











# ACTIVITY REPORTING AND PROPOSAL FORM

## JUDICIAL COUNCIL DIRECTIVE AOC RESTRUCTURING AND REALIGNMENT

<b>DATE</b>	10/5/2012
<b>PREPARED BY</b>	Patrick Farrales
<b>OFFICE NAME</b>	Human Resources Services Office
<b>JUDICIAL COUNCIL DIRECTIVE NUMBER</b>	30
<b>JUDICIAL COUNCIL DIRECTIVE</b>	E&P recommends that the Judicial Council direct the Administrative Director of the Courts to utilize the AOC's layoff process to provide management with a proactive way to deal with significant reductions in resources.
<b>SEC RECOMMENDATION</b>	The AOC must utilize its layoff process to provide management with a proactive way to deal with significant reductions in resources.
<b>RESPONSE (check applicable boxes)</b>	
<input checked="" type="checkbox"/> This directive has been completed and implemented:	
Recommendation has been implemented.	
<div style="border: 1px solid gray; padding: 5px;"> AOC_Personnel_Policy_2.9_Revised.pdf Adobe Acrobat Document 88.4 KB</div>	
<input type="checkbox"/> This directive is forwarded to the Judicial Council with options for consideration:	
<div style="border: 1px solid gray; padding: 5px;"> File Attachment</div>	
<input type="checkbox"/> Other:	
<div style="border: 1px solid gray; padding: 5px;"> File Attachment</div>	
<b>TIMELINE AND RESOURCES FOR IMPLEMENTATION</b>	
<b>IMPLEMENTATION DATE OR</b>	

<b>PROJECTED IMPLEMENTATION DATE</b>	Policy 2.9 – Reductions in Staffing (Layoffs) - was revised on May 18, 2012.
<b>RESOURCES REQUIRED FOR IMPLEMENTATION</b>	Upon implementation of the policy and the resulting layoff that shortly followed, the HR Office utilized all eight members of the Employee Relations Services team to develop templates for severance agreements, talking points for managers/supervisors, and separation checklists for impacted staff. All five members of the Pay & Benefits team developed the separation packets, which included COBRA forms, retirement forms, and other separation documents. When layoffs were implemented, due to limited available resources, all LERU and HR senior staff sat in during every separation meeting between management and the impacted employee to ensure that at least one HR representative was available.
<b>ADDITIONAL IMPLEMENTATION INFORMATION (complete only applicable sections)</b>	
<input checked="" type="checkbox"/> <b>PROCEDURES/ POLICIES UPDATED OR DEVELOPED</b>	<p>Policy 2.9 is attached. The policy outlined specific procedures in implementing a layoff within the AOC. The policy states that, when layoffs are deemed necessary, the following items must be considered prior to implementation: 1) scope; 2) identification of classifications/positions; 3) identification of employees within the selected classifications/positions; 4) and determining whether employees identified for a layoff will be provided with the option to apply for vacant essential positions.</p> <div data-bbox="500 869 818 1058" style="border: 1px solid gray; padding: 5px;">  <p>AOC_Personnel_Policy_2.9_Revised.pdf Adobe Acrobat Document 88.4 KB</p> </div>
<input checked="" type="checkbox"/> <b>TRAINING UPDATED OR DEVELOPED</b>	<p>Prior to the AOC layoffs which occurred late in the fiscal year 2011-12, managers and supervisors were trained by AOC HR Services on how to communicate to staff affected by a layoff. The training was provided to all managers and supervisors to ensure confidentiality and protect the identities of the impacted staff.</p> <div data-bbox="500 1226 818 1297" style="border: 1px solid gray; padding: 5px;">  File Attachment </div>
<input checked="" type="checkbox"/> <b>SAVINGS</b>	<p>While not a direct result of the policy revision, the resulting layoffs in FY2011-12 saved the AOC approximately \$3.2 million.</p> <div data-bbox="500 1394 818 1457" style="border: 1px solid gray; padding: 5px;">  File Attachment </div>
<input checked="" type="checkbox"/> <b>COST</b>	<p>Staff time was utilized in the development/revision of policy 2.9. Employees who were laid off in late fiscal year 2011-12 were eligible to receive a severance payment contingent on acceptance of a separation agreement. The payment was based on years of AOC service, and capped at \$10,000 per employee. The total cost of FY2011-2012 layoffs were approximately \$675,000.</p> <div data-bbox="500 1646 818 1724" style="border: 1px solid gray; padding: 5px;">  File Attachment </div>
<input checked="" type="checkbox"/> <b>EFFICIENCIES</b>	<p>Revising Policy 2.9 allowed the AOC to follow a structured and defined approach in implementing layoffs.</p> <div data-bbox="500 1814 818 1906" style="border: 1px solid gray; padding: 5px;">  File Attachment </div>

<input checked="" type="checkbox"/> <b>SERVICE LEVEL IMPACT</b>	<p>While not a direct result of the policy revision, divisions impacted by layoffs face reduced resources and demoralized staff. With furloughs in place and additional workload transferred to the remaining staff, customers will begin to experience reduced processing and response times. Some of the necessary services performed by laid off employees are being transferred to staff that may be unfamiliar with current processing. This results in significantly slowing down multiple processes as staff are trained to deal with the new responsibilities.</p> <div style="border: 1px solid gray; padding: 2px; width: fit-content; margin-top: 10px;">  File Attachment </div>
<input type="checkbox"/> <b>OTHER</b>	<div style="border: 1px solid gray; height: 20px; margin-bottom: 5px;"></div> <div style="border: 1px solid gray; padding: 2px; width: fit-content; margin-top: 10px;">  File Attachment </div>
<b>ADMINISTRATIVE DIRECTOR OF THE COURTS (ADOC) REVIEW AND APPROVAL</b>	
<b>ADOC REVIEW</b>	Administrative Director of the Courts Review Date: <input type="text" value="10/5/2012"/>
<b>EXECUTIVE AND PLANNING (E&amp;P) COMMITTEE REVIEW</b>	
<b>E&amp;P REVIEW</b>	Executive and Planning Review Date: <input type="text" value="10/19/2012"/>

**Policy Number:** 2.9

**Title:** Reductions in Staffing (Layoffs)

**Contact:** Administrative Services Division, Human Resources Office

**Policy Statement:** The AOC may implement reductions in staffing based on nondiscriminatory business-related criteria to accomplish necessary cost savings.

**Contents:**

- (A) Overview**
- (B) Layoff Criteria and Procedures**
  - (1) Determining Scope of Layoffs**
  - (2) Identifying Classifications Subject to Layoff**
  - (3) Identifying Affected Employees Within Classification**
  - (4) Option to Apply for Vacant Essential Positions**
- (C) No Recall**

### **(A) Overview**

Consistent with [Policy 2.8 \(Personnel-Related Cost Savings Measures\)](#), the AOC may implement reductions in staffing to accomplish necessary cost savings. Reductions in staffing will be based on nondiscriminatory, business-related criteria. Before layoffs are implemented, the AOC will evaluate cost saving alternatives to attempt to avoid or minimize the need for layoffs. If, however, layoffs are deemed necessary, the following procedures will be implemented.

### **(B) Layoff Criteria and Procedures**

#### **(1) Determining Scope of Layoffs**

In the event layoffs are necessary, the Executive Office will determine the scope of necessary reductions in staff and the allocation of those reductions across divisions. Layoffs may be implemented on an organizational basis, or in one or more divisions, units, or job classifications.

#### **(2) Identifying Classifications Subject to Layoff**

If staff reductions are required within a division, the division director, in consultation with the Human Resources Office, will identify classifications within which positions can be eliminated, reduced, or combined based on the operational needs of the AOC as determined by Judicial Council priorities. The Human Resources Office may also identify positions that may be eliminated, reduced, or combined across divisions, based on similar duties or subject matter areas.

**(3) Identifying Affected Employees Within Classification**

Where positions within a classification are to be eliminated, the division director, in consultation with the Human Resources Office, will evaluate the order of positions for layoff based on the operational needs of the AOC as determined by Judicial Council priorities and a combination of factors, including the affected employees':

- (a) Specialized knowledge, skills, or abilities;
- (b) Ability to cover multiple functions within the division;
- (c) Prior work experience;
- (d) Documented work performance; and
- (e) Length of service with the AOC.

Length of service with the AOC will be considered when the factors listed above in (a) through (d) are essentially equal. If length of service is a factor considered, breaks in service and leaves of absences will not be considered in determining seniority, unless otherwise required by law.

The Executive Office will review and, if in agreement, approve the recommended action for any reductions in staff. Identification of employees for layoff will be in accordance with AOC policy, including [Employment at Will](#), policy 2.1, [Equal Employment Opportunity](#), policy 2.2, and [Personnel-Related Cost Saving Measures](#), policy 2.8.

**(4) Option to Apply for Vacant Essential Positions**

The Executive Office will determine whether employees identified for layoff will be afforded the option to apply for vacant essential positions. In making that determination, the Executive Office may consider the status of judicial branch or AOC funding decisions, the need to minimize disruption of work and related inefficiencies, and any other factors that the Executive Office considers relevant. If the Executive Office determines that employees identified for layoff will be afforded the option to apply for vacant essential positions, the following steps will generally be followed.

- (a) In consultation with the division director, the Human Resources Office will identify:
  - Vacant positions that, if not filled, will significantly impede the division's ability to support Judicial Council priorities; and
  - Of the employees identified for layoff, those employees, if any, who are qualified to fill such vacant, essential positions.
- (b) Qualified affected employees will be notified of their option to elect to be considered for such vacant positions. Positions will be filled through an internal recruitment process, based on the operational needs of the AOC as determined by council priorities.

- (c) Employees identified for layoff who either do not have an option for continued at-will employment or who do not indicate interest in any vacant position as instructed will be separated from employment.

**(C) No Recall**

Layoffs result in separation from employment with no right of recall. Employees who are laid off are eligible, however, to apply in the future for open AOC positions for which they are qualified.