

<b>CITY OF APPLETON PERSONNEL POLICIES</b>	<b>TITLE: SALARY ADMINISTRATION</b>	
ISSUE DATE:	LAST UPDATE: October 2022	SECTION: Human Resources
POLICY SOURCE: Human Resources Department	AUDIENCE: All regular full and part-time employees covered by the Non-represented compensation plan. Excludes represented employees.	TOTAL PAGES: 7
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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 performance within the financial resources available.

**III. DISCUSSION**

The City of Appleton is committed to rewarding team members in a fair and consistent manner, we offer compensation and rewards that support equity and align with our diversity, equity, and inclusion values. We aim to attract and retain employees to contribute to the success of the organization. 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.

**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.
- B. 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.
- C. Position Analysis Questionnaire (PAQ): A job analysis that outlines the responsibilities and the requirements necessary to perform the functions of the position. The PAQ is utilized to evaluate the position responsibilities for allocation to the appropriate pay grade.
- D. Compensation Plan: A schedule of pay ranges listing the job classifications and minimum/maximum rates. All regular positions shall be placed in one of these ranges based on a PAQ and point factor job evaluation.
- E. Emergency: For purposes of this policy, an emergency shall be defined as an unplanned, significant event that affects the operation, or service level of the department (as determined by the Department

Director and/or the Mayor)

- F. Interim Assignment: When an employee is assigned to a different position on a temporary basis, because of a vacancy.
- G. 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.
- H. Red-circled: The maintenance of an employee's pay rate above the established range maximum. An employee whose pay rate is at or above the range maximum may be eligible for a non-base performance adjustment.
- I. Midpoint: The center of an open pay range. The midpoint provides a reference point to measure progression within the pay range.

#### IV. PROCEDURES

##### A. DETERMINATION OF PAY RANGES

The compensation plan shall be based on the principle of equal pay for equal work. Pay ranges within the compensation plan shall be determined with regard to factors including, but not limited to: training and ability; level of work; physical demands; independence of actions; supervision exercised; experience required; human relations skills; working conditions or hazards and impact of errors; 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 60% of the minimum of the pay range. All appointments (including department heads) above the 60% must be authorized, in advance, by a majority of the Mayor, Human Resources Committee Chair and Human Resources Director.

##### C. RECLASSIFICATION

The Position Classification Review Process is the method for determining pay range assignment of new positions or reclassification actions involving substantial changes in the duties and responsibilities of an existing position or external market changes.

###### (a) Classification or Reclassification Consideration

A request for reclassification of a current position or the classification of a new position may be initiated by a department director, or by the Human Resource Director. Requests for reclassifications may occur throughout the year as positions are created or become vacant.

Reclassification consideration for existing positions requires that the employee and the department director document substantial changes in existing duties since the most recent review. Duty changes may be from substantial, immediate reassignment of duties due to reorganization, or may be the result of a logical and gradual change of responsibilities over a period of time.



To be considered for reclassification, changes should be stable and typically should have been in effect for at least six months preceding the reclassification request so that it is clear that the changes that exist are likely to remain for some period of time. Reclassification will not be considered for temporary changes in duties.

A request for classification or reclassification consideration must be in writing to the Human Resources Generalist. The Human Resources Generalist will guide the appropriate process for a review.

(b) Review of Requests

Following internal review by the Human Resource Director, the Human Resource Generalist will submit the PAQ and any supporting documentation to the consultant for evaluation if the criteria for reclassification is met. If the recalassification is appropriate, the consultant will recommend a grade assignment for the position. The consultant may request further information.

(c) The Employer's Response to the Consultant's Recommendations

The employee and the department director will be informed of the final decision in writing. The effective date of any compensation changes will be based on the specific circumstance of the reclassification.

D. COMPENSATION PLAN COMPONENTS

(a) Pay Plan Adjustment

Pay Plan adjustments are typically made on an annual basis. The Human Resources Director shall recommend such adjustments to the Mayor and Finance Director based on the general level of pay adjustments in the relevant job markets where the City competes. 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 plan with the goal of maintaining market competitiveness of the pay plan.

No increase will be made to an employee's pay as a result of a pay plan adjustment.

(b) Merit increase

The amount allocated for merit increase shall be established each year by the Mayor and included in the annual budget, subject to approval by the Common Council. Merit increases will be awarded to all employees that meet or exceed their goals and departmental expectations.

E. 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, the employee 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, the employee shall receive an increase as deemed appropriate. For consideration of placement into the new pay range, such factors as the average value of overtime lost, 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 accepts a position in a lower pay grade for any reason, a rate of pay shall be determined. For consideration of placement into the new salary range, 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) 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.
- (e) Downward Re-Classification - When an employee's position is reclassified into a lower pay grade, the reclassification shall be treated the same as (c.) above.
- (f) Equity Adjustments  
Equity adjustments are salary changes outside of the normal salary programs (as listed above) to remedy salary issues such as external pressure in high demand areas, internal salary compression, and/or retention considerations. Equity adjustments may also be used when additional duties are added.

#### F. MINIMUM AND MAXIMUM RATES

Generally, an employee shall be paid within the pay range of their position. **Library substitute positions may only advance to the midpoint of the pay scale.**

An employee may be paid below the minimum of their pay range as the result of not receiving a pay adjustment due to their performance.

An employee who receives a base pay adjustment cannot exceed the maximum of their pay range. **An employee who is at the maximum of their pay range may be eligible for a lump sum payment as a method to recognize performance.**

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.

#### G. OVERTIME

- (a) Employees in the Compensation Plan who meet the exemption under the Fair Labor Standards Act shall be exempt from all premium pay provisions except as otherwise outlined in this policy.
- (b) Employees who are required to work Sunday, not part of their regular schedule, shall receive double time pay. Utility Department employees who work Sunday, as part of their regular schedule, shall receive double time pay.
- (c.) All non-represented non-exempt employees in the Compensation Plan shall be paid no less than the minimum compensation required pursuant to the FLSA, including overtime compensation on a time and one half basis, for all hours worked in excess of 40 hours per week subject to the following:
  - 1. Compensatory Time, Sick leave, PTO Sick, approved non-paid leave and FMLA non-paid leave hours shall not be counted as hours worked for purposes of computing overtime compensation; and,
  - 2. Scheduled City holiday hours, vacation, PTO , funeral leave, jury duty and

approved paid FMLA leave (except PTO Sick, see #1 above) may be counted as hours worked for purposes of computing overtime compensation (except when employee is called to work, then see #3 below); and,

3. Hours worked and paid at a Sunday or Holiday double time rate\*, where the employee is also paid an additional call pay premium, shall not be counted as hours worked for purposes of computing overtime compensation.

\*Holiday double time rate refer to Fringe Benefit 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 their regular bi-weekly rate. Operations Battalion Chiefs who are required by the Chief to attend extended (generally more than four (4) hours) training on their off-duty time may be eligible for straight time pay for attendance at such training at the discretion of the Fire Chief.
- (d) Police Lieutenants and Captains will receive compensation at time and one half of the top senior sergeant rate when working beyond their normal schedule for Grants, Off-Duty Police Services, Avenue Detail, **SWAT related incidents, major case investigations** and special events.
- (e) Overtime shall be approved in advance by the Department 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.

#### H. SHIFT PREMIUM

Non-exempt employees shall be eligible for a \$.50 shift premium added to their base pay if the employee is regularly scheduled (through shift selection or designated assignment) to work a 2<sup>nd</sup> or 3<sup>rd</sup> shift schedule (3<sup>rd</sup> or 4<sup>th</sup> shift schedule for Police).

#### I. TELEPHONE CALL

Non-exempt employees who are called by a supervisor on the telephone, outside of their 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. This does not apply to employees receiving the Stand-by Duty pay.

#### J. EMERGENCY CALL-IN

Non-exempt employees who have left the worksite or are in a paid leave status, and who are called to return to work outside of their regularly scheduled hours to handle emergency situations that could not be anticipated, will be eligible for a lump sum of \$100 as call-in pay.

#### K. ASSIGNED SHIFT CHANGE

- (a) This applies to Utilities employees who operate on shifts.

When a non-exempt employee is required to work outside their assigned shift the employee will be paid as follows:



Employees notified for a change of assigned shift for a duration of more than one week and are given 48 hours or more notice shall be paid \$1.00 per hour, added to their base pay, for all hours worked for the duration of the scheduled shift.

Employees notified for a change of assigned shift for a duration of one week or less and are given 48 hours or more notice shall be paid \$2.00 per hour, added to their base pay, for all hours worked for the duration of the scheduled shift.

Employees notified for a change of assigned shift and are given less than a 48 hour notice shall be paid \$50 per day for the first 48 hours and then the employee shall be paid pursuant to the above.

The \$1.00 and \$2.00 premium pay shall be added to the employee's regular base rate for purposes of calculating the overtime rate.

- (b) This applies to Department of Public Works and Parks Recreation Facilities Management employees who operate on shifts.

When a non-exempt employee is required to work outside their assigned shift the employee will be paid as follows:

Employees notified for a change of assigned shift shall be paid \$50 per day.

#### L. STAND-BY DUTY

Employees who are required by their 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 and (2) two hours if on the actual holiday (does not include the observed holiday).

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).

#### M. CALL DUTY - EMERGENCY RESPONSE (Excludes Directors, Deputy Directors, Assistant Police Chief, Police Captains, and Police Lieutenants)

Any exempt employee, not on Stand By Duty, who is required to report to duty for emergency operations (e.g. snowplowing, water main breaks, facilities and grounds and technology issues, storms & other disasters) may be eligible for additional compensation in the form of a bonus as outlined below:

- ◆ If the employee reports for work and works less than three (3) hours, the employee shall be entitled to \$75.00 for each report.
- ◆ If the employee reports for work and works between 3-5 hours, the employee shall be entitled to \$200.00 for each report.
- ◆ If the employee reports for work and works between 5-8 hours, the employee shall be entitled to \$400.00 for each report
- ◆ If the employee reports for work and works more than 8 hours, the employee shall be entitled to \$500.00 for each report