

<p align="center"><b>CITY OF APPLETON PERSONNEL POLICIES</b></p>	<p align="center">TITLE: <b>SALARY ADMINISTRATION</b></p>	
<p>ISSUE DATE: February 18, 2005</p>	<p>LAST UPDATE: September 4, 2001      February 2006 September 10, 2003    October 2006 February 18, 2004      July 2008 February 17, 2005      August 2009 December 2011          September 2012</p>	<p>SECTION: Human Resources</p>
<p>POLICY SOURCE: Human Resources Department</p>	<p>AUDIENCE: <del>All Employees Excludes Valley Transit, Police and Fire protective employees covered by a collective bargaining agreement.</del> <b>regular full and part-time benefited employees covered by the Non-represented compensation plan. Excludes represented employees.</b></p>	<p>TOTAL PAGES: 6</p>
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I. PURPOSE

To outline the guidelines utilized for administration of the compensation plan.

II. POLICY

It is the policy of the City of Appleton to provide competitive compensation to attract and retain competent staff and to encourage and reward superior performance within the financial resources available.

III. DISCUSSION

This policy provides the current salary administration guidelines. This policy is subject to change with approval of the Common Council. The Human Resources Director shall be responsible for the administration of the compensation policy.

IV. DEFINITIONS

- A. Fair Labor Standards Act (FLSA): A federal act that sets minimum wage, overtime pay, equal pay, record keeping and child labor standards for employees who are covered by the act and who are not exempt from specific provisions. **An employee classified in the compensation plan as "Exempt" is not eligible for the overtime compensation provisions of FLSA.**

**Base Pay: An employee's initial rate of compensation, excluding extra lump sum compensation, shift differential etc. An employee's base pay can be expressed as a base hourly rate of pay or as an annual salary.**

~~B. Compensation Plan: A schedule of pay ranges listing the job classifications Minimum, and Maximum rates with each range divided into four equal segments called quartiles.~~ **Control Points.** All regular positions shall be placed in one of these ranges based on an in-depth job analysis **point factor job evaluation.**

~~C. All employees, except employees who are members of Valley Transit Teamster Local 663, Appleton Professional Police Non-supervisory Unit and the Appleton International Association of Firefighters Local 257~~

~~—Quartile: One of four equal segments that divides the minimum and maximum salary within a pay grade for a position.~~

**C. Grandfathered: Employees who are above the maximum of the assigned pay grade as a result of implementation of the 2013 pay plan shall be eligible for a general pay adjustment and for a non-base performance adjustment until the employee changes positions or leaves City employment**

**D. Interim Assignment: When an employee is assigned to a different position on a temporary basis, where there is a vacancy. Pay Adjustments may be made in accordance with F. Pay Rate Adjustments below.**

~~E. Job-Description Questionnaire (JDQ): A job analysis form that outlines the responsibilities of a position and the requirements necessary to perform the position that is utilized in assigning~~ **evaluating position responsibilities using the City' point factor job evaluation system for allocation to the appropriate** a pay grade for **each** a position. **A JQ also functions as the key document for pay plan maintenance.**

**F. Non-base pay adjustment: Pay adjustments generally in the form of a lump sum or other forms that do not increase the employee's base pay.**

**G. Red-circled: The maintenance of an employee's pay rate above the established range maximum. An employee whose pay rate is above the range maximum shall not be eligible for general pay adjustments but may be eligible for a non-base performance adjustment.**

## V. PROCEDURES

### A. DETERMINATION OF PAY RANGES

The compensation plan shall be ~~directly related to the classification plan and shall be~~ based on the principle of equal pay for equal work. Pay ranges within the compensation plan shall be determined with regard to ~~such~~ factors including, but not limited to: uniformity of pay for each class; relative difficulty, complexity, and responsibility of work; **competitive** recruiting, education and experience **requirements**; and prevailing rates of pay for similar jobs in public and private employment **as determined by the City.**

## B. ENTRANCE PAY RATE

The entrance pay rate shall be within the **Minimum and the Control Point of the** pay range. ~~prescribed to the class for the position being hired. A department head may recommend that a particular appointment be made above the minimum pay rate. Such requests must be approved in advance by the Human Resources Director, or designee, and will be in recognition of exceptional qualifications and market conditions.~~ All appointments (including department heads) above the **midpoint-Control Point** must be authorized, in advance, by a majority of the Mayor, ~~Council~~ **Human Resources Committee Chair** ~~President~~ and Human Resources Director.

~~In recognition of the Statutory Authority of the Library Board, appointments above the midpoint for Library employees must be reported to the Common Council.~~

## C. COMPENSATION PLAN COMPONENTS

### (a) General Pay Adjustment

General pay adjustments are typically made on an annual basis. The Human Resources Director shall recommend such adjustments to the Common Council based on the general level of pay adjustments in the job markets where the City competes for its staff, as well as internal adjustments (e.g. collective bargaining settlements). These adjustments are also made in consideration of general changes in cost-of-living indices.

The adjustment takes the form of an adjustment to pay ranges **and will generally be made to the employee's base pay**. ~~and is provided, in the same percentage as the range adjustment, to all employees whose performance meets or exceeds the performance standards for his/her position.~~

### (b) Pay for Performance Adjustments

~~This adjustment is in recognition of the increased value of the employee's contribution as he/she proceeds through the learning curve for the position.~~ **Performance Adjustments shall be established each year by the Mayor subject to approval by the Common Council.**

Employees shall be eligible for **pay for** performance adjustments as follows:

- ◆ **Employees who have a pay rate at or below the Control Point shall be eligible for the following:** ~~in the first quartile of his/her grade shall be eligible for a 3% base adjustment, on an annual basis, if the employee has demonstrated standards of competency (meeting goals).~~

<b>90-100% of points</b>	<b>1.5 of a performance adjustment</b>
<b>75- below 90% of points</b>	<b>1 performance adjustment</b>
<b>60- below 75% of points</b>	<b>.5 of a performance adjustment</b>
<b>Below 60% of points</b>	<b>Not eligible</b>

- ◆ **Employees who have a pay rate above the Control Point shall be eligible for the following:** ~~in the second quartile of his/her grade shall be eligible for a 2% base adjustment, on an annual basis, if the employee has demonstrated standards of competency (meeting goals).~~

<b>90 to 100% of points</b>	<b>1 performance adjustment</b>
<b>75- below 90% of points</b>	<b>.5 of a performance adjustment</b>
<b>60- below 75% of points</b>	<b>Not eligible</b>
<b>Below 60% of points</b>	<b>Not eligible</b>

- ◆ ~~Employees in the third quartile of his/her grade shall be eligible for a 2% base adjustment, on an annual basis, if the employee has demonstrated above standard performance (exceeding goals)~~
- ◆ ~~Employees in the fourth quartile of his/her grade shall be eligible for a 2% base adjustment, on an annual basis, if the employee has demonstrated above standard performance (exceeding goals).~~

**Lump sum adjustments will be used for employees who are at the maximum of their pay range and may be used in unique circumstances to recognize a one-time adjustment.**

**Employees who fall below target will not be eligible for a performance adjustment or general pay increase, until such time that performance achieves target. If said employee's performance reaches the on target level the employee may be eligible for a general pay adjustment at that time. Such general pay adjustment shall not be retroactive.**

All **pay for** performance adjustment requests will require supporting documentation through the performance evaluation process (goals & competencies) **as outlined in the Performance Management Policy.** All supporting documentation ~~must~~ **will** be reviewed and ~~approved~~ **verified** by the Human Resources Department.

#### D. ADMINISTRATION OF PERFORMANCE ADJUSTMENTS

##### (a) Existing Employees

**Pay for** Performance adjustments for those employees who are eligible, will be given ~~on~~ **the first pay period in** January ~~+~~ each year.

##### (b) New Employees

A new employee who is hired before July 1 will receive a pro-rated performance adjustment on January 1 of the next year based on the number of months they worked in that previous year.

A new employee who is hired July 1 or later will receive a pro-rated performance adjustment after six months on the job retro-active to January 1 based on the number of months they worked in the previous year.

**The pro-ration shall be 1/12 per month of employment. An employee must work ten (10) or more calendar days in the month of hire to be credited for the month.**

<u>First Quartile</u>	<u>.25%/Month</u>	<u>Second</u>	<u>Fourth Quartile</u>
January	3.0%	Jan 1 – Feb 15	2.0%
February	2.75%	Feb 16 – Mar 31	1.75%
March	2.5%	April 1 – May 15	1.5%
April	2.25%	May 16 – July 1	1.25%
May	2.00%	July 2 – Aug 15	1.00%
June	1.75%	Aug 16 – Oct 1	.75%
July	1.50%	Oct 2 – Nov 15	.50%
August	1.25%	Nov 16 – Dec 31	.25%
September	1.00%		

October ————.75%

November ————.50%

December ————.25%

~~(c) Promotion from Union to Non-Union~~

~~These employees will be treated as if they were a newly hired employee. The pro-ration will be based on the number of months worked in the position during the previous year.~~

~~(d) Promotions or Transfers~~

~~Existing employees who are promoted or transferred to another position shall receive the full performance adjustment on January 1 or the date they satisfactorily complete six months in the new position, whichever is later.~~

~~E. PART-TIME AND SEASONAL EMPLOYMENT~~

~~Part-time and seasonal employment shall be compensated on a per hour or per event basis at a rate established by the Human Resources Director and approved by the Common Council.~~

F. PAY RATE ADJUSTMENTS

The Human Resources Director and the applicable Department Director shall determine the pay status of an employee based on the following:

- (a) Transfers - When an employee is transferred from one class to another with a common pay range, he/she shall continue to receive the same pay rate unless a different rate is deemed appropriate.
- (b) Promotion - When an employee is promoted from one class to another having a higher pay range, he/she shall receive an increase as deemed appropriate ~~by the Human Resources Director~~ but not to exceed the **midpoint Control Point** of the range unless approved by the Committee as outlined in V. B. Entrance Pay Rate. For consideration of placement into the new salary range, ~~the Human Resources Director shall consider~~ such factors as the average value of overtime lost, and average value of extra hours worked in a non-exempt capacity **as well as other internal and external factors shall be considered.**
- (c) Demotion - When an employee is demoted for any reason, a new rate of pay shall be determined. For consideration of placement into the new salary range, ~~the Human Resources shall consider~~ such factors as experience, qualification, length of service, average value of overtime lost and the level of pay similar to employees in the pay range **shall be considered.**
- (d) Re-Instatement - When an employee is re-instated to ~~his~~ a former job, ~~he~~ **they** shall normally be paid at the same rate ~~he~~ they received at the time they terminated employment. When an employee is re-instated to a job with a lower pay rate, a new pay rate shall be determined in accordance with the employee's experience and qualifications.
- (e) Upward Re-Classification – When an employee's position is reclassified into a higher pay grade, the reclassification shall be treated the same as a promotion under (b) above. ~~If however, the employee's current rate of pay is higher than the midpoint of the new grade, then the employee will be given an increase equal to 3% of the midpoint of the higher grade.~~
- (f) Downward Re-Classification – When an employee's position is reclassified into a lower pay grade, the reclassification shall be treated the same as a demotion under (c.) above.

- (g) **Career-development- Employees covered under a Council approved Career Development Plan shall be treated the same as a promotion under (b) above.**

## G. MINIMUM AND MAXIMUM RATES

Generally, an employee shall be paid within the pay range of his/her position.

An employee may be paid below the minimum of his/her pay range as the result of not receiving a general pay adjustment due to not meeting performance standards.

**An employee who receives a base pay adjustment cannot exceed the maximum of their pay range.**

In the event of a reclassification, or re-evaluation of a pay range that results in an employee's pay falling outside the maximum of the newly assigned pay range, such employee's pay rate may be red-circled.

## H. OVERTIME

- (a) Employees in the Compensation Plan who meet **the exemption** ~~the test for Executive, Administrative, or Professional~~ under the Fair Labor Standards Act shall be exempt from all premium pay provisions except as otherwise outlined in this policy.
- (b) All non-exempt employees in the Compensation Plan shall be eligible for overtime compensation on a time and one half basis for all hours worked in excess of 40 hours per week. Double time may be paid for all hours worked on Sundays and holidays, **only** if indicated in departmental policy.
- (c) Battalion Chiefs and Deputy Fire Chiefs who fill in for other Chief Officers, when overtime would otherwise be required, shall receive straight time pay for all such hours worked in addition to his/her regular bi-weekly rate. Operations Battalion Chiefs who are required by the Chief to attend extended (generally more than four (4) hours) training on his/her off-duty time may be eligible for straight time pay for attendance at such training at the discretion of the Fire Chief.
- ~~(d) All seasonal, limited term and temporary employees who do not meet the test for Executive, Administrative, Professional, or Recreational Establishment under the Fair Labor Standards Act shall be eligible for overtime compensation on a time and one half basis for all hours worked in excess of 40 per week. These employees shall not be eligible for double time or any other premium pay unless deemed appropriate by their Department Director and the Director of Human Resources.~~
- ~~(e) Seasonal employees who meet the Recreational Establishment test under FLSA shall be exempt from payment of time and one half for hours worked over 40 per week.~~
- (d)** Overtime shall be approved in advance by the Department ~~Head~~**Director** or supervisor and reviewed periodically by the Department Director. Overtime shall be kept to a minimum and shall be utilized to relieve specific occasional peak workloads or emergencies.
- (e)** Overtime shall be scheduled based on an employee's qualifications to perform the job pursuant to departmental policies or guidelines.

## I. SHIFT DIFFERENTIAL

Non-exempt employees designated by departmental policy may receive a shift differential of \$.30 per hour between the hours of 5:00 PM and 5:00 AM. This shall not include an extension of the workday or

employees working a modified schedule. Police Captains and Lieutenants excluded.

#### **J. HIGHER RATE OF PAY**

**Employees of the Public Works Department shall be eligible for higher rate of pay per departmental policy.**

#### **K. TELEPHONE CALL**

Non-exempt employees who are called by a supervisor on the telephone, outside of his/her regularly scheduled hours, to provide information related to the operation of the department shall be paid for the time actually spent on the telephone, but not less than one hour's straight time pay in either pay or time off to be determined by his/her supervisor. ~~Police Captains and Lieutenants excluded.~~

#### **L. EMERGENCY CALL-IN/EMERGENCY SHIFT CHANGE**

Non-exempt employees who are called in or whose shift is changed may be eligible for call-time or shift change allowance as designated by departmental policy.

#### **M. STAND-BY DUTY**

Emergency locators who are required by his/her department director to be on stand-by duty (required to remain within a one (1) hour response area, accessible by phone or pager, etc.) shall receive one hour's pay for each day of stand-by. Police Captains subject to on-call assignments as a duty commander shall receive an additional eight (8) hours for each week assigned.

All employees required to be on stand-by must remain physically fit and ready for duty and must continue to abide by City policies (i.e., Drug-Free Workplace).

#### **N. CALL DUTY-EMERGENCY RESPONSE (Excludes Public Safety employees and Directors)**

Any exempt employee, who is required to report to duty for emergency operations (snowplowing, water main breaks, etc.) may be eligible for additional compensation in the form of a bonus, in January and April as outlined below:

- ◆ If the employee reports for work and works more than one (1) hour but less than four (4) hours, the employee shall be entitled to \$50.00 for each report.
- ◆ If the employee reports for work and works more than four (4) hours, the employee shall be entitled to \$100.00 for each report.

#### **O. SPECIAL CONDITIONS**

It is recognized that external forces such as unique market conditions and compression of wage differentials between employees in the compensation plan and those they supervise can jeopardize the integrity of the plan. The Human Resources Director shall develop appropriate means to address such situations on a case-by-case basis, subject to the approval of the Common Council.