City of Dublin

CITY OF DUBLIN
ADMINISTRATIVE ORDERS
OF THE CITY MANAGER

ADMINISTRATIVE ORDER 2.30
TO: Directors/Managers/Supervisors
FROM: ~~Jane S. Brautigam~~Marsha I. Grigsby, City Manager
SUBJECT: Salary Management Practices/Pay Adjustments
DATE: February 19, 2013~~December 28, 2006~~
Supersedes and Replaces Administrative Order 2.30 dated 12~~02~~/28~~03~~/06~~4~~ Regarding Merit Increases and Equity Adjustments.

I. PURPOSE

The purpose of this Administrative Order is to provide a policy framework for managing employee compensation for all full-time non-union personnel within the City's compensation system. The provisions of this Administrative Order are intended to provide guidance and direction to Directors/Managers/Supervisors in recommending and/or approving pay adjustments for employees under their direction. This Administrative Order shall be effective ~~January 1~~February 19, 2013~~07~~. Questions regarding this Administrative Order should be directed to the Division of Human Resources.

II. SALARY STRUCTURE/ADMINISTRATION

The City's salary structure is comprised of 13 designated pay grades, each having a specific range of compensation known as a pay range. Each job classification in the City is assigned to a one of these designated pay grades. Each individual employee's rate of pay within his/her respective pay range is reviewed at least annually through the City's established salary management program. As part of this salary management program, each Director, Manager or Supervisor has the responsibility for recommending or approving individual pay adjustments for their employees. Sections A and B below outline the key elements of the City's salary structure and salary management practices for making pay adjustment decisions under the City's compensation program.

A. Pay Ranges

Each pay range in the salary structure is sub-divided into three range segments, Market", "Target", and "Premium". Each of these range segments is defined as follows:

"Market" – a range of compensation associated with the ordinary knowledge, skills, and capabilities commonly found in the labor market or the performance of all job responsibilities consistent with general market expectations.

"Target" – a range of compensation associated with extensive knowledge, expertise, skills, or capabilities or the performance of all job responsibilities that fully and consistently meets the high performance standards and core values of the City of Dublin.

"Premium" – a range of compensation associated with unique or special knowledge, skills, or expertise, which may be in short supply due to unusual market forces, or performance that meets defined criteria of exceptional and premium value and which is widely recognized throughout the organization because of the value-added contribution it represents.

B. Pay Adjustments

Directors, Managers, and Supervisors may recommend or approve pay adjustments for employees within the established pay range structure. These pay adjustments shall be based on each individual employee's performance, conduct/behavior and position in his/her pay range and as described below:

"Market" Segment

Employees in the "market" segment of their pay range, whose performance meets the City's standards and who consistently demonstrate the core values of the organization, may be eligible for larger and, if warranted by performance, more frequent pay adjustments to move them into the "target" segment of their ranges within a reasonable period of time. The objective is to move employees in the "market" segment into the "target" segment within a three to five year period of time, provided that they continue to meet the performance standards for the position and continue to demonstrate the City's Core Values during that period of time. Other factors that are outside the control of City, such as, the economic climate, may impact the timing of moving from the "market" segment to the "target" segment. The goal is to retain top performers and reduce the risk of losing them to similar positions in other organizations.

"Target" Segment

Employees in the "target" segment of their pay ranges will be eligible for normal adjustments to remain competitive with the market, provided their performance meets the City's standards and they consistently demonstrate the core values of the organization. Once an employee reaches the maximum of his/her "target" segment, the employee shall no longer be eligible for pay adjustments unless he/she is approved for entrance into the "Premium" segment.

"Premium" Segment

Employees who are approved for entrance into the "premium" segment of their pay range will be eligible for normal pay adjustments, provided they continue to meet defined criteria, continue to demonstrate a premium/value added contribution, and continue to demonstrate the core values of the City. Gaining access to the "premium" segment shall be a rare occurrence and only a small percentage of the workforce shall be approved for entrance into the "premium" segment. Gaining access to the "premium" segment shall be based on defined criteria and require the approval of the City Manager and the Human Resources Director.~~Classification & Compensation Committee. Approval by the Classification & Compensation Committee shall be based on substantial justification.~~

~~**"Grandfathered" Pay Ranges**~~

~~Those employees whose 2006 Pay Ranges have been "grandfathered" will be eligible for normal increases up to the maximum of their "grandfathered" range, provided they continue to meet the performance standards for their position and they continue to demonstrate the City's established Core Values. (Where an employee's 2006 pay range maximum is higher than the "target" maximum of the 2007 pay range structure, the 2006 pay range maximum has been "grandfathered".)~~

~~**Lump Sum Bonus (2007 Only)**~~

~~As a "one time only" special provision, all employees hired prior to January 1, 2007, who perform their jobs in a satisfactory manner, shall receive a lump sum bonus to the extent their pay adjustment in 2007 would take them above the maximum of their pay range. This lump sum bonus shall not be part of the employee's base compensation and shall be a "one time only" occurrence.~~

~~**Minimum Adjustment (2007 Only)**~~

~~As a "one time only" special provision in 2007, all employees hired prior to January 1, 2007, who perform their jobs in a satisfactory manner shall receive a minimum of a 2% pay adjustment (or lump sum bonus, if applicable). This 2% minimum adjustment shall be a "one time only" occurrence.~~

All Pay adjustments will be effective March 1 of each year; however, employees in the "Market" segment of their range may receive additional adjustments on a more frequent basis, provided their performance warrants such adjustments. All Directors/Managers should develop a written plan for each employee in the "market" segment that must be reviewed and approved by the Director of Human Resources , identifying the planned increase dates and time frame for moving the employee into the "target" segment.

All pay adjustments within the salary structure shall be subject to the funding levels authorized by Council within the adopted Annual Operating Budget and Appropriations.

III. "PREMIUM RANGE SEGMENT – DEFINED CRITERIA

Access into the "Premium" segment, as well as the award of future pay adjustments while in the "Premium" segment, shall be based on satisfaction of multiple elements in the following criteria:

1. ***Sustained and consistent high job performance*** that is measurably and noticeably exceptional on a consistent year-to-year basis. *Performance* is distinguishable from peers. Incumbent of the job requires minimal guidance, direction, and/or supervision, and is so efficient that he/she is able to complete a higher level of work and/or outcomes as compared to other peers.

2. ***Informal leadership role*** in a work group, unit, or team. Incumbent is the go-to person for new or less experienced staff and is responsible for providing formal and informal training.

3. ***Organization knowledge*** that is unique and adds measurable value to work product. Incumbent has extensive and specific knowledge of organization systems, procedures, people, and/or services that allows him/her to complete work significantly more efficiently than normal, provide guidance and direction to others, and/or identify potential issues that might not be obvious to others. Premium value may diminish significantly if the systems or procedures are changed.

4. ***Strategic impact*** on the organization's future. Incumbent has a combination of capabilities and proven results in an area that is of significant strategic importance to the long-term success of the organization. The incumbent (or candidate) is expected to capitalize on those capabilities and experiences by starting up a new program or service area, bringing in new customers, facilitating complex negotiations, and the like.

5. ***Behavior*** that models the City's Core Values. Incumbent performs his/her job in such a way that he/she consistently exhibits behaviors emulating the core values. The incumbent treats others with a high level of respect, upholds integrity, encourages and creates an environment of open communication; accepts responsibility, maintains a positive attitude, is dedicated to being a public servant, and consistently demonstrates his/her ability to work on and with a team.

6. ***Market Premiums*** for transportable and specialized capabilities. Incumbents are fully qualified to work in jobs that are paid a premium in the market. The actual premium may vary based on the type of job, the market supply and demand condition, and/or an incumbent's specific skill set. The key here is whether the incumbent's capabilities are, in fact, transportable and of value to other organizations.

7. ***Unique Capabilities*** in a discipline, function, or service area that is not readily available in the relevant employment market. Incumbents may be one of a few people in the region or country with the specific capabilities required where it is necessary to pay a premium to attract and retain them. Care should be taken in these areas that the organization will, in fact, receive a return on these premium capabilities and that hiring a consultant or contract person will not be sufficient.

IV. FORM/PROCEDURE FOR PROCESSING PAY ADJUSTMENTS

A. Form

The attached "Personnel Action Form" should be used when recommending pay adjustments.

B. Procedure

Once completed by the Supervisor/Manager, the "Personnel Action Form" should be forwarded to the appropriate Human Resource representative.

Attachment

PERSONNEL ACTION FORM

Name: _____ _____
Last First MI

Work Unit: _____ **Job Classification:** _____

Range Segment: ☐**Market** ☐**Target** ☐**Premium** ☐**Grand-fathered Range**

FLSA Status: ☐**Exempt** ☐**Non-Exempt**

Status: ☐**Full-Time** ☐**Part-Time** ☐**Seasonal**

Step: _____ **Grade:** _____

Reason for Action: (Check all that apply)

Effective Date of Action: _____
(mm/dd/year)

☐ New Hire ☐Pay Adjustment ☐Re-Classification ☐ Transfer ☐ Promotion ☐Demotion
☐ Addition of Position ☐Suspension ☐ Resignation ☐ Termination
☐ Medical Benefit Change ☐Other (Document Below)

Comments:
_____
_____
_____

(CHANGES ONLY)

Name _____ _____ _____
Last **First** **MI**

Address_____ _____ _____
Street **City** **State** **Zip**

Telephone Number (__ __ __) __ __ __- __ __ __ __

New Range Segment: ☐**Market** ☐**Target** ☐**Premium** **FLSA Status:** ☐**Exempt** ☐**Non-Exempt**

Pay Adjustment Percentage: ____ **New Salary:** _____ **New Job Classification:** _____

New Work Unit _____ **New Supervisor:** _____

Signatures

_____ _____
Work Unit Supervisor/Manager Date Human Resource Representative Date

_____

City Manager (If applicable) Date