

MEMORANDUM

REVISION 31 SERIES D

TO: Holders of Career Service Rule Books

FROM: Career Service Board

DATE: October 20, 2017

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

Every year the Office of Human Resources revises the merit table and performance review schedule in Career Service Rule 13 **PAY FOR PERFORMANCE** to reflect the amount allocated by the City Council for merit increases and to adjust performance review deadlines. Please refer to the following tables for information on the former rule description, the revised rule description, and the intended impact of the revisions for Rule 13. Also included are new rule pages to replace outdated information along with insertion instructions for Career Service Rule Books.

Rule 13 Pay for Performance			
CURRENT RULE	REVISED RULE	NEW RULE NUMBER	REVISION INTENTION & IMPACT
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 3.3% for merit increases and merit payments delivered in 2017.	Departments and agencies are responsible for determining the percentage increase associated with each employee rating based on an open merit table. The proposed percent increase for all eligible employees shall average 3.27% for merit increases and merit payments delivered in 2018.	13-32 B.	Merit increase is adjusted from 3.3% to a proposed 3.27% and year adjusted from 2017 to 2018.
Outdated Table	New Table	13-32 C. <u>Merit Table</u> : 1. Appendix 13.A.	Revises the merit table for 2018 to reflect a proposed average 3.27% merit increase (compared to a 3.3% increase in 2017). Updates the appendix of the Pay for Performance rule to reflect the 2017 processing deadlines.

	Page Number	Issuance Dates
Remove:	13-4, 13-5, 13.A.-1	May 12, 2017
Replace with:	13-4, 13-5, 13.A.-1	October 20, 2017

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

13-32 Merit Increases and Merit Payments
 (Revised October 20, 2017; Rule Revision Memo 31D)

- 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. 1. Departments and agencies are responsible for determining the percentage increase associated with each employee rating. The percent increase for all eligible employees shall average 3.27% for merit increases and merit payments delivered in 2018. (Revised October 20, 2017; Rule Revision Memo 31D)
2. When there is a change to an employee's pay rate on the same effective date as the merit increase, the merit increase will be applied before any other pay rate change(s).
- 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 performance review.

<u>2017 Performance Rating</u>	<u>2018 Merit Increase Percent</u>	<u>2018 Lump Sum Merit Payment Percent</u>
5: Exceptional	2.60% - 4.60%	1.80% - 3.20%
4: Exceeds Expectations		
3: Successful		0%
2: Below Expectations		
1: Unacceptable		

2. An eligible employee whose current pay rate is within the pay range of the pay grade assigned to the employee's job classification shall receive a merit increase in accordance with the above table.
3. An eligible employee whose current pay rate is at or above the pay range maximum of the pay grade assigned to the employee's job classification shall receive a lump sum merit payment in accordance with the above table.

4. 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 performance reviews for eligible employees, but no merit increases or merit payments will be awarded during this time.

13-33 Pro-ration for New Hires

Employees hired after January 1st and on or before September 30th will have their merit increase pro-rated to the employee's start date.

13-34 Effective Date of Merit Increase

- A. Merit increases and merit payments will be calculated from an employee's annual base salary as of the Saturday before the first Sunday of the calendar year and be effective on the first Sunday of the calendar year for eligible employees who were employed in the Career Service on December 31st of the previous year.
- B. An employee's merit increase shall not be included as part of another pay change (such as a promotional increase), and must be applied as a separate merit increase.

13-35 Performance Review Schedule

Departments and agencies shall submit proposed merit increases and merit payments to the Office of Human Resources ("OHR") as provided in the schedule attached as Appendix A.

13-36 Review of Performance with Employee

Each employee's written performance review shall be reviewed with the employee as provided in the schedule attached as Appendix A.

13-37 Official Records

The annual performance review and any supporting documentation shall be made a permanent part of the employee's official personnel record.

APPENDIX 13.A

2017 PERFORMANCE REVIEW SCHEDULE

DUE DATE	TASK
December 22, 2017	Deadline for performance evaluations for the 2017 calendar year to be completed by supervisors, second level managers, and agency approvers.
January 26, 2018	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 3.27% for merit increases and merit payments delivered in 2018.
February 23, 2018	Merit increases and merit payments appear on employee paychecks, as well as retroactive merit increases and merit payments for the period from January 7th until February 3rd.

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