

PERSONNEL RULES & REGULATIONS MANUAL

SECTION 600 COMPENSATION

Section 601. Compensation Plan

601.1 Introduction

The City Manager shall present once each year a proposed compensation plan for the next succeeding fiscal year. Such plan shall be deemed to be approved by the City Council unless it is modified by the Council as part of the adoption of the budget. The City's Compensation Plan consists of all salary and other monetary benefits afforded to the various job classifications of the City's workforce.

601.2 Purpose

The City strives to provide the quality of life desired by the community through services provided by its various departments. The most important vehicle for providing these services is through City employees. The purpose of the Compensation Plan is to attract, retain and motivate a highly qualified and competent work force to provide the quality of service the citizens expect and deserve.

The City shall seek to be competitive within the labor market, subject to the availability of funds. This will be accomplished through comparative wage surveys of applicable external markets. Internal equity is maintained through a program of reviewing each job class within the City and making compensation and adjustments to applicable positions when needed. In addition, the City's performance evaluation system is monitored to ensure the fair and consistent treatment of employees advancing through the salary range or salary steps of their respective position. Pay ranges shall include a minimum rate, a midpoint rate, and a maximum rate for each class.

601.3 Standards for Development

The Compensation Pay Plan is directly tied to the Classification Plan and is determined on the basis of:

- a. Uniformity of pay for each class.
- b. Relative difficulty and responsibility of positions.
- c. Prevailing wages within the identified relevant public and private sector markets.
- d. Cost of living index.
- e. Financial policies of the municipality.
- f. Difficulty in recruiting suitable employees.
- g. Other economic considerations.

601.4 Maintenance

The City Manager shall direct the Director of Human Resources to conduct internal and external analyses of the Compensation Plan as part of the annual budget process to identify whether or not, and how much, salary ranges and/or other monetary benefits require adjustment.

Section 602. Fair Labor Standards Act

The Fair Labor Standards Act establishes "standards" for minimum wages, maximum hours, overtime pay, and child labor. All employees at every level in the City are responsible for compliance with the FLSA, as amended. Responsibilities for the administration and interpretation of the FLSA include determining the existence of an employer-employee relationship; determining an employee's exempt or non-exempt status under the FLSA; interpreting and applying minimum wage, work time, coded hours, overtime, work schedules, special residency agreements, and other FLSA provisions such as child labor standards.

Section 603. Minimum Wage

The City follows minimum wage requirements as established by the Fair Labor Standards Act (FLSA).

Section 604. Salary Schedules

Each salary schedule lists the applicable salary rates or ranges within that schedule. All current job classifications are assigned to an appropriate salary rate or range on the applicable salary schedule that reflect both the required qualifications and comparable market values for each classification. Salary schedules are effective at the beginning of each fiscal year.

604.1 Range Schedule

Employees appointed to a classification in a salary range schedule may be eligible for increases in compensation at the beginning of each fiscal year as recommended by the City Manager and approved by the City Council during the budget process. The amount of the increase is based upon a general wage adjustment and the results of the employee's performance evaluation.

604.2 Step Schedule

Employees appointed to a classification in a salary step schedule may be eligible for a general wage adjustment at the beginning of each fiscal year as recommended by the City Manager and approved by the City Council through the budget process. Employees may be eligible to advance to the next step of the salary schedule based upon the results of the employee's performance evaluation and 12 months of continuous employment.

604.3 Lateral Hire Schedule (Police Department Only)

Newly hired sworn police officers who have eligible prior police/law enforcement experience may be eligible to receive a salary incentive upon hire provided the applicant meets eligibility criteria. To be considered eligible to be hired under the lateral hiring policy, a police officer candidate must have been a salaried employee within one or more of the following listed categories of public safety/police/law enforcement agencies, excluding Special Police Officers (SPOs), with powers of arrest and the lawful authority to carry a firearm during the course of his/her official duties and employment:

- a. A federal police/law enforcement agency
- b. A state/U.S. territory police/law enforcement agency
- c. A county police/law enforcement agency
- d. A city police/law enforcement agency
- e. A university/college police/law enforcement agency
- f. A military police unit/detachment
- g. A state or county sheriff's department (does not include those employed exclusively within the arena of corrections or detention).

Candidates eligible to be hired under the lateral hiring policy will receive a salary incentive for prior qualifying law enforcement experience, up to a maximum of 5 years. The calculation will be based on the candidate's length of eligible prior police/law enforcement experience. Partial years of qualifying service will be rounded up or down for purposes of compensation (service) credit. (Six months or less of qualifying service will be rounded down and seven months or more of qualifying service will be rounded up.) This program does not provide for the lateral transfer of rank, rights, or seniority. All police officer candidates are hired with the job title of Police Officer I.

Section 605. Compensation of Part-Time Employees

Part-time employees will be paid for work on an hourly basis. The rate-of-pay for all part-time employees is set by the City Manager or his/her designee and continued employment or changes in rate of pay should not be expected. The hourly rate will be determined by the Director of Human Resources based on information received from the Department Head regarding the duties to be performed and the skills needed to accomplish the task.

Section 606. Starting Compensation

Based on applicable prior experience, candidates will be hired at a rate between the minimum and the midpoint for the appropriate pay grade. If a candidate is exceptionally well qualified, or if other extenuating circumstances exist, the candidate may be hired at an amount above the midpoint of the appropriate pay grade provided the starting salary is approved by the City Manager or his/her designee.

Section 607. General Wage/Pay for Performance Adjustments

Based upon recommendations from the City Manager as part of the annual budget process, the City Council may allocate funds for general wage (i.e., cost of living) adjustments, pay for performance adjustments, and step pay adjustments. Subject to budgetary guidelines, employees may receive wage/pay adjustments as follows:

a. Classified Employee and Unclassified Management Employee

1. General Wage Adjustment: Annually at the beginning of the fiscal year.
2. Performance Based Adjustment (positions included in the general salary schedule): Annually at the beginning of the fiscal year based on the Department Head's recommendation. In order to receive a performance based adjustment, an employee must have a performance evaluation on record for the previous fiscal year. An employee with a rating of Unsuccessful for the prior review period may not be eligible to receive this pay adjustment.
3. Step Pay Adjustment (Police Department positions included in the step salary schedule): Annually on the employee's law enforcement service anniversary date (moves to the next step within his/her pay grade).

b. Probationary Employee

1. General Wage Adjustment: Annually at the beginning of the fiscal year.
2. Performance Based Adjustment (positions included in the general salary schedule): Upon successful completion of the probationary period as documented on the employee's end of probation performance evaluation and based on the Department Head's recommendation.
3. Step Pay Adjustment (Police Department positions included in the step salary schedule): Upon successful completion of 12 months of the 24-month probationary period on the employee's law enforcement service anniversary date (moves to the next step within his/her pay grade).

The successful end of probation performance based or step pay adjustment is a one-time adjustment and is not retroactive. The employee's new salary is effective at the beginning of the pay period in which the probationary period ends. Thereafter, classified employees and unclassified management employees receive general wage adjustments, performance based adjustments, and/or step pay adjustments in the manner set forth in Section 607 (a) above.

c. Part-Time Employee

Part-time employees may be eligible for a general wage adjustment after successfully completing one year of service, and thereafter, as part of the annual budget process based on Department Head and City Manager recommendations. Any other pay rate increase or adjustment for a part-time employee must be approved by the City Manager or his/her designee.

d. Special Wage Adjustment

At the recommendation of the Department Head, the City Manager may authorize a wage adjustment to encourage retention of highly qualified City employees and to address pay inequities if he/she believes it to be in the best interest of the City to do so. A wage adjustment cannot result in the employee's salary being below the minimum or above the maximum of the employee's salary range.

Section 608. Payroll Policies

608.1 Hours of Work

Salaries are computed under the City's Compensation Plan on the basis of 52 weeks for a work year. Classified employees and unclassified management employees shall be granted a meal break during the course of the workday pursuant to Fair Labor Standards Act (FLSA) regulations (see Section 501.3, Meal Break).

608.2 Pay Periods & Pay Days

City employees are paid on a biweekly basis. The standard pay period begins on a Sunday and ends 14 calendar days later on Saturday (12 a.m. Sunday through 11:59 p.m. Saturday).

Paychecks or earning statements (if the employee has direct deposit) are issued by the Finance & Administration Department on Fridays of the week following the pay period. If the Friday is a holiday, paychecks or earning statements are issued to employees on the last working day before the holiday.

Employees separating from the City are normally paid for any hours due during the payroll period of separation when the payroll is processed for that pay period.

608.3 Direct Deposit

Direct deposit is a safe, efficient, confidential, and convenient way for employees to automatically deposit their net pay (pay after taxes and other deductions) directly into a bank, credit union, savings and loan association, and/or other financial institution of their choice. Direct deposit is fast and reliable, offering employees faster access to their pay and the additional security, convenience, and flexibility of electronic banking.

a. Condition of Employment

All employees hired or rehired on or after October 1, 2011, are required to enroll in direct deposit as a condition of employment; and must remain enrolled in direct deposit for the tenure of employment. An employee hired or rehired on or after October 1, 2011, who does not enroll in direct deposit within thirty (30) days of hire or rehire, or who is not granted an exemption as provided for in this section, is subject to dismissal.

b. Enrollment/Changes

Enrollment in the direct deposit program or changes to direct deposit designations after initial enrollment must be made in the manner and using the procedures established by the Department of Finance & Administration.

Classified employees and unclassified management employees may designate multiple accounts/financial institutions to deposit their money into; other employees may designate only one account and the entirety of their paycheck will be deposited into that account. After initial enrollment in direct deposit, changes to direct deposit information (such as designating different amounts, accounts, or financial institutions) may be made at any time.

After an employee enrolls in direct deposit or makes a change to direct deposit designations, the Department of Finance and Administration tests the electronic routing and bank account number(s) before the direct deposit or change takes effect, so the employee will receive a "live" (paper) check for one or two pay periods following submission of enrollment or change information (see subsection [f] below).

c. Availability of Direct Deposit Funds

Most financial institutions will make funds directly deposited into a designated account available for withdrawal when the institution opens for business on the scheduled pay date; employees should check with their individual financial institutions concerning funds availability and withdrawals.

d. **Pay Stubs**

An employee enrolled in direct deposit may view his/her pay stubs and other payroll information using the "Pay & Taxes>Pay Statements" tab after logging in to the ADP Employee Self Service website (paper pay stubs are no issued). The pay stub shows how much was deposited into the employee's account(s), the date of the deposit, and an itemized list of taxes, insurance, and other deductions and contributions.

e. **Exemptions**

In the extraordinary event that an employee hired or rehired on or after October 1, 2011, alleges that he/she cannot comply with the direct deposit requirement, the employee must request an exemption within thirty (30) days of hire or rehire. The request must be made in writing to the Director of Finance & Administration.

An exemption may only be granted by and at the discretion of the Director of Finance & Administration or his/her designee, based on the information and supporting evidence provided by the employee. The exemption may be granted if the employee (1) does not have an account at an eligible financial institution and provides evidence that he/she is considered "unbankable" (cannot obtain an account at an eligible financial institution) or (2) provides evidence of another unique, unforeseen situation that may be deemed to be an extreme hardship (personal preference is not considered an extreme hardship).

The Director of Finance & Administration will review the request and respond in writing directly to the employee making the request within 15 days of receiving the request. An employee who has been granted an exemption should enroll in direct deposit at any later time when his/her circumstances change.

f. **Live Checks**

An employee of the City of Gaithersburg will receive a "live" (paper) paycheck:

(1) If the employee was hired or rehired prior to October 1, 2011, and is not enrolled in direct deposit; or

(2) The employee is granted an exemption as provided for in this section; or

(3) For one or two pay periods (depending on submission date) immediately following the employee's initial enrollment in direct deposit or the employee's change of his/her direct deposit designations.

When a live check is issued for reasons indicated in (3) above, the employee may arrange to pick up his/her live check from the Department of Finance & Administration on the employee's scheduled pay date. Otherwise, a live check will be mailed to an employee at his/her mailing address via the United States Postal Service; the check will be mailed by the Department of Finance & Administration not later than the employee's scheduled pay date. The City assumes no responsibility for the delay in receiving a paper check via the United States mail. Should a paper check have to be reissued due to a lost check, the employee may have to wait up to seven days before a replacement check can be issued and mailed. An employee receiving his/her pay by paper check is required to maintain a valid mailing address in the payroll system.

608.4 Payroll Documentation

a. **New Hires**

Newly hired employees must complete all payroll paperwork before starting to work.

b. **Documentation for Changes**

Changes that affect the employee's compensation (e.g., title, grade, salary, department activity account, etc.) must be documented using an electronic Personnel Action Form. The Personnel

Action Form is initiated by the employee's supervisor, approved by the Department Head, and forwarded to the Human Resources Department to effect the change. Exceptions to this policy shall occur only with the prior authorization of the Director of Human Resources and only as an alternative method of documentation to expedite the payroll process (e.g., memorandum, email, etc.).

608.5 Payroll Deductions

The Finance & Administration Department will make appropriate deductions from an employee's pay under federal, state, or county statutes and regulations. The following deductions may be made from an employee's paycheck:

a. **Mandatory**

Automatic payroll deductions are made from all paychecks for Federal and State income taxes (per individual W-4 Form), and applicable Social Security and Medicare taxes.

b. **Court Directed**

The City shall deduct designated sums from the employee's wages in compliance with all court ordered deductions for child support, restitution, and wage garnishments. Any administrative fees authorized will be applied. The City will only change, modify, or stop court ordered deductions by the terms of a subsequent court order.

c. **Insurance Premiums**

Payroll deductions are made for any applicable employee co-payment for insurance premiums for the City's medical, dental, long-term care, or optional insurance programs. Signed enrollment forms or deduction authorization cards are required before deductions are made. Premium deductions are made biweekly.

d. **Savings**

Several voluntary savings programs are available to employees, including 401K Profit Sharing, 457 Deferred Compensation, Roth IRA, and Montgomery County Credit Union. Signed enrollment forms or deduction authorization cards are required before any deductions are made.

If there are insufficient earnings in a biweekly paycheck to adequately cover an employee's authorized deductions, the remaining unpaid balance due will be deducted from future paychecks or a mutually agreeable alternative method of payment will be implemented.

608.6 Overpayment or Debt Recovery

a. **Recovery of Overpayment to Employee**

1. If the City overpays an employee, the City may deduct money from the employee's pay to recover the overpayment. The City must give the employee written notice and may give the employee a three day time frame to negotiate repayment before the City automatically deducts the amount of the overpayment from the employee's pay.

2. An employee who is overpaid by the City has a duty to promptly notify the Finance & Administration Department of the overpayment.

3. The City may take disciplinary action against an employee who knew about the overpayment but failed to notify the City.

b. **Recovery of Employee Debt to the City**

The City may collect a debt owed to the City by an employee or former employee and deduct the amount owed from unpaid salary, accrued annual leave or compensatory time, or retirement contributions owed to the employee. The City must give the employee or former employee written notice of the debt owed and may give the employee a three day time frame to negotiate repayment.

Section 609. Compensation Policies

609.1 Promotion

When an employee is promoted, the employee may be eligible for a salary increase to the minimum salary of the pay grade/pay step of the new position, or to such other amount within the salary range of the pay grade/pay step of the new position, as recommended by the Department Head and approved by the City Manager.

609.2 Reclassification

a. When a position is reclassified to a higher pay grade/pay step, an employee in the position may be eligible for a salary increase to the minimum salary of the pay grade/pay step of the new classification, or to such other amount within the salary range of the pay grade/pay step of the new classification, as recommended by the Department Head and approved by the City Manager.

b. When a position is reclassified to a lower pay grade/pay step, the employee in the position may remain at his/her current salary as long as it is within the salary range of the pay grade/pay step of the new classification. If the employee's current salary is above the maximum of the salary range of the pay grade/pay step of the new classification, the employee's salary will be (1) reduced to fall within the range of the new pay grade/pay step or (2) redlined (frozen) until increases in the salary range for the employee's pay grade/pay step equal or exceed the redline amount (through a pay scale adjustment made during the budget process, etc.).

c. When a position is reclassified to a new classification with the same pay grade/pay step as the employee's current classification (job title change), the employee will maintain his/her current salary within the pay grade/pay step.

609.3 Transfer

When an employee is transferred into a position in a classification with the same pay grade/pay step as his/her current position, the employee will maintain his/her current salary within the pay grade/pay step.

609.4 Demotion

Salary adjustment may be determined by the City Manager or his/her designee based on the reason for demotion.

609.5 Acting Appointment

To be eligible for acting appointment compensation, an employee must be appointed to act in the capacity of another employee in a position at least one grade higher than the employee's regular position pursuant to the guidelines set forth in Section 806, Acting Assignment.

An acting appointee shall be eligible to receive additional compensation if the duration of the acting appointment is 15 days or more. Additional compensation shall be paid to the appointee retroactively to the date said appointment began. The acting appointee shall receive additional compensation for the acting appointment as approved by the City Manager.

Any merit increase earned by the employee during the period of his/her acting appointment will be based on the employee's salary prior to assuming the acting appointment.

The Fair Labor Standards Act (FLSA) designation of the position being temporarily filled (exempt or non-exempt) shall take precedence with regard to the provisions of the FLSA concerning overtime pay and compensatory leave, regardless of the FLSA designation of the previous position of the acting appointee.

609.6 Overtime

Employees may be required to work in excess of the workweek when the need arises. This may involve extending the workday, weekend work, evening work, working on holidays, or such time as

necessary to meet the operational needs of the City. Employees in positions other than those specifically exempted from the Fair Labor Standards Act (FLSA) overtime pay provisions will be paid for any time worked in excess of the employee's workweek which, for the purposes of calculating overtime, includes time actually worked and annual, holiday, and personal leave approved in advance.

Overtime shall be kept to a minimum and shall be used to relieve occasional peak-load needs, emergencies, or hours critical to public safety needs and not to provide for constant recurring requirements. Its use for accomplishing regular services that can be provided during a regular work schedule is usually prohibited. An employee has no entitlement to be assigned overtime work. Overtime may be mandated when related to the health, welfare, or safety of either the public or employees. Except in emergency situations, employees shall not work in excess of authorized scheduled hours without prior approval of the supervisor. In the event of emergency situations, the written approval shall be documented not later than the following workday.

The FLSA specifies eligibility criteria for overtime compensation. Certain positions, as defined under the FLSA, are exempt from overtime compensation regardless of the number of hours worked in a week. The position description for each job classification shall indicate whether the position is exempt or non-exempt from the FLSA.

There shall be no "pyramiding" of overtime. Compensation shall not be paid, nor compensatory time earned, more than once for the same hours under any section of this Manual.

Compensation for authorized hours of overtime worked by non-exempt employees is at a rate of one-and-one-half (1½) times the employee's straight time hourly rate of pay. An overtime rate is paid for all hours worked in excess of the workweek (during a seven day work cycle, 12 a.m. Sunday through 11:59 p.m. Saturday); except that compensation paid at an overtime rate (1½ times an employee's regular hourly rate of pay) for court time, grant-funded activities, work on a City holiday, or work during a declared state of emergency is exempt from the requirement to be in excess of the workweek (i.e., the employee is compensated at the overtime rate regardless of whether he/she works 40 hours in the workweek). (See also Sections 609.8, 609.11, and 609.17.)

The minimum compensable period for overtime work is one-quarter hour for all eligible employees; fractional hours of overtime work will be rounded for payroll purposes to 15 minute increments in accordance with FLSA.

Employees in executive, administrative, or professional positions as defined by the FLSA are exempt from the overtime provisions of the Act. Employees within these salaried positions are expected to work the hours necessary to satisfactorily perform the duties of the position, including working and attending meetings outside of established business hours, and should have no expectation for compensation for hours worked over 40 hours in any given work week. The compensation for exempt employees is designed to be the remuneration for the performance of assigned duties regardless of the hours needed to complete those tasks.

609.7 Compensatory Time

Non-exempt employees working in excess of 40 hours during a workweek may request compensatory time in lieu of pay for overtime hours worked. The request for compensatory time must be approved by the Department Head or designee. Compensatory time for hours worked is one-and-one-half (1½) times each hour of overtime worked. Employees shall earn compensatory time for hours actually worked in accordance with the following provisions:

a. Employees may accumulate compensatory time up to a maximum of 40 hours at any given time. Upon reaching the maximum limit of accumulated compensatory time, the employee will receive overtime pay as stated in the Overtime Section (609.6).

b. Scheduling of earned compensatory time off will be at the mutual agreement of the employee and the Department Head or his/her designee.

c. Compensatory time shall not be accumulated from one calendar year to the next. An employee shall be paid for all earned unused compensatory time remaining after the end of the calendar year, up to a maximum of 40 hours.

For the purposes of this section, calendar year is the time period beginning at 12:00 midnight on the first day of the new pay period following December 31 of one year and ending at 11:59 on the last day of the pay period including December 31 of the subsequent year (for example, calendar year 2013 begins at 12:00 midnight on 01/06/2013 and ends at 11:59 p.m. on 01/04/2014).

d. Upon separation from City employment, employees will be paid for unused hours of compensatory time at their regular straight-time hourly rate of pay.

There is no compensatory time for exempt employees.

609.8 Holiday Compensation

As far as is practicable, each classified employee and unclassified management employee will receive holiday leave, paid at the employee's regular hourly rate of pay, for leave hours taken when City offices are closed for an observed holiday (see Section 707[b], Holiday Leave).

However, an employee may be required to work on an observed holiday when the employee's job responsibilities support services or events provided by the City on that day. Additionally, if New Year's Day (January 1), Independence Day (July 4), Veterans Day (November 11), and/or Christmas Day (December 25) (i.e., the "actual" holiday for the purposes of this section) falls on a Saturday or Sunday and the City has designated a substitute holiday on the preceding Friday or following Monday to be observed as a holiday for that year, an employee may be required to work on the actual holiday, the substitute holiday, or both.

An eligible employee who is required to work on an observed, actual, and/or substitute holiday must be compensated as follows:

a. Non-Exempt Employees

1. Holiday Work on Employee's Scheduled Workday

A non-exempt employee required to work on an observed, actual, or substitute holiday that falls on the employee's scheduled workday must receive:

(a) Pay at the employee's regular hourly rate for each hour worked on the holiday, not to exceed the number of hours in the employee's standard workday (e.g., 8 hours, 10 hours, etc.); and

(b) Pay at the employee's overtime rate (1½ times the employee's regular hourly rate) for each hour worked on the holiday, regardless of whether the employee works in excess of 40 hours in the workweek; the employee will not receive weekly overtime pay for these same hours worked (see Section 610, Pyramiding of Hours Worked Prohibited).

2. Holiday Work on Employee's Scheduled Day Off

A non-exempt employee required to work on an observed, actual, or substitute holiday which is the employee's scheduled day off must receive:

(a) Pay at the employee's regular hourly rate for each hour worked on the holiday, not to exceed the number of hours in the employee's standard workday (e.g., 8 hours, 10 hours, etc.) **OR** an equivalent number of hours of holiday leave to be taken in the fiscal year in which the holiday occurs; and

(b) Pay at the employee's overtime rate (1½ times the employee's regular hourly rate) for each hour worked on the holiday, regardless of whether the employee works in excess of 40 hours in

the workweek; the employee will not receive weekly overtime pay for these same hours worked (see Section 610, Pyramiding of Hours Worked Prohibited); and

(c) Regular hour-for-hour compensatory leave equal to each hour worked on the holiday for which the employee is compensated under (a) above (compensatory time awarded in this case is not eligible for overtime pay).

3. **Holiday Work on Both Actual and Substitute Holidays**

A non-exempt employee required to work on **BOTH** the actual holiday **AND** the substitute holiday must receive:

(a) Pay at the employee's regular hourly rate for each hour worked on the actual and substitute holidays, not to exceed the number of hours in the employee's standard workday on each day (e.g., 8 hours, 10 hours, etc.); and

(b) Pay at the employee's overtime rate (1½ times the employee's regular hourly rate) for each hour worked on **EITHER** the actual holiday or the substitute holiday, but not for both days. The overtime rate will be paid for each hour worked on the day on which the greater number of hours is worked, regardless of whether the employee works in excess of 40 hours in the workweek; the employee will not receive weekly overtime pay for these same hours worked (see Section 610, Pyramiding of Hours Worked Prohibited). The employee is eligible to receive overtime pay for hours worked in excess of the standard workday on the other day if the hours worked are in excess of the workweek.

b. **Non-Exempt Employees - Compensatory Time in Lieu of Holiday Pay**

At the employee's option, or whenever special or significant budgetary limitations preclude the payment of overtime pay for holiday work, the employee may be awarded compensatory leave as follows:

1. **Holiday Work on Employee's Scheduled Workday**

(a) Pay at the employee's regular hourly rate for each hour worked on the holiday, not to exceed the number of hours in the employee's standard workday (e.g., 8 hours, 10 hours, etc.); and

(b) Compensatory time at the rate of 1½ times each hour worked on the holiday equal to the number of hours in the employee's standard workday (e.g., 8 hours, 10 hours, etc.).

2. **Holiday Work on Employee's Scheduled Day Off**

(a) Pay at the employee's overtime rate (1½ times the employee's regular hourly rate) for each hour worked on the holiday **OR** compensatory time at the rate of 1½ times each hour worked on the holiday; and

(b) Compensatory time at the rate of two (2) times each hour worked on the holiday.

c. **Exempt Employees**

An exempt employee required to work on an observed or substitute holiday shall receive holiday leave equivalent to the number of hours actually worked on the holiday not to exceed the number of hours in the employee's standard workday (e.g., 8 hours, 10 hours, etc.) to be taken on another day in the fiscal year in which the holiday occurs, with the prior approval of the Department Head or his/her designee. Hours worked on the holiday in excess of the employee's standard workday may be applied toward a temporary schedule adjustment as outlined in Section 501.5 of this Manual.

d. **Holiday Falls on an Employee's Regularly Scheduled Day Off**

If an observed or substitute holiday falls on a non-exempt or exempt classified employee's or unclassified management employee's regularly scheduled day off, the employee shall receive holiday leave on another day to be taken in the fiscal year in which the holiday occurs, as follows:

1. An employee who works a standard work schedule or approved alternative work schedule shall receive eight hours of holiday leave.
2. An employee who is assigned to work a mandatory compressed work schedule shall receive holiday leave in an amount equivalent to one working day (e.g., an employee assigned to work a mandatory compressed work schedule of four 10-hour days shall receive 10 hours of holiday leave).

If both the observed and substitute holiday fall on an employee's regularly scheduled days off, the employee may receive holiday leave on another day for only one of those days.

609.9 On-Call Pay

Certain non-exempt employees who are specifically designated and required to be available and ready to work when needed to handle unanticipated situations occurring outside of standard working hours are considered to be "on call." An employee "on call" is not required to remain at his place of work and is free to engage in his own pursuits, subject only to the understanding that the employee may be contacted to perform unanticipated and unscheduled work.

If a Department Head or designee requires the employee "on call" to return to a work status to perform an unanticipated and unscheduled work assignment, usually of an emergency nature, the City must pay the employee a minimum of three (3) hours of overtime or the actual overtime hours worked for each separate instance, excluding travel time. An employee that is required to respond to a call, two or more times during the initial three hour period, will not be entitled to receive additional compensation until three hours have elapsed since he/she initially responded to the call.

An employee "on call" receives compensation only if actual work is performed. An exempt employee is not eligible to earn on-call pay. (See Section 501.5, Work Rules)

609.10 Stand-By Pay

Certain non-exempt employees who are required to remain ready and available to work during a specified period of time beyond the employee's standard working hours and expected to return to the worksite within a 30 minute timeframe are considered to be "on stand-by" and are eligible to receive stand-by compensation whether or not they are called into work. Only the Department Head or designee can authorize a person to be on stand-by status. An employee in "stand-by" status must provide the Department Head or designee with contact information through which the employee can be promptly contacted.

An employee in stand-by status will receive no more than one hour of stand-by compensation at the employee's overtime rate for each eight-hour period that the employee is in stand-by status until:

- a. The employee is contacted to perform unscheduled work and has reported to work; or
- b. The employee's next regularly scheduled work period; or
- c. The employee is contacted and relieved from stand-by status.

If the employee on stand-by is required to report to work, the City must pay the employee a minimum of three (3) hours of overtime or the actual overtime hours worked.

The City will not pay stand-by compensation to an employee who is "on-call" or is working regular or overtime work hours. An employee that is required to respond to a call, two or more times during the initial three hour period, will not be entitled to receive additional compensation until three hours have elapsed since he/she initially responded to the call.

An exempt employee is not eligible to earn stand-by pay.

609.11 Court Time Pay

A sworn officer who is required, on his/her regular day off or during his/her non-regularly scheduled working hours, to attend a job related court appearance as a witness or complainant or ordered to appear at a criminal or civil proceeding that arose out of his/her duties as a police officer for the City shall be paid for a minimum of three (3) hours, or for the actual hours worked, excluding travel time, at his/her overtime rate (1½ times the employee's regular hourly rate of pay). When an officer is required to appear in court two or more times during the initial three hour period, the officer will not be entitled to receive additional compensation until three hours have elapsed since he/she initially appeared in court that day.

Compensation paid at an overtime rate for court time is exempt from the requirement to be in excess of the workweek (i.e., the employee is compensated at the overtime rate regardless of whether he/she works 40 hours in the workweek).

609.12 Shift Differential Pay

A sworn police officer, up to and including the rank of Sergeant, shall receive Shift Differential pay for each hour worked on a shift that begins as follows:

- a. Evening Shift (2 p.m. to 6:59 p.m.) \$.75
- b. Midnight Shift (7 p.m. to 1:59 a.m.) \$1.00

Shift Differential Pay will continue at the initial rate for all regular and overtime hours worked. A shift is considered the standard 8 or 10 hour workday. *(Effective 12/01/2012)*

609.13 Field Training Officers Pay

Sworn police officers who have been selected and trained as Field Training Officers (FTOs) are compensated \$3.00 per hour during the period of time they are actively training new officers.

609.14 Police Sergeants Roll Call Pay

A police sergeant who supervises a shift and who is present for roll call for an additional one-half hour prior to or an additional one-half hour after the end of his/her regular shift may be compensated for the one-half hour time period at the rate of one and one-half times his/her normal rate of compensation; provided, that the actual time worked at roll call is in excess of the sergeant's normal 40-hour workweek.

In the event the sergeant is absent, then a corporal who is performing supervisory tasks in the sergeant's absence and who is present for roll call for an additional one-half hour prior to or an additional one-half hour after the end of his/her regular shift may be compensated for the one-half hour time period at the rate of one and one-half times his/her normal rate of compensation; provided, that the actual time worked at roll call is in excess of the corporal's normal 40-hour workweek.

For the purposes of this section, actual time worked shall include holiday, annual, and personal leave approved in advance.

609.15 Multilingual Skills Pay Differential

Classified employees or unclassified management employees who provide multilingual services in the course of their City government employment are eligible for multilingual skills compensation. To be eligible:

- a. An employee must use multilingual skills to assist the general public on a regular and frequent basis; for the purpose of this policy, regular and frequent is defined as daily use; and
- b. Multilingual skills must be necessary to provide services and are essential to successful performance of official functions; and

c. The position performs in a setting where there is a demonstrated public need for the designation.

Prior to becoming eligible for the pay differential, the employee must successfully pass a certification examination administered by the Human Resources Department. Employees interested in becoming certified should contact the Human Resources Department to schedule testing.

Multilingual proficiency will be determined by a standardized oral and/or written competency test conducted by the Human Resources Department. Employees who fail the multilingual proficiency test may retake the test after six (6) months. Fees for tests cancelled or rescheduled with less than 24 hours' notice will be deducted from the employee's paycheck.

The multilingual skills pay differential for employees who successfully pass the certification examination is \$1.00 for each hour worked. Multilingual skills pay differential is not applicable to overtime hours worked or to leave hours taken.

The Human Resources Department administers the Multilingual Skills Pay Differential Policy, including proficiency testing and certification. The Department will also periodically review and report on the number and location of employees designated as multilingual.

609.16 Clothing Allowance

A clothing allowance is additional compensation afforded to employees for the purchase of required clothing and equipment. The City Manager may authorize employees some form of clothing allowance based upon the operational requirements of their Department and the customary activities of the employee requesting the allowance. This will be reported as taxable income to the employee.

609.17 State of Emergency/Facility Closure/Liberal Leave

a. State of Emergency

If a state of emergency is declared (see Section 503 of this Manual), personnel designated as essential to perform required operations and services in the applicable situation will be directed to remain at and/or report to work and personnel designated as non-essential for required operations in the applicable situation will be excused from remaining at and/or reporting to work. The City Manager will determine the period of emergency (starting and ending time of the state of emergency) for compensation purposes; and the following procedures will apply:

1. Classified Employees and Unclassified Management Employees

(a) Essential Employees: Non-Exempt Employees

A non-exempt employee who is designated essential for the emergency and is required to report to or remain at work during the period of emergency will be compensated as follows:

(1) For each hour worked during the period of emergency which coincides with the employee's established work schedule, the employee will receive 2 times his/her regular hourly rate of pay (double time).

(2) For each hour worked in excess of the employee's established work schedule that coincides with the period of emergency, the employee will receive pay at his/her regular hourly rate of pay **AND** pay at his/her overtime rate (1½ times his/her regular hourly rate of pay), **OR** compensatory time in lieu of pay at the rate of 2½ times each hour worked. The employee will be compensated at the overtime rate regardless of whether he/she works in excess of 40 hours during the workweek; the employee will not receive weekly overtime pay for these same hours worked (see Section 610, Pyramiding of Hours Worked Prohibited).

(b) **Essential Employees: Exempt**

An exempt employee who is designated essential for the emergency and is required to report to or remain at work during the period of emergency receives additional paid time off as follows:

For each hour worked during the period of emergency, the employee will be granted paid time off to be taken in the fiscal year in which the period of emergency occurs; time off taken must be with the prior approval of the Department Head or his/her designee.

(c) **Essential Employees: On Regular Day Off or Approved Leave**

An exempt or non-exempt employee who is designated essential for the emergency and who is on a regular day off (based on his/her established work schedule) or on approved leave (annual, sick, or any other type of paid or unpaid leave) at the time the state of emergency is declared should not report to work unless otherwise instructed by his/her supervisor. If the essential employee is instructed to return to work by his/her Department Head or designee, he/she is compensated as noted in section (a) or (b) above; if the essential employee is not instructed to return to work by his/her Department Head or designee, he/she receives no additional compensation or official leave with pay.

(d) **Essential Employees: Unable to Report to Work**

An exempt or non-exempt employee who is designated essential for the emergency and is unable to report to work during the period of emergency, or who is unable to remain at work after the period of emergency has been declared, must contact his/her supervisor or Department Head to request to be excused from duty. Approval of such a request is at the sole discretion of the Department Head or designee. An employee designated essential for the emergency who does not contact his/her supervisor or Department Head may be subject to disciplinary action.

(e) **Non-Essential Employees: Exempt and Non-Exempt**

An exempt or non-exempt employee who is not designated essential for the emergency and therefore not required to report to or remain at work during the period of emergency will be granted and compensated for official leave with pay at his/her regular hourly rate of pay for the period of emergency that coincides with the employee's established work schedule, subject to the following exceptions:

(1) An employee who is on scheduled approved leave (annual, sick, or any other type of paid or unpaid leave) at the time the period of emergency is declared will be charged appropriate leave for the day.

(2) An employee on a regular day off (based on his/her established work schedule) during the period of emergency receives no additional compensation or official leave with pay.

(3) An employee who requests to leave work because of conditions and whose leave is approved before a state of emergency is declared is charged the leave as approved.

A non-essential exempt or non-exempt employee who reports to or remains at work during a period of emergency and has not been specifically instructed by his/her Department Head or designee to do so must leave or be removed from the work site immediately and is not eligible for additional compensation or equivalent paid time off.

2. **Part-Time Employees**

(a) A part-time employee who is designated essential for the emergency and is required to report to or remain at work during the period of emergency will be paid at two times his/her regular rate of pay for all hours worked during the period of emergency.

(b) A part-time employee who is not designated essential for the emergency and is not required to report to or remain at work during the period of emergency will not be compensated. At the

supervisor's discretion, the employee may be given the opportunity to make up the hours he/she was scheduled to work; if so, the employee is paid at his/her regular rate of pay for those hours worked.

b. **Facility/Office Closure**

1. **City-Wide Delayed Opening/Early Closing**

If a City-wide delayed opening or early closing is announced by the City Manager in conjunction with a declared state of emergency, essential employees should report to or remain at work as required and non-essential employees should report to or depart from work at the specifically announced time and will be compensated or granted official leave with pay in the same manner as indicated in subsection (a) above (State of Emergency).

2. **Site-Specific Closing**

If an office or facility must be closed due to site-specific emergency conditions (see Section 503 of this Manual), alternative working arrangements for staff in that office or facility will be made, if possible, until normal operations can resume. Liberal leave may be authorized for affected classified employees and unclassified management employees.

c. **Liberal Leave Policy**

If the City Manager declares a liberal leave policy to be in effect (see Section 711.1 of this Manual), City offices/facilities remain open to the public on a normal operating schedule and employees are expected to report to or remain at work as scheduled; however, policies governing the established time frames for requesting and granting of annual, compensatory, or personal leave, or leave without pay, are relaxed to accommodate employees who cannot report to work on time, or at all, or remain at work due to the existing conditions. If a liberal leave policy is in effect, the following procedures will apply:

1. **Classified Employees and Unclassified Management Employees**

(a) A liberal leave policy does not apply to an employee who has been designated as essential for required operations. Designated essential employees are required to report for work when liberal leave is declared, unless they are specifically excused by their supervisor. Essential employees will be identified and notified of such designation by their Department Head; such designation will depend on the nature and the severity of the situation.

(b) If the liberal leave policy is announced prior to the beginning of the non-essential employee's established work schedule and the employee is delayed or unable to report to work, the employee may take annual, compensatory, or personal leave, or leave without pay (as appropriate), for the period of absence without prior authorization from his/her supervisor; however, the employee must notify his/her supervisor as soon as possible that he/she intends to take leave under the policy.

(c) If the liberal leave policy is announced during the non-essential employee's established work schedule, the employee is permitted to leave the work site, at his/her discretion, after apprising his/her supervisor. The employee must take annual, compensatory, or personal leave, or leave without pay (as appropriate), for the period of absence.

2. **Part-Time Employees**

Part-time employees who elect not to report to work when a liberal leave policy is in effect, or who leave the work site when a liberal leave policy is announced during the employee's established work schedule, will not be compensated for the time missed.

609.18 Awards for Outstanding Service

An employee who performs the duties and responsibilities of his/her position in an outstanding manner and whose work generally is well above expectations shall be eligible to be considered for an outstanding service award as approved by the City Manager.

609.19 Canine Officer Pay

Sworn police officers assigned to the canine section will be compensated for a maximum of .5 hours per day for the care and maintenance of the canine. The officer will be compensated for this time at his/her overtime rate (1½ times his/her hourly rate of pay or compensatory time in lieu of pay) regardless of whether he/she works in excess of 40 hours during the workweek.

Time spent in excess of 3.5 hours per workweek will not be compensated. An officer shall not be compensated for care and maintenance of the canine on any day in which the canine is housed in a kennel for the entire day (12 midnight to 11:59 p.m.).

Section 610. Pyramiding of Hours Worked Prohibited

There shall be no "pyramiding" of hours worked. Compensation shall not be paid, nor compensatory time earned, more than once for the same hours under any section of this Manual.