



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

*Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555*

August 8, 2017

The Honorable John Braun, Chair  
Senate Ways and Means Committee  
339 John A. Cherberg Building  
Olympia, Washington 98504-0466

The Honorable Timm Ormsby, Chair  
House Appropriations Committee  
222A John L. O'Brien Building  
Olympia, Washington 98504-0600

Dear Senator Braun and Representative Ormsby:

Section 905 of the 2015-17 operating budget (Chapter 4, Laws of 2015) authorized agencies to offer a program of voluntary separation and retirement incentives that is cost-neutral or that results in cost savings over a two-year period. Agencies are required to report to the Legislature and Office of Financial Management on the outcome of their programs by July 30, 2017.

I am transmitting reports for the three agencies which participated in the program: Department of Enterprise Services, Health Care Authority, and Office of Financial Management.

If you have any questions, please contact Jane Sakson, Budget Assistant to the Governor, at (360) 902-0549.

Sincerely,

David Schumacher  
Director

cc: Jane Sakson, Office of Financial Management

## 2015-17 Voluntary Separation and Retirement Outcome Report

**Agency Name: DES**

**Plan Effective Date: July 1, 2015**

**Cost Recovery Deadline: June 30, 2017**

*(2 years after effective date of agency plan)*

*Please describe the Voluntary Separation and Retirement Program for your agency in the space below. Include information on any resulting service delivery changes and agency efficiencies.*

Eligible employees were offered incentive payments of up to \$1,000 per year of state service, up to a maximum of \$25,000. In addition to the incentive offers that were accepted, one offer was declined. The vacated positions were abolished.

*For each employee who received a voluntary separation, retirement or downshifting incentive, please report that participation, including the **cost of the incentive payment** as well as **expenditure savings**. Please also include any additional savings expected starting July 1, 2017 through your deadline at the end of your two-year cost recovery period. Please do not include any savings expected after your deadline.*

*(Enter information for each employee in a separate row of the table. Add rows/pages as needed.)*

1. Employee/Incentive Type/Description	2. Incentive Cost	3. Savings through 6/30/17	4. Net Savings as of 6/30/2017 (#3 minus #2)	5. Projected Savings from 7/1/17 to Cost Recovery Deadline	6. Total Net Savings (#3+#5) minus # 2
Rawlings, Thomas	\$ 31,949	\$ 77,064	\$ 45,115	-	\$ 45,115
Saxon, Jerry	\$ 26,110	\$ 59,651	\$ 33,541	-	\$ 33,541
Nute, Thomas	\$ 14,970	\$ 62,634	\$ 47,664	-	\$ 47,664
Rodulfo, Nazmoon	\$ 15,000	\$ 25,530	\$ 10,530	-	\$ 10,530
<b>Totals</b>	<b>\$ 88,029</b>	<b>\$ 224,879</b>	<b>\$ 136,850</b>	<b>-</b>	<b>\$ 136,850</b>

## 2015-17 Voluntary Separation and Retirement Outcome Report

**Agency Name:** Health Care Authority

**Plan Effective Date:**

**Cost Recovery Deadline:** June 30, 2017

*(2 years after effective date of agency plan)*

*Please describe the Voluntary Separation and Retirement Program for your agency in the space below. Include information on any resulting service delivery changes and agency efficiencies.*

*HCA went through a realignment when we changed from a fee-for-service model to a managed care model. This resulted in changes to the agency structure and the number of staff needed. The agency provided a Voluntary Separation and Retirement Incentive (VSRI) to staff. This allowed HCA to minimize the impacts of a layoff. Being we used the VSRI, the agency was able to keep vacancies open, not lay off any staff, and using vacancies, move staff into other positions to meet the goals of the managed care model.*

*For each employee who received a voluntary separation, retirement or downshifting incentive, please report that participation, including the **cost of the incentive payment** as well as **expenditure savings**. Please also include any additional savings expected starting July 1, 2017 through your deadline at the end of your two-year cost recovery period. Please do not include any savings expected after your deadline.*

*(Enter information for each employee in a separate row of the table. Add rows/pages as needed.)*

1. Employee/Incentive Type/Description	2. Incentive Cost	3. Savings through 6/30/17	4. Net Savings as of 6/30/2017 (#3 minus #2)	5. Projected Savings from 7/1/17 to Cost Recovery Deadline	6. Total Net Savings (#3+#5) minus # 2
Blain, Cindy, Retirement	\$ 21,000	\$ 48,867	\$ 27,867		\$ 27,867
Boggs, Kim, Separation	\$ 13,000	\$ 74,469	\$ 61,469		\$ 61,469
Burch, Rebecca, Retirement	\$ 25,000	\$ 59,304	\$ 34,304		\$ 34,304
Christopherson, Karina, Retirement	\$ 17,000	\$ -	\$ (17,000)		\$ (17,000)

Clarambeau, Debra, Retirement	\$ 5,000	\$ 5,311	\$ 311		\$ 311
Espinoza, RosaMarie, Retirement	\$ 25,000	\$ 3,906	\$ (21,094)		\$ (21,094)
Foisy, Mike, Retirement	\$ 9,000	\$ 25,050	\$ 16,050		\$ 16,050
Griffin, Lynn, Retirement	\$ 25,000	\$ 24,098	\$ (902)		\$ (902)
Groom, Dennis, Retirement	\$ 25,000	\$ 3,740	\$ (21,260)		\$ (21,260)
Gunter, Carrie, Separation	\$ 21,000	\$ 10,214	\$ (10,786)		\$ (10,786)
Hennigan, Carolynn, Retirement	\$ 25,000	\$ 2,893	\$ (22,107)		\$ (22,107)
Jacobs, Kim, Separation	\$ 5,000	\$ 3,353	\$ (1,647)		\$ (1,647)
Leavitt, Norma, Retirement	\$ 25,000	\$ 83,738	\$ 58,738		\$ 58,738
Lehnert-Reddick, Sharon, Retirement	\$ 25,000	\$ 23,959	\$ (1,041)		\$ (1,041)
Linn, Larry, Retirement	\$ 21,000	\$ 37,258	\$ 16,258		\$ 16,258
Mathis, Vauntell, Separation	\$ 17,000	\$ 11,225	\$ (5,775)		\$ (5,775)
Maver, Biserka (Beba), Retirement	\$ 17,000	\$ 49,543	\$ 32,543		\$ 32,543
Miller, Judy, Retirement	\$ 25,000	\$ 41,878	\$ 16,878		\$ 16,878
Nast, Janet, Retirement	\$ 25,000	\$ 13,911	\$ (11,089)		\$ (11,089)
Owen, Bob, Retirement	\$ 25,000	\$ 114,568	\$ 89,568		\$ 89,568
Renggli, Andy, Retirement	\$ 25,000	\$ 117,455	\$ 92,455		\$ 92,455
Serosky, Debra, Retirement	\$ 21,000	\$ 2,779	\$ (18,221)		\$ (18,221)

Shriner, Theresa, Retirement	\$ 25,000	\$ 50,057	\$ 25,057		\$ 25,057
Simpson, Joe, Retirement	\$ 21,000	\$ 108,988	\$ 87,988		\$ 87,988
Torner, Robin, Retirement	\$ 17,000	\$ 21,334	\$ 4,334		\$ 4,334
Vervair, Roy, Retirement	\$ 13,000	\$ 4,431	\$ (8,569)		\$ (8,569)
Williamson, Zodie	\$ 21,000	\$ 79,538	\$ 58,538		\$ 58,538
<b>Totals</b>	<b>\$ 539,000</b>	<b>\$ 1,021,864</b>	<b>\$ 482,864</b>	<b>\$ -</b>	<b>\$ 482,864</b>

## 2015-17 Voluntary Separation and Retirement Outcome Report

**Agency Name: OFM**

**Plan Effective Date: January 1, 2016**

**Cost Recovery Deadline: January 1, 2018**

*(2 years after effective date of agency plan)*

*Please describe the Voluntary Separation and Retirement Program for your agency in the space below. Include information on any resulting service delivery changes and agency efficiencies.*

*\$10,000 retirement incentive was offered on June 30, 2017. The position is in the OFM Population Unit. A job analysis for this position as well as the others in the unit will be conducted. Cost recovery will occur through vacancy savings while the job analyses are conducted (estimating it will be two months (September) before resulting vacancy will be filled).*

*For each employee who received a voluntary separation, retirement or downshifting incentive, please report that participation, including the **cost of the incentive payment** as well as **expenditure savings**. Please also include any additional savings expected starting July 1, 2017 through your deadline at the end of your two-year cost recovery period. Please do not include any savings expected after your deadline.*

*(Enter information for each employee in a separate row of the table. Add rows/pages as needed.)*

1. Employee/Incentive Type/Description	2. Incentive Cost	3. Savings through 6/30/17	4. Net Savings as of 6/30/2017 (#3 minus #2)	5. Projected Savings from 7/1/17 to Cost Recovery Deadline	6. Total Net Savings (#3+#5) minus # 2
Diana Brunink, Retirement Incentive	\$ 10,000	\$ -	\$ (10,000)	\$ 14,325	\$ 4,325
			\$ -		\$ -
			\$ -		\$ -
			\$ -		\$ -