievance procedures or appeal.*

Read VSP FAQs located at:

<http://www.kingcounty.gov/employees/HumanResources/policies.aspx>

Employee name:

Classification:

PeopleSoft identification number:

Anticipated date of retirement (must be in the same year as this application):

Agency:

Supervisor:

Mailing address:

Preferred email address: pattytreid@aol.com

Labor organization:

Attach proof of eligibility from each retirement plan that you are eligible for. Directions on how to obtain proof are provided on the Voluntary Separation Employee FAQ. You do not have to start drawing a pension to be considered eligible.

Retirement
Plan (circle):
LEOFF
PERS
PSERS
City of Seattle

Agency Instructions: *Fill out the application section of this form in the box below.*

*Whether the application is approved or denied, provide a copy to the employee applicant and upload a copy to the Human Resources Division's VSP SharePoint site at:
<https://kc1.sharepoint.com/teams/DESa/CC/VSP/SitePages/Home.aspx>*

Name and classification of agency VSP administrator processing this VSP application:

Date VSP Application received:

Is this employee eligible for VSP? YES NO

This employee's participation in VSP is approved, pending full execution by all parties of the Voluntary Separation Agreement for Represented Employees

This employee's participation in VSP is denied

Signature of Designated Agency Approver

Date

**VOLUNTARY SEPARATION PROGRAM (VSP) PILOT
APPLICATION FOR
NON-REPRESENTED EMPLOYEE**

The 2014 Voluntary Separation Program (VSP) is a budget tool that allows King County to extend a pilot program offering retirement-eligible employees a financial incentive to separate from employment by December 31st of 2014, 2015, or 2016. The VSP is expected to provide cost savings and minimize the number of employees subject to a reduction in force.

EMPLOYEE APPLICATION TO PARTICIPATE IN KING COUNTY VSP PILOT

Employee Instructions: *You fill out the application section of this form in the box below Provide the original to your agency VSP administrator. Approval or denial is not subject to grievance procedures or appeal.*

Read VSP FAQs located at:

<http://www.kingcounty.gov/employees/HumanResources/policies.aspx>

Employee name:

Classification:

PeopleSoft identification number:

Anticipated date of retirement (must be in the same year as this application):

Agency:

Supervisor:

Mailing address:

Preferred email address:

Attach proof of eligibility from each retirement plan that you are eligible for. Directions on how to obtain proof are provided on the Voluntary Separation Employee FAQ. You do not have to start drawing a pension to be considered eligible.

Retirement
Plan (circle):
LEOFF
PERS
PSERS
City of Seattle

Agency Instructions: *Fill out the application section of this form in the box below.*

*Whether the application is approved or denied, provide a copy to the employee applicant and upload a copy to the Human Resources Division's VSP SharePoint site at:
<https://kc1.sharepoint.com/teams/DESa/CC/VSP/SitePages/Home.aspx>*

Name and classification of agency VSP administrator processing this VSP application:

Date VSP Application received:

Is this employee eligible for VSP? YES NO

This employee's participation in VSP is approved, pending full execution by all parties of the Voluntary Separation Agreement for Non-represented Employees

This employee's participation in VSP is denied

Signature of Designated Agency Approver

Date

**VOLUNTARY SEPARATION AGREEMENT
BY AND BETWEEN
KING COUNTY
AND EMPLOYEE _____**

Pursuant to Agreement between King County and Labor Organization _____

King County ("County") and _____ ("Employee") enter into this Voluntary Separation Agreement ("Agreement") under the authority of King County Ordinance Number 17833 ("Ordinance") and the Memorandum of Understanding ("MOU") between King County and _____ ("Labor Organization") addressing the "Voluntary Separation Incentive Program for 2014 through 2016" ("VSP") which was approved as a pilot extension June 2014.

RECITALS:

A. Employee is currently a regular career service or civil service County employee and has been a regular career service or civil service employee with at least five (5) years of regular employment with the County. Employee is eligible to retire under the Law Enforcement Officers and Firefighters (LEOFF), Public Employees' Retirement System (PERS), Public Safety Employees' Retirement System (PSERS) or the City of Seattle Retirement Plan.

B. The Ordinance established the VSP that has been offered in Employee's department/division/agency. Employee has voluntarily applied for participation in the VSP and was approved.

C. Employee is represented by the Labor Organization referenced above, and covered by a Collective Bargaining Agreement ("CBA") between the County and said Labor Organization. King County and said Labor Organization entered into a legally binding Agreement that allows the County to offer to bargaining unit employees an opportunity to participate in the VSP under the terms outlined in that MOU. This Agreement between the County and Employee is consistent with the terms of that MOU.

D. This Agreement sets forth the parties' agreement with respect to all matters that pertain to Employee's County employment and separation from same.

AGREEMENT:

1. Employee's Separation is Knowing and Voluntary. In accord with the County's VSP, Employee elects to separate from his/her employment with the County from his/her position of _____. Employee's separation will be effective _____. Employee's decision to separate from County employment is made knowingly, voluntarily, and without coercion or duress.

2. VSP Payment. In consideration for Employee's participation in the VSP, Employee will receive a lump sum payment of \$16,200.00 (sixteen thousand two hundred dollars).

a. In addition, Employee will be paid his/her earned and accrued vacation, compensatory time, and any other benefits in accordance with the King County Code and the CBA, if any, applicable to Employee.

b. The VSP payment, less required deductions, will be made within 45 working days from the date Employee separates from service.

3. **No Future County Employment.** Employee understands and agrees that in consideration of the above referenced payment, Employee will not return to County employment in any position.

4. **Ineligible for Unemployment Compensation.** Employee agrees that in consideration of the VSP payment, Employee will not file a claim for unemployment compensation benefits related to his/her separation from County employment.

5. **Ineligibility for Retirement Pension Credit.** Employee understands and acknowledges that the VSP payment made under this Agreement may not qualify as compensation for the purposes of service credit or earnings for pension calculations. Employee understands that he/she should consult with the Washington State Department of Retirement Systems for details.

6. **No Actions Pending.** Employee represents that he/she has not filed any complaints, charges, or lawsuits against the County with any governmental agency or any court and, except as expressly provided otherwise in Sections 8 and 9 of this Agreement, agrees that he/she will not initiate, assist, or encourage such actions.

7. **Release.** Employee understands and agrees that the VSP payment made under this Agreement, which payment is in addition to anything of value to which Employee is or might otherwise be entitled, shall constitute a complete and final settlement of any and all claims or causes of actions Employee has had, now has, or may have up to the date of this Agreement including, without limitation, those arising out of or in connection with Employee's employment with the County, separation from County employment, or pursuant to any federal, state or local employment laws, statutes, public policies, orders, or regulations, including, but not limited to discrimination claims or causes of action under the Age Discrimination in Employment Act (ADEA), the Older Workers benefit Protection Act, Title VII of the Civil Rights Act, the Washington Law against Discrimination, or any other theory or basis whether legal or equitable. Approval or denial for Employee's VSP participation may not be grieved or appealed.

8. **Other Rights Preserved.** Employee expressly acknowledges the County is not requiring Employee to release Employee's claims for workers' compensation benefits, claims under the Fair Labor Standards Act, health insurance benefits under the Consolidated Omnibus Budget Reconciliation Act, or claims with regard to vested benefits under a LEOFF, PERS, PSERS, or City of Seattle retirement plan.

9. **No Waiver of Rights or Claims Arising After the Agreement is Executed.** This Agreement shall not constitute a waiver or release of claims where the events in dispute first arise after execution of this Agreement, nor shall it preclude Employee from filing a lawsuit for the exclusive purpose of enforcing his/her rights under this Agreement.

10. Consult with an Attorney. Employee has been advised by way of this Agreement to consult an attorney prior to signing this Agreement. Employee acknowledges that he/she has had the opportunity to consult with an attorney of his/her own choosing as well as with his/her Labor Organization representative. Employee also acknowledges that by way of this Agreement he/she has been advised to contact Washington State Department of Retirement Systems to discuss any questions he/she may have with respect to his/her retirement benefits.

11. Forty-Five (45) Calendar Day Consideration Period. Employee acknowledges and agrees that he/she has at least forty-five (45) calendar days within which to consider this Agreement. Any changes to this Agreement, whether material or immaterial, shall not restart the running of the forty-five (45) calendar day consideration period.

12. Seven (7) Calendar Day Revocation Period. Employee understands that he/she has seven (7) calendar days following the execution of this Agreement to revoke the Agreement and the Agreement shall not become effective or enforceable until the end of this revocation period. Employee agrees that changes made to this Agreement, whether material or immaterial, after Employee's execution of the Agreement shall not restart the running of the seven (7) calendar day revocation period.

13. Severability. If any provision of this Agreement is held invalid, the remainder of the Agreement and the remaining rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the invalid part.

14. Jurisdiction and Venue. This Agreement shall be governed by the laws of the State of Washington, both as to interpretation and performance, and any action of law, in equity, or other proceedings for the enforcement of this Agreement or any provision thereof shall be instituted only in the courts of the State of Washington, County of King.

15. Express Agreement. Employee has read and understands the whole of the above Agreement and states that no representation or promises not expressed in this document have been made to induce Employee to enter into it.

Employee Signature:

(Employee Name)
Employee

Date

For King County Signature:

(Appointing Authority/Designee Name)
Appointing Authority/Designee

Date

cc: (employee name) Personnel File

VOLUNTARY SEPARATION AGREEMENT

BY AND BETWEEN KING COUNTY

AND EMPLOYEE _____

King County ("County") and _____ ("Employee") enter into this Voluntary Separation Agreement ("Agreement") under the authority of King County Ordinance Number 17833 ("Ordinance") addressing the "Voluntary Separation Incentive Program for 2014 through 2016" ("VSP") which was approved as a pilot extension June 2014.

RECITALS:

A. Employee is currently a regular career service or civil service County employee and has been a regular career service or civil service employee with at least five (5) years of regular employment with the County. Employee is eligible to retire under the Law Enforcement Officers and Firefighters (LEOFF), Public Employees' Retirement System (PERS), Public Safety Employees' Retirement System (PSERS) or the City of Seattle Retirement Plan.

B. The Ordinance established the VSP that has been offered in Employee's department/division/agency. Employee has voluntarily applied for participation in the VSP and was approved.

C. This Agreement sets forth the parties' agreement with respect to all matters that pertain to Employee's County employment and separation from same.

AGREEMENT:

1. **Employee's Separation is Knowing and Voluntary.** In accord with the County's VSP, Employee elects to separate from his/her employment with the County from his/her position of _____. Employee's separation will be effective _____. Employee's decision to separate from County employment is made knowingly, voluntarily, and without coercion or duress.

2. **VSP Payment.** In consideration for Employee's participation in the VSP, Employee will receive a lump sum payment of \$16,200.00 (sixteen thousand two hundred dollars).

a. In addition, Employee will be paid his/her earned and accrued vacation, compensatory time, and any other benefits in accordance with the King County Code applicable to Employee.

b. The VSP payment, less required deductions, will be made within 45 working days from the date Employee separates from service.

3. **No Future County Employment.** Employee understands and agrees that in consideration of the above referenced payment, Employee will not return to County employment in any position.

4. **Ineligible for Unemployment Compensation.** Employee agrees that in consideration of the VSP payment, Employee will not file a claim for unemployment compensation benefits related to his/her separation from County employment.

5. **Ineligibility for Retirement Pension Credit.** Employee understands and acknowledges that the VSP payment made under this Agreement may not qualify as compensation for the purposes of service credit or earnings for pension calculations. Employee understands that he/she should consult with the Washington State Department of Retirement Systems for details.

6. **No Actions Pending.** Employee represents that he/she has not filed any complaints, charges, or lawsuits against the County with any governmental agency or any court and, except as expressly provided otherwise in Sections 8 and 9 of this Agreement, agrees that he/she will not initiate, assist, or encourage such actions.

7. **Release.** Employee understands and agrees that the VSP payment made under this Agreement, which payment is in addition to anything of value to which Employee is or might otherwise be entitled, shall constitute a complete and final settlement of any and all claims or causes of actions Employee has had, now has, or may have up to the date of this Agreement including, without limitation, those arising out of or in connection with Employee's employment with the County, separation from County employment, or pursuant to any federal, state or local employment laws, statutes, public policies, orders, or regulations, including, but not limited to discrimination claims or causes of action under the Age Discrimination in Employment Act (ADEA), the Older Workers benefit Protection Act, Title VII of the Civil Rights Act, the Washington Law against Discrimination, or any other theory or basis whether legal or equitable. Approval or denial for Employee's VSP participation may not be grieved or appealed.

8. **Other Rights Preserved.** Employee expressly acknowledges the County is not requiring Employee to release Employee's claims for workers' compensation benefits, claims under the Fair Labor Standards Act, health insurance benefits under the Consolidated Omnibus Budget Reconciliation Act, or claims with regard to vested benefits under a LEOFF, PERS, PSERS, or City of Seattle retirement plan.

9. **No Waiver of Rights or Claims Arising After the Agreement is Executed.** This Agreement shall not constitute a waiver or release of claims where the events in dispute first arise after execution of this Agreement, nor shall it preclude Employee from filing a lawsuit for the exclusive purpose of enforcing his/her rights under this Agreement.

10. **Consult with an Attorney.** Employee has been advised by way of this Agreement to consult an attorney prior to signing this Agreement. Employee acknowledges that he/she has had the opportunity to consult with an attorney of his/her own choosing. Employee also acknowledges that by way of this Agreement he/she has been advised to contact Washington State Department of Retirement Systems to discuss any questions he/she may have with respect to his/her retirement benefits.

11. **Forty-Five (45) Calendar Day Consideration Period.** Employee acknowledges and agrees that he/she has at least forty-five (45) calendar days within which to consider this Agreement. Any changes to this Agreement, whether material or immaterial, shall not restart the running of the forty-five (45) calendar day consideration period.

12. Seven (7) Calendar Day Revocation Period. Employee understands that he/she has seven (7) calendar days following the execution of this Agreement to revoke the Agreement and the Agreement shall not become effective or enforceable until the end of this revocation period. Employee agrees that changes made to this Agreement, whether material or immaterial, after Employee's execution of the Agreement shall not restart the running of the seven (7) calendar day revocation period.

13. Severability. If any provision of this Agreement is held invalid, the remainder of the Agreement and the remaining rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the invalid part.

14. Jurisdiction and Venue. This Agreement shall be governed by the laws of the State of Washington, both as to interpretation and performance, and any action of law, in equity, or other proceedings for the enforcement of this Agreement or any provision thereof shall be instituted only in the courts of the State of Washington, County of King.

15. Express Agreement. Employee has read and understands the whole of the above Agreement and states that no representation or promises not expressed in this document have been made to induce Employee to enter into it.

Employee Signature:

(Employee Name)
Employee

Date

For King County Signature:

(Appointing Authority/Designee Name)
Appointing Authority/Designee

Date

cc: (employee name) Personnel File