



Administrative Regulation 4120 EARLY SEPARATION INCENTIVE PLAN (ESIP)

Responsible Office: Office of Human Resources

PURPOSE

This administrative regulation shall define and establish guidelines related to the Early Separation Incentive Plan ("ESIP") in the Washoe County School District ("District").

REGULATION

1. Disclaimer

- a. This regulation shall memorialize the terms and conditions of the Early Separation Incentive Plan ("ESIP"), which align to the Collective Bargaining Agreements (CBAs) between the District and Washoe Education Association ("WEA"), Washoe Education Support Professionals ("WESP"), Association of Professional & Technical Administrators ("APTA"), and eligible confidential employees.
- b. The terms of the Collective Bargaining Agreements, as amended from time to time, are incorporated herein by reference.
- c. Upon adoption of this Regulation, this Regulation will be treated as the plan document governing ESIP between the District and WEA, WESP, APTA, and eligible confidential employees.

2. Guiding Principles

- a. The purpose of the Early Separation Incentive Plan (ESIP) is to encourage eligible employees represented by the Collective Bargaining Agreements of WEA, WESP, and APTA, as well as eligible confidential employees, to volunteer to retire or separate from employment with the District earlier than planned.
- b. ESIP is intended to facilitate the early separation of certain eligible employees and at the same time result in possible salary savings to the District.
- c. Under ESIP, the District will provide an incentive to employees who wish to separate early. The dollar amount of the incentive will vary from one employee to another depending upon the individual employee's current salary and total years of service and the specifics that have been bargained for and are contained in the Collective Bargaining Agreements or applicable employee handbooks.

3. Eligibility

- a. An Employee of the District will be eligible to participate in the Early Separation Incentive Plan (ESIP) if:
 - i. The employee satisfies the eligibility requirements set forth in the Collective Bargaining Agreement or other agreements applicable to an employee; and,
 - ii. The employee submits to the District a completed ESIP Application Form and Letter of Resignation effective no later than August 31 of the "Election Year" for WESP and APTA, and September 1 of the "Election Year" for WEA.
 1. For purposes of ESIP, the term "Election Year" is to mean the fiscal year or short fiscal year, as the case may be, which upon the expiration thereof, the employee desires to retire or separate from service.

4. Application Process

- a. The Office of Human Resources will distribute to all employees the announcement of the Early Separation Incentive Plan (ESIP) including the deadline by which an employee must complete the application and return to Human Resources.
- b. An employee desiring to participate in ESIP shall submit an ESIP Application Form and Letter of Resignation to the District's Office of Human Resources during the ESIP enrollment period. The Office of Human Resources will send written notification of the application's approval or denial within one week of consideration by the Board of Trustees.
- c. Approval / Denial
 - i. If the Early Separation Incentive Plan (ESIP) is approved, the employee's Letter of Resignation will be accepted, the District will determine the amount of the incentive pay to be paid to the employee, and the employee will become a participant in ESIP at such time.

- ii. If the Early Separation Incentive Plan (ESIP) is denied, then such employee's Letter of Resignation will be null and void and not enforceable.
- d. All eligible ESIP Applications will be approved by the District, unless the total amount of the incentive pay required to be paid to all applicants covered by a particular Collective Bargaining Agreement or employee handbook in an Election Year exceeds the amount appropriated for incentive pay by the District for all employees covered by that Collective Bargaining Agreement or employee handbook in the same Election Year. In such a case, employees who have applied to participate in ESIP will be prioritized based upon their years of service with the District (as defined in the applicable Collective Bargaining Agreement or employee handbook). In no event will the incentive pay to be received by all approved applicants covered by a particular Collective Bargaining Agreement or employee handbook exceed the amount appropriated by the District for incentive pay for employees covered by that Collective Bargaining Agreement or employee handbook in a particular Election Year.

5. General Considerations

- a. In acting upon an Early Separation Incentive Plan (ESIP) application, the Board of Trustees of the District may consider financial savings to the District which may accrue from an employee's exercise of an early separation but such savings will not be a requirement for participation in ESIP.
- b. An employee who has received incentive pay under ESIP may not be re-employed by the District in any Public Employee Retirement System (PERS) eligible position until such time as the employee has agreed, in writing, to reimburse the District for the full amount of the Early Separation Incentive Plan payment previously awarded to the employee, plus applicable interest, unless the employee is rehired under the critical need provisions as prescribed by the State of Nevada.
- c. An employee who has received incentive pay under ESIP may not be re-employed with the District within one year from the date of separation, even in a critical needs position. The only exception is an employee may be re-employed as a substitute teacher within a year from their separation date.
- d. No employee will be eligible for more than one ESIP incentive.

- e. An employee who has received incentive pay under ESIP may not be contracted with the District within one year from the date of separation if the contractor will be providing the same or similar services as when he/she was employed.
 - f. If after an Employee is approved to participate in ESIP in a given Election Year and the District has accepted the Employee's resignation, an employee desires to withdraw his or her ESIP Application, the Employee must submit a written request to the Superintendent prior to the effective date of the employee's retirement or separation from service. Upon receipt of such written request, the Superintendent will, in his/her sole discretion, approve or disapprove the employee's request for withdrawal and notify the employee in writing of his/her decision. If the Superintendent approves the employee's request to withdraw from ESIP, the employee will not be entitled to receive any incentive pay under ESIP.
6. Calculation, Payment Of And Tax Treatment Of Incentive Pay
- a. The incentive pay will be paid to the employee in June, July or August, depending on when the employee retires or separates from service. All ESIP incentives are paid during the supplemental pay cycle.
 - b. All incentive pay awarded to an employee under ESIP will be paid to the employee in a one-time lump sum payment amount and, unless the provisions of the Internal Revenue Code of 1986, as amended, the corresponding Treasury Regulations, rulings or case law provide otherwise, the incentive pay paid to an employee who participates in ESIP will be treated as severance pay taxable to the employee as wages under applicable federal and state tax laws. Under no circumstances will the incentive pay be accelerated or paid prior to the times specified in this paragraph.
 - c. The District is authorized to withhold from the incentive pay all federal, state, and local income, payroll, and other taxes required to be withheld under applicable federal and state laws.
 - d. In the event of the death of the employee, the incentive pay shall be paid to the person designated by the employee, or if the employee fails to designate a person to receive the incentive pay, the incentive shall be paid to the estate of the employee.

- f. No portion of the incentive pay may be (i) deferred by an employee who participates in ESIP beyond the date the incentive pay is payable to the employee under this ESIP Plan, or (ii) transferred by the District on a pre-tax basis to a tax-exempt plan sponsored by the District, including without limitation, the "Special Pay Plan" and any plan described in Code Section 403(b) or Code Section 457. However, an employee who participates in ESIP may, if permitted by the laws governing the Nevada PERS Program and applicable federal law, elect to apply the incentive pay on an after tax basis to voluntarily purchase PERS service credits. Any employee who participates in ESIP and elects to apply his or her incentive pay towards the voluntary purchase of PERS service credits is to be solely responsible for obtaining from and submitting to PERS the necessary documentation to purchase the PERS service credits prior to retiring or separating from service. The District will not purchase PERS service credit on behalf of the employee.
7. ESIP may be amended by the District in its sole discretion in order to comply with any applicable federal and state laws, including without limitation, the provisions of Code Section 409A.

IMPLEMENTATION GUIDELINES & ASSOCIATED DOCUMENTS

1. This Policy reflects the goals of the District's Strategic Plan and aligns/complies with the governing documents of the District, to include:
 - a. Board Policy 4119, Separation of Service.
 - b. Administrative Regulation 4119, Separation: Licensed Employees
 - c. Administrative Regulation 4142.1, Compensation for Accumulated Sick Leave
 - d. Administrative Regulation 4219, Employee Discipline and Separation
 - e. Administrative Regulation 4242.1, Compensation for Accumulated Sick Leave - Classified
2. This Administrative Regulation aligns with the Collective Bargaining Agreements of the following employee associations:
 - a. Washoe Education Association (WEA);
 - b. Association of Professional and Technical Administrators (APTA); and

- c. Washoe Education Support Professionals (WESP/NSEA).
3. This Administrative Regulation aligns with the following Employee Handbooks:
- a. Confidential Education Support Professionals;
 - b. Executive Assistants and Board of Trustees Assistant; and
 - c. Confidential Administrators

REGULATION HISTORY

Date	Revision	Modification
10/21/2015	1.0	Adopted to replace Administrative Regulations 4148 (WEA), 4149 (APTA), and 4236 (WESP)
10/11/2017	2.0	Revised to institute a one year delay before an individual can be re-employed by the District
10/19/2017	3.0	Revised to allow re-employment as a substitute teacher without a one year waiting period.