

## Exhibit A

## Employee Transition Services Program

Introduction

Under Resolution No: 36686 the City Council authorized the Director of the Bureau of Human Resources to update and revise the 2002 Employee Transition Services (ETS) Program as needed to respond to the decline in City revenues. Pursuant to the Resolution, several components of the 2002 ETS program were activated, including changes to the Targeted Severance Program. With the exception of the Targeted Severance Program the other components were to remain in effect through June 30, 2010 unless otherwise changed or eliminated by the Director of the Bureau of Human Resources. Effective with Council passage of the current resolution the following shall be implemented and supersedes changes in the ETS program made pursuant to Resolution No. 36686. The 2002 ETS Program is incorporated into this memorandum except where specific changes have been made herein or where the program has otherwise been superseded by an HR Administrative Rule.

Employee Transition Services Program Components

1. Encouragement of Reduced Workweek: With bureau approval employees can choose to work 72 hours in a pay period instead of 80. Implementation of this as part of the ETS program provides encouragement to employees and to bureaus to use this tool to achieve budgetary savings. Under this program employees commit to the 72 hour schedule for a minimum of one year. Employees who work 72 hours are considered full-time so vacation and sick leave accruals and eligibility for City-paid health benefits do not change. The 10% reduction in salary may, however, impact PERS, long term disability, and life insurance benefits.
2. Expanded Transfer: HR Administrative Rule 7.01 will be followed in all requests for expanded transfer. The rule allows employees to transfer to classifications that have a maximum range of not more than 20% above or below the maximum range of the job class from which they transfer. The HR Director may waive the competitive process for employees whose positions are at risk. Provisions in effect pursuant to Resolution No. 36686 concerning red-circling of salary rates and remaining on the recall list for the former classification if the employee transfers in lieu of a layoff are no longer in effect.
3. Hiring Freeze: The hiring freeze will continue through FY 2010-2011 or until the Director of Human Resources lifts the freeze.
4. Lay Off with Safety Net Severance: Employees who are in a benefits-eligible position and who have been in City service for a minimum of one year who are laid off between June 1, 2010 and June 30, 2011 will receive six months City-paid COBRA coverage for the employee and their eligible dependents at the level of coverage the employee had on their last day of employment. If in benefits-eligible positions at will, temporary, and limited duration employees are also eligible for safety net severance although these employees are terminated rather than laid off and do not have recall rights. Should the federal government extend the COBRA stimulus package, the 6 months paid COBRA coverage is considered part of the nine month COBRA stimulus package which provides for employer-paid COBRA at 65% for nine months following an involuntary separation.