



Mendocino County Human Resources Department
Cherie Johnson, Director

MEMORANDUM

To: All Mendocino County Employees

From: Cherie Johnson, Human Resources Director

CC: Darcie Antle, Chief Executive Officer

Date: April 23, 2025

Re: Voluntary Separation Incentive Program - Employee Initiated and Statement of Interest

The County of Mendocino is currently facing significant budget shortfalls for Fiscal Year 2025–2026. In response, the Board of Supervisors approved the Voluntary Separation Incentive Program (VSIP) – an employee-initiated program – during the April 22, 2025, meeting as part of broader efforts to achieve a balanced budget. To better assess the potential budgetary impact of this initiative, employees interested in participating must submit a Statement of Interest form to the Human Resources Department no later than April 30, 2025.

The purpose of the VSIP is to allow employees to voluntarily resign, by offering lump-sum, post-separation payments as an incentive for employees to voluntarily separate employment from the County. Eligible employees who voluntarily leave County employment afford the County the opportunity to be better poised to strategically plan future resources, realize financial savings, and avoid involuntary staff reductions.

The VSIP program and Statement of Interest Form are provided with this email to all Mendocino County Employees for consideration.

Please contact Human Resources with any questions at hr@mendocinocounty.gov or 707-234-6600.

VOLUNTARY SEPARATION INCENTIVE PROGRAM – EMPLOYEE INITIATED

(July 10, 2025 – September 13, 2025)

1. Purpose

The County of Mendocino is facing critical budget shortfalls for the Fiscal Year 2025/2026. The purpose of the Voluntary Separation Incentive Program (VSIP) is to allow employees to voluntarily resign, and prevent or reduce involuntary staff reductions. The VSIP offers lump-sum, post-separation payments as an incentive for employees to voluntarily separate employment from the County.

Eligible employees who voluntarily leave county employment afford the County the opportunity to be better poised to strategically plan future resources, realize financial savings, and avoid involuntary staff reductions.

2. VSIP Employee Eligibility & Participation

Eligibility to participate in the VSIP shall be determined in accordance with the following conditions:

- a. Employees must currently be employed by the County of Mendocino and occupy a regular, allocated position.
- b. Employees must be at-will exempt or must have achieved permanent status in their current service period according to the County of Mendocino Civil Service Rules and Mendocino County Code, i.e. must have successfully completed the initial probationary period. Employees may be in promotional probation status and qualify for the program, so long as they have completed a probationary period in at least one Mendocino County classification.
- c. Eligible employees must submit the signed Statement of Interest form by April 30, 2025, addressed to Human Resources, informing the County of their interest to participate in the program, subject to Board of Supervisors approval.
- d. Following approval of the Designation List by the Board of Supervisors, and on or before May 7, 2025, employees on the Designation List will be provided a County Authorized VSIP Resignation and Release Agreement. To participate in the VSIP, eligible employees must sign the County authorized VSIP Resignation and Release Agreement addressed to Human Resources and identify the effective date of their resignation (last day of paid status with the county).
 1. Eligible employees must submit their signed Resignation and Release Agreement between June 22, 2025 and July 2, 2025. The voluntary resignation date must be effective on or after July 10, 2025, and on or before September 13, 2025.
 2. Once the VSIP Resignation and Release Agreement has been signed and received by Human Resources, and after a seven-day revocation period, the agreement becomes effective and enforceable on the voluntary resignation date and the County will authorize payment of the incentive.

3. Individuals who submitted a retirement or resignation notice to their department prior to April 22, 2025, with a separation date between June 22, 2025, and September 13, 2025, may be eligible for the VSIP incentive, if they provide a signed Statement of Interest before April 30, 2025.
- e. Employees who accept a VSIP incentive are not prohibited from filing claims for unemployment benefits. Such employees will acknowledge that they may be denied such unemployment benefits based upon the employees' written acknowledgement that their decision to separate from County employment is entirely voluntary. The County reserves the right to challenge any such application for unemployment benefits.
- f. Employees who voluntarily separate from County employment in conjunction with this program and receive the separation incentive agree that they are ineligible for regular, extra-help, or at-will employment with the County, for a period of two (2) years from the date of separation.
- g. Eligible employees will receive the incentive according to the position allocation occupied, and the following schedule:
 1. .75 FTE – 1.00 FTE receive 100% of the corresponding incentive
 2. .74 FTE and below – receive a prorated portion based on their full-time equivalent of the corresponding incentive
- h. Employees are NOT eligible for the VSIP under any of the following conditions:
 1. Have received a notice of termination for misconduct or poor performance within the VSIP effective dates (April 23, 2025 – September 13, 2025), or which results in an involuntary separation during the effective period.
 2. Have not successfully achieved permanent status in their current service period and are not at-will exempt.

3. **Incentive Payment Provisions**

- a. An eligible employee participating in the VSIP shall receive a cash payment paid post separation from employment from the County and subject to all state and federal tax withholding. The separation pay will be in exchange for signing the VSIP Resignation and Release Agreement.
- b. Retirement eligibility and/or benefits are not impacted by this Program.
 1. The cash payment occurs post-employment and is not deemed part of "final compensation" for purposes of calculating retirement benefits.
- c. VSIP eligible employees with a resignation date falling on or within the specified years of current service as outlined in the following parameters:

1. Employees with 10 years or more of current service to the County of Mendocino at the date of resignation will receive an incentive payment of \$15,000 and \$1,000 for each full year of current service beyond 10 years up to an additional incentive of \$10,000, for a maximum incentive of \$25,000.
2. Employees with at least 5 years but fewer than 10 years of current service to the County of Mendocino at the date of resignation will receive an incentive payment of \$10,000 and \$1,000 for each full year of current service beyond 5 years up to an additional incentive of \$4,000, for a maximum incentive of \$14,000.
3. Employees with at least 3 years but fewer than 5 years of current service to the County of Mendocino at the date of resignation will receive an incentive payment of \$8,000.
4. Employees with at least 1 year but fewer than 3 years of current service to the County of Mendocino at the date of resignation will receive an incentive payment of \$5,000.

(All payments shall be subject to all state and federal tax withholding and program requirements).

4. Department Conditions

The following conditions must be met by departments:

- a. Positions approved for the VSIP of which an incentive is paid, the department heads will change the “funded” status to “vacant unfunded frozen” and will remain vacant for a two (2) year period.
 1. The Board of Supervisors reserves the right to remove the allocation of any and all vacancies being held vacant as a result of this program.
 2. Department Heads will be responsible for analyzing all necessary budgetary/service delivery implications of vacancies created by an employee voluntarily participating in the VSIP, and will identify the strategy, plan, and timing designed to adjust the size of the organization in a manner that reduces costs, avoids layoffs, and meets departmental budgetary and fiscal objectives.
 3. After the two (2) year period has elapsed, departments may request the CEO approve positions vacated through the VSIP to move from “vacant unfunded frozen” status to “funded” status if the department can demonstrate funding.
- b. Upon receipt of the VSIP Resignation and Release Agreements provided by Human Resources, incentive payments will originate with the department.

5. Process

The VSIP shall follow this process:

- a. The Board of Supervisors shall authorize the program and, if applicable, the maximum number of VSIP incentives to be offered.

- b. Human Resources will notify all employees of the program by April 23, 2025, and provide the program plan and Statement of Interest form.
- c. Employees submit a Statement of Interest form by April 30, 2025. Except in unusual circumstances, no Statements of Interest submitted after that date will be considered.
- d. Statement of Interest forms will be reviewed by the CEO with the affected departments.
- e. The Board of Supervisors shall review the positions submitted and adopt the list of positions approved (“Designation List”) to receive the incentive, in the May 6, 2025, meeting.
- f. Human Resources will notify all employees of Board of Supervisor approval and provide the form VSIP Resignation and Release Agreement by May 7, 2025. A 45-day consideration period for employees will follow.
- g. VSIP Resignation and Release Agreements may be received by Human Resources beginning June 22, 2025 and through July 2, 2025. VSIP Resignation and Release Agreements received prior to June 22, 2025, shall not be considered or acted upon until on or after June 22, 2025.

6. Term

Subject to approval by the Board of Supervisors, VSIP incentives will only be offered to eligible employees who submit their VSIP Resignation and Release Agreement between on or after June 22, 2025, and on or before July 2, 2025. The effective date of resignation must be on or after July 10, 2025 and up to and including September 13, 2025.

7. Communication

The County and employee organizations may develop and distribute literature to represented employees that publicize and explain the VSIP.

Key Dates

4/22/2025	Board of Supervisors authorizes the VSIP – Employee Initiated program
4/23/2025	Human Resources notifies all employees to submit a Statement of Interest
4/30/2025	Deadline to submit a Statement of Interest
5/06/2025	BOS Meeting Date: BOS approves the Designation List
5/07/2025	Human Resources notifies employees on Designation List
6/21/2025	45-day consideration period ends
6/22/2025-7/02/2025	Resignation and Release Agreement submission period
7/10/2025-9/13/2025	Resignation period

**STATEMENT OF INTEREST
VOLUNTARY SEPARATION INCENTIVE PROGRAM – EMPLOYEE INITIATED**

I have been informed of the County of Mendocino’s Employee Initiated Voluntary Separation Incentive Program and am aware of the provisions of the Program.

I understand that, by participating in the Program, I would voluntarily resign from County employment, receive an incentive payment, and sign a release of claims.

By signing this document, I hereby express only my interest in participating in the Program and that I be considered for the Program.

By signing this document, I am not bound to participate in the Program.

If I am selected to participate in the Program, I will be provided a further opportunity to review a Resignation & Release Agreement, which will be provided by May 7, 2025.

I will not be bound to participate in the Program until seven days after I submit a signed Resignation & Release Agreement. Until seven days after I submit a signed Resignation & Release Agreement, I may withdraw from being considered for the Program.

To be considered for the Program, I must submit this signed Statement of Interest to Human Resources on or before April 30, 2025.

Employee Name: _____

Employee Signature: _____

Date: _____