MEMORANDUM

REVISION 30 SERIES D

TO: Holders of Career Service Rule Books

FROM: Career Service Board

DATE: September 21, 2017

SUBJECT: Revision of Career Service Rule 9 PAY ADMINISTRATION

The following changes and revisions to Rule 9 were approved by the Career Service Board on September 7, 2017:

Please refer to the following table for information on the former rule description, the revised rule description and the intended impact of the revisions for Rule 9. Also included are new rule pages to replace outdated information along with insertion instructions for Career Service Rule Books.

<table>
<thead>
<tr>
<th>Rule 9 PAY ADMINISTRATION</th>
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<tbody>
<tr>
<td><strong>CURRENT RULE</strong></td>
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<tr>
<td>Effective date of a pay adjustment is the beginning of the work week following approval by the OHR Executive Director.</td>
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<tr>
<td>No current rule.</td>
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<td>CURRENT RULE</td>
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<tr>
<td>Permits a one-time recruitment bonus up to $10,000 to attract a highly qualified external candidate whose KSAs are deemed essential to the City. No repayment requirement if employee voluntarily terminates employment.</td>
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<tr>
<td>Permits a relocation premium up to $7,500 to attract a highly qualified external candidate whose KSAs are deemed essential to the City. No limit on where employee is relocating from. Requires pro-rated repayment of relocation premium, based on months of service, if employee voluntarily terminates within two years of starting employment.</td>
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PLEASE INSERT IN YOUR RULE BOOK AS SOON AS POSSIBLE. THANK YOU.
9-38 Interim market adjustments
(Re-numbered December 21, 2012; Rule Revision Memo 66C)

A. The Board, following a public hearing, may make a market adjustment in a pay practice, or create a temporary pay practice, if the Board finds that all of the following conditions exist:

1. Numerous vacancies exist in the classification(s) that will be affected by the proposed pay practice;
2. Recruitment has not been effective;
3. Retention rate is low; and
4. Market driven personnel shortages in the classification(s) are causing difficulty in fulfilling an essential mission of the City.

B. An interim market adjustment shall remain in effect for up to one (1) year. Nothing in this subparagraph prevents a new market adjustment from being established for the same classification(s), provided that all of the requirements of the previous subparagraph are met.

9-39 Pay adjustment within the salary range
(Revised September 21, 2017; Rule Revision Memo 30D)

A. An appointing authority may adjust pay for an employee, within that employee’s current salary range, if the purpose is to eliminate a pay disparity, including a pay inequity that is alleged or could be perceived to be based on a protected class, so long as that employee’s pay is being compared with the pay of another employee who is:

1. In the same classification; or
2. In the same classification series; or
3. In a classification in the same occupational group within the same career path performing comparable types of duties; or
4. Subordinate to the existing employee in that employee’s chain of command.

B. A pay adjustment within the salary range requires the approval of the OHR Executive Director. The effective date of any such pay adjustment shall be the beginning of the work week following approval by the OHR Executive Director. In the case of extraordinary circumstances and with the approval of the OHR Executive Director, the effective date of the pay adjustment may be for a retroactive date at the beginning of a work week. However, no retroactive pay adjustment shall extend into the prior fiscal year.
C. For pay adjustments other than those described in paragraph D of this Rule 9-39, the appointing authority’s request for approval shall explain:

1. The reason the pay inequity exists, including information about how pay factors (as listed in Rule 9-5.F and/or Appendix 7.A) have contributed to the pay inequity; and

2. If applicable, why employees in the same classification in the same work group are not being considered in the request. This explanation should include information about how the excluded employees are not affected by the pay factors (as listed in Rule 9-5.F and/or Appendix 7.A).

D. When the OHR Executive Director receives a request for a pay equity adjustment within the salary range to rectify a pay disparity that is alleged, or could be perceived to be, based on a protected class, the OHR Executive Director shall forward the request to the City Attorney’s Office for review. For these pay equity adjustments, the appointing authority’s request for approval shall:

1. Identify the employee’s protected class (e.g., race, sex, etc.); and

2. Explain why the employee’s protected class is alleged to be, or could be perceived to be, the reason for the inequity.

Once the City Attorney’s Office completes its review, it shall provide the OHR Executive Director with its legal recommendations regarding the request. A pay equity adjustment pursuant to this paragraph D does not constitute an admission that the City, or any department or agency, discriminated against any employee.

E. The OHR Classification and Compensation Division may review employees’ pay across departments or agencies within the same classification(s), within the same classification series, or within the classification(s) with the same career path with comparable duties in order to make recommendations on pay actions to be submitted to appointing authorities for consideration of pay action.

F. Appointing authorities are encouraged to submit pay equity or pay adjustment requests to the OHR as soon as possible after a qualifying pay event has been identified. Requests must be made using the current OHR Classification and Compensation Pay Equity Adjustment Request form.
9-65 Work Assignment Outside of Job Classification
(Revised May 20, 2008; Rule Revision Memo 28C)

A. An appointing authority may temporarily assign the duties of a vacant position in a higher level classification to an employee in a lower level classification for a period of one year in accordance with the criteria established in this rule. Assignments for periods longer than one year require the approval of the OHR Executive Director.

B. 1. Employees are eligible for additional pay for such assignments when they have been assigned all of the duties and responsibilities of the vacant position in the higher level classification;

2. Additional pay for work outside of an employee’s job classification shall start at the beginning of the work week following the fifteenth day of the temporary assignment, and continue for the duration of the assignment.

C. The employee shall receive additional pay equal to eight percent (8.0%) above his or her regular base pay, unless the employee is receiving equipment differential. (Revised July 31, 2015; Rule Revision Memo 12D)

D. 1. The employee’s job classification will not change as a result of a temporary assignment of higher level job duties and responsibilities. Employees receiving additional pay for working outside of their assigned classification shall not be eligible for re-allocation to the higher level classification.

2. If an employee receives a merit increase during the temporary assignment, the pay for the work assignment outside of job classification shall be re-calculated based on the employee’s base pay including the merit increase. The re-calculated pay shall be effective on the effective date of the merit increase (Revised January 1, 2011; Rule Revision Memo 51C).

E. Upon completion of the temporary assignment, the employee’s pay shall return to the employee’s base pay prior to the temporary assignment, including any merit increase awarded during the temporary assignment.

F. Pay for work outside of an employee’s job classification does not impact subsequent pay for promotion, demotion or any other personnel action.

9-66 Recruitment bonus
(Revised September 21, 2017; Rule Revision Memo 30D)

A. A department or agency may pay a one-time recruitment bonus of up to $10,000 according to the below schedule to attract a highly qualified external candidate whose skills, knowledge and/or abilities are deemed essential to the mission and operations of the City.
B. The amount of the recruitment bonus must be justified in writing and submitted by the department or agency to the appointing authority and the OHR Executive Director for approval. The justification must clearly demonstrate that the position is difficult to fill in the absence of a recruitment bonus.

C. The determination to pay a recruitment bonus must be based on criteria including, but not limited to:

1. The success (or lack thereof) of recent efforts to recruit external candidates for similar positions, using indicators such as job offer acceptance rates, the length of time required to fill similar positions, and the probable cost of renewed recruitment efforts;

2. The current salary and fringe benefits package the candidate receives;

3. Employment trends and competition in the local labor market that make it difficult to recruit candidates for similar positions;

4. Special qualifications or competencies (i.e., knowledge, skills, abilities, education, etc.) required for the position. These competencies must be applicable to a vast majority of the duties and responsibilities of the job or be of critical importance to the job;

5. The desirability of the duties, work or organizational environment of the position; and

6. Other supporting factors.

D. The below amounts may not be exceeded unless the agency appointing authority has justification to do so (e.g., has identified a critical candidate whose skills, knowledge, and/or abilities are essential to the mission and operations of the City) and the appointing authority has obtained the approval of the OHR Executive Director. However, no recruitment bonus may exceed $10,000.

<table>
<thead>
<tr>
<th>Position Level of New Hire</th>
<th>Amount</th>
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<tr>
<td>Below the level of Manager</td>
<td>Up to $2,500</td>
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<tr>
<td>Manager</td>
<td>Up to $5,000</td>
</tr>
<tr>
<td>Director</td>
<td>Up to $10,000</td>
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The above amounts will not be grossed-up to cover taxes and other deductions on behalf of the candidate.

E. A request to provide a recruitment bonus must be approved by the appointing authority and the OHR Executive Director before the recruitment bonus is included in an offer. The appointing authority’s approval indicates sufficient existing budget funds to cover the expense.

F. The candidate is eligible to receive the recruitment bonus as a one-time payment (less applicable taxes and other deductions) upon successful completion of employment probation. If the candidate does not successfully complete employment probation, the recruitment bonus will not be paid.
G. The employee receiving the recruitment bonus must remain employed by the City for two (2) years. If the employee voluntarily terminates employment before serving two (2) years, the employee must repay part of the recruitment bonus. The amount of the repayment shall be pro-rated for each year of service. The repayment of the recruitment bonus shall be deducted from the employee’s final paycheck. Any remainder shall be paid by the employee to the City within 30 days of the employee’s last day of employment with the City. These terms must be included in the employment offer letter, and the employee receiving the recruitment bonus shall acknowledge acceptance of these terms when signing the employment offer letter. Payment of a recruitment bonus and the employee’s acceptance of these terms shall not constitute an employment contract.

9-67 Relocation assistance
(Revised September 21, 2017; Rule Revision Memo 30D)

A. A department or agency may pay relocation costs of up to $7,500 to attract a highly qualified external candidate whose skills, knowledge, and/or abilities are deemed essential to the mission and operations of the City, provided that the candidate’s new main job location is at least 50 miles farther from his or her former home than the candidate’s old main job location was.

B. The amount of the relocation assistance must be justified in writing and submitted by the department or agency to the appointing authority and the OHR Executive Director for approval. The justification must clearly demonstrate that the position is likely to be difficult to fill in the absence of relocation assistance.

C. The determination to pay relocation assistance must be based on criteria including, but not limited to:

1. The availability and quality of local candidates possessing the competencies required for the position, including the success of recent recruitment efforts to recruit external candidates for similar positions, using indicators such as job offer acceptance rates, the length of time required to fill similar positions, and the probable cost of renewed recruitment efforts;

2. Employment trends and competition in the local labor market that make it difficult to recruit candidates for similar positions;

3. Special qualifications or competencies (i.e., knowledge, skills, abilities, education, etc.) required for the position. These competencies must be applicable to a vast majority of the duties and responsibilities of the job or be of critical importance to the job;

4. Personal and/or professional disruption that will occur as a result of relocation;

5. The desirability of the duties, work or organizational environment of the position; and

6. Other supporting factors.
D. An appointing authority may offer up to, but may not exceed, a relocation assistance payment of $7,500. The amount of the offer is to be determined by the appointing authority with considerations given to the distance of the move, the size of the household involved in the move, etc. The relocation assistance payment will not be grossed-up to cover taxes and other deductions on behalf of the candidate.

E. A request to provide relocation assistance must be approved by the appointing authority and the OHR Executive Director before relocation assistance is included in an offer. The appointing authority’s approval indicates sufficient existing budget funds to cover the expense.

F. The candidate is eligible to receive relocation assistance as a one-time payment (less applicable taxes and other deductions) within his or her first month of employment. The candidate is not required to submit qualifying expenses documentation to Accounts Payable, but the candidate should work with his or her tax advisor to appropriately declare the qualifying expenses to the IRS.

G. The employee receiving relocation assistance must remain employed by the City for two (2) years. If the employee voluntarily terminates employment prior to serving two (2) years, the employee must repay part of the relocation assistance. The amount of the repayment shall be pro-rated for each year of service. The repayment of the relocation assistance shall be deducted from the employee’s final paycheck. Any remainder shall be paid by the employee to the City within 30 days of the employee’s last day of employment with the City. These terms must be included in the employment offer letter, and the employee receiving the relocation assistance shall acknowledge acceptance of these terms when signing the employment offer letter. Payment of relocation assistance and the employee’s acceptance of these terms shall not constitute an employment contract.

Section 9-70 Hours of Work

9-71 Standard Work Week

A. The five (5) day forty (40) hour week shall be the standard work week for employees of the Career Service.

B. Standard work hours shall be eight (8) hours per day, excluding the meal period. In certain cases, because of the character of the work, it may be necessary for an employee to be required to eat a meal while working. When the meal period is spent predominantly for the benefit of the City, the employee shall be paid for the entire meal period (Effective October 10, 2008; Rule Revision Memo 32C).

C. Appointing authorities shall be responsible for establishing daily work schedules.

D. The work week shall begin on Sunday and end on Saturday unless otherwise designated by the appointing authority.
9-72 Posting of Changes in Work Schedules
(Re-numbered October 10, 2008; Rule Revision Memo 32C)

A. If work schedules are changed, appointing authorities shall post such schedules so that affected employees are provided with adequate notice of the change in advance of the work week in which it is supposed to occur. However, appointing authorities may require an employee to arrive early or stay beyond his or her regular work schedule or return to work to provide essential City services without such notice (Revised September 21, 2010; Rule Revision Memo 49C; and June 17, 2011; Rule Revision Memo 55C).

B. Employees are permitted to request a temporary change in daily work schedules in order to accommodate personal needs. Appointing authorities have the discretion to grant this request based on the business needs of the department or agency.

9-73 Interruption of Work and Pay during City-wide Emergency
(Effective June 8, 2007; Rule Revision Memo 20C: Re-numbered October 10, 2008; Rule Revision Memo 32C)

A. An employee who is excused from work for the day or any part of the day when the work program is interrupted (e.g., because of weather) shall be considered to have worked the number of hours included in his or her regular daily schedule. An on-call employee who is called to work and not assigned because of an interruption or change in the work program shall be considered to have worked two (2) hours on that day.

B. Work interruptions during a City-wide emergency declared by the Mayor:

In addition to pay for the interrupted work hours, employees who work during the hours of a City-wide emergency declared by the Mayor are eligible for compensation for working during hours attributed to the emergency condition as follows:

1. Non-exempt employees shall also receive pay for the actual time they work during the City-wide emergency. For purposes of determining if an employee is entitled to overtime, the work hours interrupted by the City-wide emergency shall be counted as time worked in addition to time actually worked and other amounts, such as paid holidays, periods of paid leave, or any discharge of compensatory time, as provided by the overtime provisions of this rule.

2. a. An employee exempt from overtime shall be paid at the straight time hourly rate for each hour worked that was related to the emergency. Interrupted work hours during a City-wide emergency count as time worked and exempt employees eligible for overtime in accordance with 9-93 Overtime Exceptions will be compensated for hours beyond forty (40).
b. City-wide emergency pay may be paid in either cash or compensatory time off, at the discretion of the appointing authority. Compensatory time may be taken at any time mutually convenient to the employee and the appointing authority. All accrued compensatory time shall be used by March 31st of each calendar year or paid in cash by the final pay period in April of that year (Revised January 1, 2010; Rule Revision Memo 42C).

3. Employees who were on other leave such as paid time off, vacation, compensatory time, sick, or unpaid leave must use that leave unless called back to work. When called back to work, unused leave hours are returned to the banks and work hours are counted (Revised January 1, 2010; Rule Revision Memo 42C).

4. Employees who telecommute must have prior written approval to telecommute from their appointing authority or designee. The written approval shall include the employee’s assignment while telecommuting. An employee must demonstrate that he or she accomplished the assignment in accordance with the written approval.

Section 9-80 Special Work Schedules

A. Deviations from the standard workweek, eight (8) hour work-day or designation of special work schedules may be made so long as they are in accordance with the provisions of this section. The appointing authority must provide written notification to the OHR Executive Director of any change to the standard workweek or the designation of special work schedules for employees.

B. Establishment:

1. When the work program of a department or agency is such that the interests of the City as well as the efficiency of the organization can better be served by a special work schedule, the appointing authority may establish one for specified units, individual employees, or the entire agency.

2. Employees affected by the proposed schedule should be consulted concerning their preferences prior to the establishment of the special work schedule, and their wishes should be recognized wherever possible. The final determination shall be within the discretion of the appointing authority.

3. When an appointing authority determines that the special work schedule has not served the best interests of the City, the appointing authority may discontinue the special work schedule and shall provide written notification to the OHR Executive Director.

C. Ten hour schedule:

Under a ten hour schedule, employees are scheduled to work ten (10) hours per day, four (4) days per work week. Days off shall be scheduled consecutively wherever possible, provided, however, that one of the three (3) days off may be scheduled on any day during the work week in order to prevent staff shortages on any workday.
D. **Nine/eighty schedule:**

Under a nine/eighty schedule, employees are scheduled to work nine (9) hours per day, four (4) days per work week, and four (4) hours on one day of the work week. The start and end date of the work week must be changed so that the work week does not contain more than forty (40) hours of scheduled work. This is accomplished by having the work week begin in the middle of the day on which the four (4) hour shift is scheduled, and end in the middle of that day a week later. This day is the flex day, upon which the employee will work eight (8) hours every other week, and will have off the rest of the time. Days off shall be scheduled consecutively wherever possible, provided, however, that the flex day may be scheduled on any day during the work week in order to prevent staff shortages on any workday.

E. **Alternate work schedules:**

The appointing authority may establish an alternate work schedule when neither the standard work week nor any of the special work schedules set forth in this section permit the department or agency to provide necessary services.

F. **Telecommuting:**

1. Telecommuting is the practice of working at home or from a site other than a department or agency's central workplace. It is a work alternative which appointing authorities may offer to or require of employees.

2. Telecommuting is not an employee benefit but an alternative method of meeting the City's needs. Telecommuting is a privilege and an appointing authority has the right to refuse to make telecommuting available to an employee and to terminate a telecommuting arrangement at any time.

3. Employees may express a desire not to telecommute and appointing authorities should consider employees' wishes along with the needs of the City in making a final determination.

4. Permission to telecommute shall be conditioned on compliance with the telecommuting guidelines established by the OHR Executive Director (see Appendix).

**Section 9-90 Overtime**

**9-91 Policy**

(Revised November 18, 2015; Rule Revision Memo 15D)

A. In accordance with the FLSA, all work performed in excess of forty (40) hours per week by non-exempt employees shall be designated overtime work for the purposes of compensation, subject to the following exceptions:

1. On-call employees working for seasonal recreational establishments that do not operate for more than seven months in any calendar year shall be exempt from overtime pay and shall be paid the straight time hourly rate for all hours worked in a work week, including all hours worked in excess of forty (40) hours per week.
2. On-call employees whose rates of pay are set by the community rate schedule established by ordinance shall be paid overtime according to that schedule. If the community rate schedule makes no provisions for overtime, such employees shall be paid overtime in accordance with section 9-100.

B. If a paid holiday, a period of paid leave, or discharge of compensatory time occurs during a work week, such time shall be counted as time worked when determining whether an employee has worked overtime. Time spent taking courses outside of the normal work day shall not be counted as time worked, even if the employee receives paid training leave to take the courses, unless the City has required the employee to take the course.

C. Unpaid leave shall not count as time worked.

D. The hours worked as an election judge by an employee shall not be counted as time worked for the purposes of determining overtime eligibility. If an employee wishes to work as an election judge during a regularly scheduled shift, the employee must request leave from the appointing authority.

9-92 Criteria for Authorizing Overtime Work

A. Overtime work shall be authorized to provide essential City services when such services cannot otherwise be provided by regular or special work schedules. Except in cases of emergency, overtime work shall be authorized and assigned in advance by an employee’s supervisor or other designated individual. Working unauthorized overtime may be grounds for discipline, up to and including dismissal.

B. When an employee has been assigned work outside of his or her normal work schedule, such overtime shall be subject to the same reporting requirements as regular work hours. Failure to report for such work may be cause for disciplinary action, up to and including dismissal.

9-93 Overtime Exceptions

Employees in overtime exempt classes as defined by the FLSA shall not receive overtime pay, except in the following situations:

A. Based on community practice, the OHR Executive Director may recommend an exception to the overtime exclusion for a designated classification or classifications to the Board for approval.

B. Career Service employees who work for the DHHA in exempt classifications in the Health Technical and Related Support, Health Professional, and Doctors occupational groups, when comparable classifications in the DHHA personnel system have been granted an exception to the overtime exclusion by the DHHA.

C. Upon the request of an appointing authority, the OHR Executive Director may grant an exception to overtime exclusion for a specified period of time when the employee will provide services for the City during declared emergencies.

(Revised July 31, 2015; Rule Revision Memo 12D)
D. Based on community practice, overtime shall be paid only under the circumstances outlined below to incumbents in the FLSA overtime exempt, first level supervisory classes approved by the Board:

1. Scheduled overtime occurring in a holiday week;
2. Overtime related to after-hour emergency response duties;
3. Publicly scheduled events requiring infrastructure support; and
4. Snow removal activities.

Section 9-100 Payment for Overtime
(Revised June 17, 2011; Rule Revision Memo 55C)

A. Non-exempt employees: Non-exempt employees who work overtime shall receive compensation at the rate of one and one-half (1 ½) times the regular rate of pay applicable to the position.

1. The regular rate of pay shall be computed as follows:
   a. Multiply the hourly rate by the employee’s actual hours of work in the work week to determine the weekly salary equivalent.
   b. Total the weekly salary equivalent plus all payments for differentials, standby, and any other compensation required by FLSA to be included in the regular rate of pay for the work week, and divide by the number of hours the employee actually worked during that week.

2. Compensatory time:
   a. Overtime compensation may be paid either in cash or in compensatory time off, at the discretion of the appointing authority. The appointing authority shall inform employees of the department’s or agency’s overtime compensation policy. Compensatory time off shall be accrued at the rate of one and one-half (1-1/2) times the overtime hours worked. An employee who has accumulated eighty (80) hours of compensatory time and is required to work overtime shall only be paid for such overtime in cash. All accrued compensatory time shall be used by March 31st or paid out in cash by the final pay period of April of that year.
b. Payment for accrued compensatory time on separation: An eligible non-exempt employee who has accrued compensatory time in accordance with this section shall receive payment for the unused portion of such accrual when the employee is separated from the Career Service. The rate of compensation for such payment shall be the larger of the following:

1. The average regular rate received by such employee during the last three years of the employee’s employment; or

2. The final regular rate received by such employee.

B. Exempt employees eligible to receive overtime: The overtime rate shall be:

1. a. At the rate established for non-exempt employees by this rule if eligible under paragraph 9-93 A.

   b. At the rate established by the DHHA for comparable positions if eligible under paragraph 9-93 B.

   c. At the straight time hourly rate of pay applicable to that position, if eligible under paragraph 9-93 C, where the hourly rate is computed by dividing the annual salary by 52 and then dividing by the regular hours of the position; and

   d. At the rate of one and one-half (1 ½) times the hourly rate of pay applicable to that position if eligible under paragraph 9-93 D, where the hourly rate is computed by dividing the annual salary by 52 and then dividing by the regular hours of the position.

2. How paid: Overtime compensation for eligible exempt employees shall be paid in cash. Exempt employees eligible for overtime shall not accrue or use compensatory time in lieu of pay, except for Holiday Compensatory Time as defined in Rule 10 PAID LEAVE.

Section 9-110 Record Keeping
(Revised April 1, 2008; Rule Revision Memo 26C)

A. Responsibility for maintaining time and compensation records may be vested in the Department of Finance, the OHR, or the agencies, as may be agreed among them from time to time.

B. The content of these records shall be governed by guidelines established by the OHR (see Appendix).

C. These records shall be retained for a minimum of six (6) calendar years, in a location where they would be available for inspection within seventy-two (72) hours from the date when requested by the Wages and Hours Administrator or designees.