

CITY OF OAKLAND

AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2010 JUN 10 PM 4:16
Office of the City Administrator
ATTN: Dan Lindheim
FROM: Department of Human Resources Management
DATE: June 15, 2010

RE: **Supplemental Report on the Preparation Required to Implement Layoffs in the Police Department by July 1, 2010**

SUMMARY

In a memo dated June 3, 2010 Councilmember Ignacio De La Fuente outlined the steps required for the City Administration and the Department of Human Resources to be prepared to implement layoffs in the Police Department by July 1, 2010. This supplemental report provides greater detail on the timelines and tasks involved in the layoff process, and provides an update on the City's readiness to implement the layoffs if City Council authorizes such action at the June 24, 2010 special budget meeting.

FISCAL IMPACT

This is an informational report with no direct fiscal impacts. The City is considering layoffs in the context of a projected General Fund deficit of \$31 million in Fiscal Year 2010/2011.

BACKGROUND

Since the midcycle budget process in June 2008, the City has had to implement budget reductions and layoffs several times. The Department of Human Resources Management (DHRM) is responsible for managing the process of layoffs once City Council authorizes a reduction in force through a budget resolution. The work of implementing a layoff starts months in advance.

Implementation of a layoff in the City of Oakland is an intensely manual process. The underlying data to calculate seniority is gathered through the Payroll module in Oracle, and the pre-Oracle system if necessary, and by manually examining each personnel file for employees in the impacted classifications. In the event of a layoff that impacts dozens of classifications, this process alone can take weeks and is fraught with opportunities for errors due to incomplete records or new information not available in the employee's file at the time seniority was calculated. Once seniority lists are created and distributed to the unions, employees may submit a request for seniority point review, in which case the employee's records have to be re-reviewed and seniority points recalculated. It is common for more than a hundred such requests to be submitted when layoffs are being discussed.

Preparation

As soon as it is clear that layoffs are likely:

- Miscellaneous employee unions require sixty (60) days notice in advance of expected layoff effective date; the Oakland Police Officers Association requires two weeks' notice.

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- Employee Relations staff notify the unions that layoffs are being considered. (All City unions have received timely notices regarding the possibility of July 2010 layoffs.)
- The DHRM Layoff Team establishes seniority lists for every classification that may be impacted.
- Lists of temporary employees (Temporary Contract Service Employees or TCSEs, Exempt Limited Duration Employees or ELDEs, provisional appointments, limited duration appointments, and part time staff) are generated from the Position Control system.
- Preliminary seniority lists are released to the impacted unions.
- Employees submit seniority point calculation review requests.
- Layoff Team review seniority calculations and respond to employees.

Implementation

It typically takes six weeks for the layoffs to be implemented. If a great number of classifications and employees are impacted, the process may take longer. The steps and timeline include:

<p>Week One</p>	<ul style="list-style-type: none"> ▪ Council report is published with list of proposed position cuts ▪ Budget office provides DHRM with list of positions likely to be impacted ▪ DHRM begins to establish seniority lists for classifications ▪ Document any revised seniority points and reversion rights ▪ Notify unions of expected impacted classifications ▪ Obtain employee detail information from Payroll ▪ Assess part time assignments for relevance to impacted classifications ▪ Activate employee support center
<p>Week Two</p>	<ul style="list-style-type: none"> ▪ Council adopts budget resolution identifying position cuts ▪ Budget office provides DHRM with authorized list of impacted positions ▪ DHRM develops the list of positions citywide of impacted classifications with incumbent names ▪ Begin mapping out impacts and bumping ▪ Generate seniority lists ▪ Release seniority lists to unions
<p>Weeks Three and Four</p>	<ul style="list-style-type: none"> ▪ Establish impacts, map out bumping ▪ Research and determines tie-breakers ▪ Prepare employee data for use in layoff notices ▪ Communicate with impacted departments and provide training to managers/supervisors of laid off employees ▪ Notify departments of the need to terminate temporary employees in impacted classifications ▪ Prepare employee notification letters ▪ Meet with department contacts; provide them with layoff notices, prepare them for impacts

Week Five	<ul style="list-style-type: none"> ▪ Process any changes, rescind notices, seniority calculation reviews
Week Six	<ul style="list-style-type: none"> ▪ Layoffs take effect 10 business days from the date of the layoff notice.

KEY IMPACTS

Police Department Layoffs. Although Council has not yet taken action regarding layoffs in the Police Department to be effective July 1, 2010, DHRM staff has been taking the necessary steps to prepare for that action should Council make a decision to authorize it. The potential layoffs that have been discussed in the public forum are within one department and are targeted to just a few classifications, and so staff have been able to conduct all of the preliminary work required in recent weeks. If City Council votes to authorize the resolution being proposed by Councilmember De La Fuente, layoff notices to employees could be issued on June 16, 2010 with employees' last day being Wednesday, June 30, 2010.

If City Council waits and votes to lay off Police Department employees at its June 24, 2010 special Council meeting, layoff notices to employees could be issued on June 25, 2010 with employees' last day being Tuesday, July 13, 2010 (due to furlough day, July 2 and holiday, July 5).

And if City Council votes to lay off Police Department employees at its June 29, 2010 special Council meeting, layoff notices to employees could be issued on June 30, 2010 with employees' last day being Friday, July 16, 2010 (due to furlough day, July 2 and holiday, July 5).

Layoffs in Other Departments/Miscellaneous Classifications. In past years, DHRM has received a list of potentially impacted classifications in April to prepare for layoffs at the end of the fiscal year. Without a list of classifications to draw from, DHRM's Layoff Team has been conducting research and revising seniority lists for every City classification in anticipation of layoffs of miscellaneous employees. Even so, until a list of impacted classifications is made available to DHRM, impacts and bumping cannot be established.

If City Council votes to lay off miscellaneous employees at its June 29, 2010 special Council meeting, layoff notices to employees could be issued on July 23, 2010 with employees' last day being Friday, August 6, 2010.

SUSTAINABLE OPPORTUNITIES

There are no economic, environmental, or social equity opportunities resulting from this report.

DISABILITY AND SENIOR CITIZEN ACCESS

There is no senior citizen access issues related to this report.

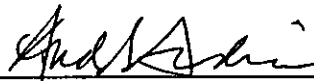
RECOMMENDATIONS AND RATIONALE

Staff recommends that the Council accept this Supplemental Report.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the Council accept this Supplemental Report concerning the layoff process and the Department of Human Resources Management's readiness to issue layoff notices to Police Department employees in time for a June 30, 2010 termination date.

Respectfully submitted,



Andrea R. Gourdine
Department of Human Resources Management

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APPROVED AND FORWARDED TO THE
CITY COUNCIL:



Office of the City Administrator