

Subject: REDUCTION IN FORCE

Date: March 24, 2015

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Replaces Policy Dated: June 18, 2014

PURPOSE: This policy establishes the required procedures for a Reduction in Force (RIF), ensures the accurate and orderly identification of position(s) affected by a RIF, and describes potential other employment placement and other assistance afforded under this policy and related policies. The Appointing Authority must notify the Human Resources Director of an impending RIF as soon as the decision to take such an action has been identified. The Director will work with the Appointing Authority throughout the process to ensure full compliance with County policies and procedures. This policy is based upon and consistent with Pinal County Uniform Merit System Rule 10.4 - *Layoff*.

SCOPE: This policy applies to all full-time and part-time employees of Pinal County with the exception of “At Will” employees. Nothing in this policy shall be construed as infringing upon the authority of County Elected Officials pursuant to A.R.S. § 11-409.

STATEMENT OF POLICY: An employee may be subject to a RIF from his/her department due to lack of funds, lack of work, or abolishment of positions.

DEFINITIONS:

- A. **Appointing Authority:** An elected official, a single executive head of a department, or the designated representative authorized to act in this capacity.
- B. **Director:** The Director of Pinal County’s Human Resources Department, or his/her designee.
- C. **Minimum Eligibility Requirements:** The criteria that employees affected by a RIF must meet in order to receive priority placement into an alternative department position under this policy. The minimum eligibility requirements are twofold: 1) the employee must meet the minimum qualifications for the position; and, 2) the salary grade for the new position must be at or below the employee’s current salary grade.
- D. **Priority Placement:** The process required by this policy where employees affected by a RIF attempt to move into other available positions within their own or other departments. Employees who have received written notification of a RIF and who apply for alternative employment within their own department shall be considered for placement into alternative vacant positions of the same or lower salary grades for which they meet minimum eligibility requirements. Employees subject to a RIF are also given consideration for placement into another County Appointing Authority’s vacant positions of the same or lower salary grades for which they meet the minimum eligibility requirements. In this case, Employees will be granted an interview for such positions and any Appointing Authority may consider such an employee for non-competitive employment.
- E. **Rating Matrix:** The tool developed to determine the order in which employees will be separated from their employment, as approved by the Director. This includes identification of the

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factors and respective weights to be used in calculating retention points for classified employees who occupy the identical job classification within the affected department.

- F. **Reduction in Force (RIF):** The involuntary separation of some classified employees from County employment as the result of an organizational or departmental decision to eliminate positions due to lack of funds, lack of work, or abolishment of positions. Generally, RIFs involve the elimination of multiple positions within a department, but this is not a requirement. Single positions RIFs will be scrutinized and considered on a case-by-case basis.
- G. **Reorganization:** The realignment of departmental functions and/or structure for a valid business reason(s). Reorganization may result in the abolishment of positions or an elimination of an entire department.
- H. **Retention Criteria:** The factors and respective weightings proposed by the Appointing Authority and approved by the Director that are to be consistently used in calculating retention points on a Rating Matrix for employees who occupy identical job classifications within the affected department.
- I. **Identical job classifications:** Positions affected by a department RIF that are in the same salary grade and have the same job title.
- J. **Work Unit:** A work group large or significant enough to be represented on the department's organizational chart; a department, a division, or a sub-group of a division.

PROCESS FOR APPROVAL:

- A. **Conference with Director Regarding RIF:** When an Appointing Authority determines that a RIF is necessary, the Appointing Authority will notify the Director in writing and arrange for an initial RIF consultation no later than 30 days from the anticipated RIF date. During the consultation the Director will assist the Appointing Authority in creating a rating matrix, rating worksheet, and RIF plan. After one or more consultations, the Appointing Authority will prepare a draft RIF plan for the Director's review. Discretion to select which job classifications are to be subject to a RIF remains the sole discretion of the Appointing Authority.
- B. **Suspension of All Recruitments:** Concurrent with the Appointing Authority's submission of a draft RIF Justification Memorandum to the Director, all recruitments for positions will be suspended unless the Department seeks and receives a written exemption from the County Manager.
- C. **Development of Rating Matrix to Determine Order of RIF:** The Appointing Authority shall provide the Director with a proposed Rating Matrix that will be used to determine the retention points for employees working identical job classifications. A Rating Matrix is not required where 100% of identical job classifications are eliminated. The retention points will determine the order in which the employees shall be subject to the RIF. Each department must submit its Rating Matrix to the Director for approval.
 - 1. The following requirements shall apply to the development of a Rating Matrix:
 - a. The recommended weighting is Seniority 40 points, Performance 40 points and Conduct 20 points. Seniority is defined as continuous years as a regular status employee with the Department regardless of classification to which assigned in the Department.

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- b. Performance will be measured by the ratings assigned in the overall performance appraisal filed in the official personnel file. If a current evaluation is not on file, the employee's performance shall be considered satisfactory, unless the last performance appraisal demonstrates a higher rating than "Meets Expectations" in which case the higher rating will be used. An employee with an "exceptional" rating will be preliminarily awarded 40 points, which may be adjusted downward accordingly.
 - c. Performance scores will be adjusted downward for employees receiving overall "Does not consistently meet standards" or "Unsatisfactory Performer" ratings in evaluations over the last three years immediately prior to the current evaluation.
 - d. Conduct is reflected by documented disciplinary action taken within the last three years in the form of suspension, disciplinary demotion, or written reprimand. If there has been no *documented* disciplinary action in the last three years the employee shall be awarded 20 points.
 - e. Qualifications consist of completed degrees or certificates from accredited institutions of higher learning or specialized programs and trainings (.5 point for each Associates/Trade School, .5 points for applicable certificates or certifications as recognized in Policy 5.20, 1 point for each Bachelor's degree, 1 point for each Master's degree or other professional degree).
 - f. Optional Tie Breakers may be used by the Appointing Authority. Examples of optional tie breakers include:
 - i. Relevant experience within the department, defined as continuous time in the current classification to which assigned in the Department.
 - ii. Any document performance improvement plan in the last 3 years.
 - g. Retention criteria and a Rating Matrix *are not* required in situations where there is the elimination of an entire division or work unit, or where all the positions determined to be substantially similar are being eliminated, or where a single position with unique job duties is being eliminated.
 - h. In each instance, the RIF plan shall state, based on the circumstances within the Department, whether or not grant-funded employees or employees paid from specific revenue-based funds shall be grouped with other employees for RIF purposes.
- D. **Rating Criteria Worksheet:** A rating criteria worksheet will be completed for all employees working identical job classifications where 100% of the identical job classifications will not be eliminated. One rating worksheet shall be created for each affected employee. The rating criteria worksheet shall summarize the points awarded to the affected employee through the rating matrix. It should include whether or not tie breaker criteria was used and, if so, the specifics of that criteria.
- E. **Submission of Preliminary RIF Packets to Director:** After the results of the Rating Matrix and the Rating Criteria Worksheets have been reviewed and verified, the Appointing Authority will provide the Director with a list of the employees who will be separated from their employment as a result of the RIF. The list shall include the employee's name, hourly rate of pay, job title, position control number, status, and most recent date of hire into position.

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- F. **Order of RIF:** Where an identical job classification is subject to RIF, non-Regular Status employees in that same job classification in the same Department shall be terminated before any Regular Status employee.
- G. **County Manager Approval Require for RIF Proposal:** After consultations with the Director have concluded, the Appointing Authority shall submit the RIF Justification Memorandum for review and approval by the County Manager. The Memorandum shall be first signed by the Director to indicate his/her approval of the proposal, and then submitted to the County Manager. No RIF shall proceed until the memorandum containing the written justification has been reviewed and approved by the County Manager. RIF approval is not final until the Department's memorandum has been signed by the County Manager and Director, and a copy returned to the Department.

PROCEDURE:

- A. **Notification of RIF to Affected Employees:** After the County Manager has approved the RIF Justification Memorandum, including the list of positions to be eliminated in the RIF, the Appointing Authority, in conjunction with the Director, shall provide written notification to the affected employee as soon as possible, but no later than ten working days prior to the effective date of the RIF. The written notification shall include:
 - 1. Job classification being eliminated, reason for elimination of the specific job classification, information concerning priority placement, and the last date of employment with the Department (RIF effective date).
- B. **Priority Placement of Affected Employees in Available Positions:** An employee affected by a RIF may apply for any other available positions within their own or other departments and shall be eligible for consideration and placement into one of these alternative vacant positions where: 1) the affected employee meets the minimum qualifications for the vacant position; and, 2) the salary grade for the vacant position is at or below the affected employee's current salary grade. For an Appointing Authority whose department has RIF'd its employees, that Appointing Authority shall exert every effort to place its RIF'd employees into vacant positions within their Department for which the employee qualifies.
 - 1. An affected employee will have priority placement for all vacant positions within the County. The employee must notify HR in writing if they wish to exercise priority placement for a vacant position. It remains the responsibility of the individual employee to apply for and notify Human Resource of position for which they wish to be considered.
 - 2. Any Appointing Authority in the County having a vacant position of the same or lower salary grade for which the affected employee meets the minimum qualifications may consider the employee for non-competitive appointment.
 - 3. An employee selected for a vacant position shall have his/her rate of pay determined using the applicable placement in range process as provided in Policy 4.20.
 - 4. Employees affected by a RIF will retain priority placement into vacant positions for a maximum of 90 days following the effective date of the RIF.
 - 5. Time for retention of priority placement is calculated from the date of the RIF and not on the date of the employee's request.

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6. Affected employees may also apply and compete for other County positions that have a higher salary grade than the position being eliminated, but will not receive priority placement into those positions.
- C. **Submission of Final RIF List to Director:** If there are employees who are not placed into alternative positions through the priority placement process described above, the Appointing Authority shall provide the Director with a list of those employees who shall be separated from their employment as a result of the RIF. The list shall include the employee's name, hour rate of pay, job title, position control number, status, and most recent date of hire into position.
- D. **Stability Incentive:** The Appointing Authority, may with approval from the Board of Supervisors, approve a stability incentive plan in order to ensure completion of departmental functions in critical positions identified by the department head and Human Resource Director during RIF periods. Employees approved for such an incentive will, in addition to regular wages, be entitled to receive an incentive for continued employment through the effective RIF date. Department Directors who have employees approved for stability incentive may grant leave, but must adjust downward the incentive amount based on the amount of leave taken. Employees eligible for a stability incentive will have the incentive amount reduced proportionally at a 1:2 (i.e. one hour of leave taken will reduce the incentive by two hours) deduction for the any time off used during the time from the RIF notice to the RIF effective date.

Appeals to the Merit Commission or Council: An employee whose position has been eliminated through a reduction in force is not eligible to appeal to the Employee Merit System Commission or the Law Enforcement Merit Council. Pinal County Merit System Rule 13 or Pinal County Law Enforcement Merit System 11 controls.