

MEMORANDUM

REVISION 10 SERIES D

TO: Holders of Career Service Rule Books

FROM: Career Service Board

DATE: January 23, 2015

SUBJECT: Revision of the Career Service Rule 13 **PAY FOR PERFORMANCE**

The Career Service Board has approved the revision of Career Service Rule 13 **PAY FOR PERFORMANCE**. Here is a summary of the changes to this rule:

- Updates the merit table for 2014 to reflect an average 3.0% merit increase.
- Eliminates eligibility for merit payments for employees in the third quartile.
- Allows employees who are over-range to receive merit payments.
- Updates the appendix of the Pay for Performance rule to reflect the 2015 processing deadlines

	<u>Page Number</u>	<u>Issuance Dates</u>
Remove:	13-3, 4, and 13.A.-1	January 16, 2014
Replace:	13-3, 4, and 13.A.-1	January 23, 2015

PLEASE INSERT IN YOUR RULE BOOK AS SOON AS POSSIBLE. THANK YOU.

Section 13-30 PEP Process

13-31 Performance Ratings

- A. An eligible employee's overall performance shall be rated in an employee's PEPR as one of the following:
1. Failing: Work does not meet expectations in most, if not all, areas.
 2. Below expectations: Meets many, but not all job requirements. Outcomes are generally less than expected, with improvement required in one or more specific areas.
 3. Successful: Consistently achieved performance standards.
 4. Exceeds expectations: Consistently performs well above expected job requirements. Outcomes frequently surpass expectations.
 5. Outstanding: Consistently delivers outcomes not often achieved by others; always exceeds standards.
- B. "Failing" Rating Procedure:
1. If an eligible employee's annual performance rating is expected to be "Failing," the department or agency shall advise the employee of the expected rating a reasonable time in advance, but not less than seven (7) calendar days prior to the date of the meeting scheduled to review the employee's PEPR, and shall allow representation at the meeting to review the PEPR in accordance with the provisions of Rule 15 **CODE OF CONDUCT**.
 2. The employee shall be provided with a PIP no later than ten (10) calendar days after the date the PEPR is reviewed with the employee.

13-32 Merit Increases and Merit Payments

- A. The funding for merit increases and merit payments is provided in the annual appropriation ordinance. The pay increase associated with a particular performance rating shall be reviewed annually and adjusted as necessary to reflect prevailing practices in the community. The award of merit increases and merit payments is contingent upon this annual appropriation being approved by City Council and the Mayor. In case of a conflict between ordinance and these rules, the ordinance will prevail.
- B. Departments and agencies are responsible for determining the percentage increase associated with each employee rating within each quartile. The percent increase for all eligible employees shall average 3.0% for merit increases and merit payments delivered in 2015.

C. Merit Table:

1. Eligibility for merit increases and merit payments is based on an eligible employee's overall annual performance rating as measured by a PEPR and the quartile in which the employee's salary is found in accordance with the following table:

Rating	1st Quartile	2nd Quartile	3rd Quartile	4th Quartile	Range Maximum	Above Range
5. Outstanding	4.3-4.7%	3.8-4.2%	3.3-3.7%	1.8-2.2% plus 1% Merit Payment	1% Merit Payment	1% Merit Payment
4. Exceeds Expectations	3.6-4.0%	3.1-3.5%	2.6-3.0%	1.1-1.5% plus 1% Merit Payment	1% Merit Payment	1% Merit Payment
3. Successful	3.1-3.5%	2.6-3.0%	2.1-2.5%	0.6-1.0% plus 1% Merit Payment	0.0%	0.0%
2. Below Expectations	0.0-0.8%	0.0-0.5%	0.0%	0.0%	0.0%	0.0%
1. Failing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

2. However, no eligible employee shall receive a merit increase that exceeds the range maximum of the pay grade assigned to the employee's job classification. If the application of this sub-paragraph results in an employee receiving a merit increase that is less than the percentage increase awarded to the employee, the employee shall receive the difference between the merit increase awarded and the merit increase received in the form of an additional merit payment.

- D. In the case of a declared fiscal emergency by the Mayor, and upon the request of the Mayor, there will be no merit increases or merit payments awarded for increments of at least one year. During the declared fiscal emergency appointing authorities, managers and supervisors shall complete PEPRs for eligible employees, but no merit increases or merit payments will be awarded during this time.

APPENDIX 13.A

2014 PEPR SCHEDULE

DUE DATE	TASK
February 6, 2015	Deadline for performance evaluations for the 2014 calendar year to be completed by subordinate supervisors and managers.
February 20, 2015	Deadline for appointing authorities to submit merit increase and merit payment recommendations to the OHR. All eligible employees must be accounted for in these recommendations. The percent increase for all eligible employees in a department or agency should average 3.0% for merit increases and merit payments delivered in 2015. Supervisors may begin meeting with employees to review PEPRs and merit increase amount once the OHR has reviewed and approved merit increase and merit payment recommendations.
March 27, 2015	Merit increases and merit payments appear on employee paychecks.
April 10, 2015	Merit increases and merit payments are paid retro-actively for the period from January 4 th until March 7 th .

This Appendix is provided for informational purposes and is not considered a part of the Rules.