

**CITY OF GAHANNA
PAY ADMINISTRATION POLICY**

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SECTION 1. PURPOSE OF THE PAY ADMINISTRATION POLICY

The Pay Administration Program is the formal system for classifying positions and compensating non-union employees in the City. It is divided into two (2) distinct programs or plans.

1. The Classification Plan, which is the categorization of job positions, duties, and necessary qualifications; and,
2. The Compensation Plan, which provides salary structures.

SECTION 2. SCOPE OF PAY ADMINISTRATION POLICY

Per the City of Gahanna Charter, all budgetary items, including positions and the funding of such are at the discretion and approval of Council. This policy does not detract in any way from this provision. Therefore, Administration may present a position or new salary grades to Council; however, approval of these positions and grades is at Council's complete discretion. Regardless of Administration's recommendations, should a position not be funded or a grade increase not be funded by Council, the amendment proposed will not be in effect. If Council does approve a position, salary increase, or salary grade increase, the effective date will be the date set by Council. In addition, this policy does not detract from Council's ability to abolish a position at any time.

When the policy references the Appointing Authority, this includes but is not limited to the Mayor, City Council or City Attorney who has the power of appointment to, or removal from, positions. This authority may be granted to a designee in writing by the appointing authority.

SECTION 3. CLASSIFICATION PLAN

The position Classification Plan provides a systematic arrangement and inventory of the positions in the City. Each class specification lists the minimum requirements or qualifications needed to perform the job such as education, work experience, and other qualifications. By describing essential job functions, job duties, responsibilities, and qualifications, the Classification Plan provides guidelines for establishing a pay plan based on these relationships.

A. Class Specifications.

Class specifications are descriptive and explanatory and are not necessarily inclusive of all duties performed. They are designed to indicate the types of duties and level of responsibilities assigned to the class. The use of a particular specification as to duties, qualifications, or other factors shall not be held to exclude others of similar kind or quality. Class specifications are not job descriptions.

B. Official Copy of Class Specifications.

1. The Human Resources Manager and/or the Director of Administrative Services shall maintain a master set of all approved class specifications which shall constitute the official Classification Plan. The copies of the specifications may include the date of adoption and/or the last revision of the class specification.

2. The Human Resources Manager and/or Director of Administrative Services shall provide each Department Head with a set of class specifications of those positions allocated in his or her department and such other positions as necessary.

C. Titles of Positions.

The title of an official class position shall be used to designate the position in all budget estimates, payrolls, ordinances, and other official records, documents, vouchers, and communications in connection with all personnel processes. Working titles may be used, where appropriate, for positions with the approval of the Appointing Authority in which the position is allocated.

D. Minimum Qualifications.

Minimum qualifications are considered comprehensive statements of the minimum required education, experience, and other qualifications for all classes as evidence of an employee's ability to perform the work properly.

E. Procedures for the Classification of New Positions.

1. The Department of Human Resources shall create new class specifications for positions upon receipt of the prescribed forms indicating a statement of duties, responsibilities, and requirements of such positions from the Department Director. Whenever a new position is created, a Position Description Questionnaire (PDQ) must be submitted to the Department of Human Resources and describe in detail the duties of such position. A desk audit and/or interview with the incumbent or Department Director may be required by Human Resources after a new position is created and occupied, in order to verify that the position has been appropriately allocated.
2. The Human Resources Manager and/or Director of Administrative Services reviews and recommends approval or disapproval to the Appointing Authority of all proposed position creations, allocations, reallocations, and abolishment.
3. The Appointing Authority shall review and approve or disapprove recommendations regarding all proposed position creations, allocations, reallocations, and abolishment.

F. Procedures for the Reclassification of Positions.

The Human Resources Manager and/or Director of Administrative Services shall recommend changing the classification of existing positions when it is determined that the position is incorrectly classified. Such action is called reclassification and must be reviewed and approved by the Appointing Authority. If an employee has facts which indicate that the employee's position is improperly classified, the employee may request Human Resources to review the classification of the position, through and with the knowledge of the employee's Department Director. Such request shall be submitted in writing and shall contain a statement of justification. For this or any other type of request for reclassification from any source, Human Resources shall thereupon investigate actual or suggested duties of the position and reclassify the position to its appropriate grade if warranted. Human Resources will recommend a reclassification to the Appointing Authority. Reclassification may occur as the result of the conditions described below. Should any

reclassification result in a salary increase, the increase will be in effect on the date set by Human Resources and will not be retroactive. No reclassification that results in a salary increase will occur unless it has been appropriately budgeted for and adopted by Council.

1. The position was incorrectly classified and there has been no substantial change in duties from those in effect when the position was originally categorized.
 - a. If the position is occupied at the time of reclassification, the employee shall be entitled to serve therein and retain the corresponding status after the position is reclassified.
2. There has been a substantial change in the duties and responsibilities associated with a position since it was classified to a particular grade.
 - a. If the position is assigned a higher pay grade than the current position, such action is considered an upgrade for the position. If the position is occupied at the time of an upgrade, the incumbent may be reclassified without examination, but does have to meet the minimum qualifications of the new position if they are changed.
 - b. If the position is assigned a lower pay grade, this change is called a downgrade of the position. If the position is occupied, the incumbent will continue at the same pay and may receive increases to the maximum of the range of the lower grade. If the current salary is above the maximum for the lower class, the employee shall be permitted to continue at the present rate of pay, but shall not be entitled to future salary increases; employee may still be eligible to receive lump sum increases as outlined in Section IV, A(2) herein.
 - c. In all cases of reclassification, if the position is vacant, it shall be filled in the prescribed manner. In all cases of reclassification of an occupied position, the incumbent is reclassified consistent with the new classification. The performance evaluation date of the incumbent is not changed by reclassification. Any employee affected by the reclassification of the employee's position may file with the Director of Human Resources a written request for reconsideration thereof in such manner and form as the Director of Human Resources may prescribe and shall be given a reasonable opportunity to be heard thereon.

F. Abolishment of Positions.

Whenever there is justification for abolishing an administration position such as lack of work, reorganization, lack of funds, or other reason, the Department Head shall make such recommendation to the Human Resources Manager and/or Director of Administrative Services. The Human Resources Manager and/or Director of Administrative Services shall review and present such recommendations for approval by the Appointing Authority. In no case will a position be abolished solely as a means of terminating the employment of an employee.

G. Maintenance of the Classification Plan.

1. Each time a unit or department is substantially reorganized, the Department Director will submit new Position Description Questionnaires for all affected positions to

Human Resources.

2. Human Resources may require Department Directors to submit Position Description Questionnaires at any time when there is reason to believe there has been a change in duties and responsibilities of one or more positions.
3. Any change in the Classification Plan for administration positions, such as establishing new positions, abolishing positions, reclassifying positions, or pay grade changes for positions require prior review by the Human Resources Manager/Director of Administrative Services and the approval of the Appointing Authority.
4. Periodically, the Human Resources Manager and/or Director of Administrative Services shall review the Classification Plan to determine if changes need to be made.

SECTION 4. COMPENSATION PLAN

The Compensation Plan is designed as a fair and equitable method for establishing compensation rates for unclassified employees in the City. The Plan shall establish a wage scale matrix with 26 pay grades as approved by the City Council. Within each pay grade, minimum and maximum rates have been identified, as well as a step-based progression plan during the first five (5) years of employment to help alleviate wage compression issues.

A. Components of the Compensation Plan.

The compensation for each employee shall be determined based on the wage scale matrix as follows:

1. Market Adjustment: Used to ensure that employee compensation rates and/or the wage scale matrix are adjusted in a uniform and consistent manner. The following considerations shall dictate whether a general wage increase, performance-based increase, and/or shift to the wage scale matrix will be administered:
 - a. Changes in union contract positions which cause salary compression with positions not covered by the contract.
 - b. Changes in the wage index based upon references such as the Bureau of Labor Statistics (BLS).
 - c. The budgetary constraints of the City.
 - d. Length of time since last shift to the overall wage scale matrix; in general, a shift of the entire wage scale matrix shall occur every three (3) years, and shall be based on the results of a market survey of comparable jurisdictions and benchmark classifications.
2. Each year, the City Council shall vote on the applicability and the ability of the City to apply a wage adjustment(s) to employee compensation levels and/or to the wage scale matrix. When applicable, a percentage increase will be applied in a uniform and consistent manner to the entire wage scale matrix.

3. Regardless of whether or not the wage scale matrix is shifted, City Council shall determine annually if a general salary increase percentage (%) and/or performance-based increase percentage (%), and/or steps increases shall be given to eligible employees.
4. Employees who are eligible for step increases, shall not be eligible for a general salary increase. Employees who are not eligible for step increases (i.e., employees at or above the midpoint) may only be eligible for general salary increases.
5. Employees at the maximum of their assigned pay grade are not eligible for base salary increases, but may be eligible for a lump sum increase up to the amount of the percentage (%) of the salary increase.
6. Temporary and Seasonal Employment.

Current City of Gahanna employees who work in a temporary or seasonal classification shall be compensated for all hours worked in the temporary or seasonal classification at the appropriate temporary or seasonal wage rate as established under the applicable City of Gahanna Salary Ordinance.

All other hours worked outside of the temporary or seasonal classification shall be paid at the appropriate wage rate as established herein.

B. Starting Rates for New Employees.

In most cases, a new employee shall be paid the minimum (starting) rate of pay for the position. Exceptions may be granted upon the written prior approval of the Department Director, the Human Resources Manager and/or Director of Administrative Services, and the Appointing Authority or their designee. Such a request must be made in writing by the Department Director for approval by Human Resources. Exceptions may be made in the following cases.

1. The minimum (starting) rate for each position is based upon the assumption that a new employee meets the minimum qualifications stated in the class specification. In the event that qualified applicants cannot be located for a given position, consideration should be given to establishing a new position at a lower grade which will reflect lower level duties and corresponding lower entrance requirements.
2. If a selected candidate exceeds the minimum qualifications stated in the class specification and will not accept appointment at the minimum (starting) rate for the position, the candidate may be appointed at a higher step up to the midpoint of the salary range. Any rate that is higher than midpoint should be thoroughly analyzed and measured against objective qualification standards. Consideration should be given to review and compare the salaries of employees in similar positions.
3. Difficulty of recruitment may require compensation at a higher rate. If difficulty of recruitment in the assigned pay grade persists, consideration should be given to assigning a higher compensation rate or reevaluation of the position to determine if a higher pay grade is indicated. Appropriations for funding positions above the minimum compensation rate must be secured within the framework of the budget of the department employing the individual.

5. Annual Wage Increases.

If the City's budget allows for increases, employees shall be eligible to progress to the next tenure-based step as of the appropriate service date if performance meets expectations and they are not on a performance improvement plan

In the event that the employee will not be eligible for any further step increases (i.e. the employee has reached the midpoint of their pay range), employee shall be eligible for general wage increases after a period of at least one (1) year, at the discretion of the City Council, so long as eligible as outlined above.

6. Full-time and Part-time Employment.

Full-time and Part-time positions will be evaluated (i.e. point factored) based upon the classification specification; a corresponding pay grade assignment shall be made based upon established parameters, as recommended by Human Resources, and a compensation rate established, as outlined in the City of Gahanna's Salary Ordinance and as specified herein.

7. Reinstated Employees.

A reinstated employee shall be paid at a compensation rate within the approved pay grade for the position in which the employee is reinstated. The compensation rate in the pay grade will be related to, but not limited to, such factors as performance, experience, and length of previous service within the City and shall be set by the Appointing Authority, with advice from Human Resources.

8. Employee Transfers.

An employee may be transferred to another department in a similar position and such transfer shall not change the employee's compensation rate, pay grade, or the date from which eligibility for consideration for a merit increase shall be counted.

9. Temporary Work at a Higher Classification.

An employee may be required to work at a higher classification on a temporary, incidental, or emergency basis and may do so for a period of thirty (30) days or less at no increase in compensation rate. If the employee is required to perform more than 60% of the duties for a period exceeding thirty (30) days, the employee may be given an emergency appointment (or provisional appointment) to the higher position and be paid the appropriate rate for the higher classification. At the conclusion of the assignment, the employee's compensation rate shall revert to the authorized rate established for the employee's regular position. Any such temporary increase granted shall not affect the employee's eligibility for normal merit advancements. Temporary assignment may not exceed six (6) months without written approval for extension by the Human Resources Manager and/or Director of Administrative Services and approval by the Appointing Authority.

10. Assignment of Special Duties.

From time to time, employees may be assigned to special duties. For the period of time the employee is assigned to such special duties, the Appointing Authority may approve

"premium pay" in addition to the employee's base compensation rate. The amount of this premium pay may be determined by the Appointing Authority based upon the scope and other factors involved in the additional duties. When the employee is no longer responsible for these additional duties, premium pay will be discontinued.

11. Temporary and Seasonal Employment.

Compensation rates for temporary and seasonal employees shall be established based on the City of Gahanna's Salary Ordinance and as specified herein.

12. An employee who successfully reaches their probationary period as documented in their probationary performance evaluation will be eligible for an increase as stated in the employee's offer of employment letter. The percent of increase will be based upon the employee's compensation plan with the goal being the employee to reach midpoint by their fifth anniversary.

SECTION 5. PROMOTIONAL INCREASES

When an employee is promoted to a position in a higher grade, the employee's salary will increase to at least the minimum (starting) pay rate of the new corresponding pay grade or the appropriate step in the pay range that provides for at least a five percent (5%) increase. In no case shall the amount for a promotional increase exceed 25% of the previous salary or the maximum of the pay grade.

However, the appointing authority may authorize an increase above 25% if the promotion is the result of restructuring the employee's previous position with a higher pay grade and the previous position will be abolished.

Nothing in this section diminishes the six (6) month probationary period that must be served by the employee, and therefore, should be taken into account when determining the new salary for the employee.

A. **Procedures for Determining Promotional Increase.**

1. Final approval for all promotional increases must be made by the Human Resources Manager and/or Director of Administrative Services and Appointing Authority, with recommendations from the Department Director being considered.
2. The decision regarding a promotional increase shall reflect the promoted employee's experience and qualifications in comparison with other employees' backgrounds in the same job.
3. Final approval by the Human Resources Manager and/or Director of Administrative Services and the Appointing Authority is required for a promotional increase.
4. Except in the case where a promotion is the result of restructuring the employee's previous position with a higher pay grade and the previous position will be abolished, the amount of the promotional increase will not exceed twenty-five (25) percent or the maximum of the new pay range. The promotional increase will be two (2) percent less with the understanding an additional two (2) percent will be granted upon successful completion of the employee's six (6) month probationary period.
5. If an employee is transferred as a result of a promotion or lateral transfer, the current supervisor must complete and submit a performance appraisal form to the Human

Resources Manager and/or Director of Administrative Services prior to the promotion or transfer. The Human Resources Manager and/or Director of Administrative Services and the new/receiving Department Director will discuss the recommended promotional increase, if applicable. Any increase must be approved by the new/receiving Department Director and given final approval by the Human Resources Manager and/or Director of Administrative Services.

SECTION 6. EFFECTS OF DEMOTION

When an employee is demoted to a lower position, the employee shall be paid at a rate which is within the approved range for the lower position. The rate of pay shall be set by the Human Resources Manager and/or Director of Administrative Services, taking into consideration the circumstances surrounding, and the reasons for, the demotion, but shall generally be ten percent (10%) less than the employee's previous rate of compensation.

- An employee who has not completed the six (6) month probationary period prior to demotion will be required to serve a new six (6) month probationary period.
- Employees newly hired to the City of Gahanna who have not successfully completed their six (6) month probationary period will be terminated.

SECTION 7. POSITIONS HELD CONCURRENTLY

When one (1) employee continuously occupies two (2) or more positions concurrently, the midpoint rate of the highest salary grade provided for one (1) of the positions occupied shall be the appropriate rate of pay for the affected employee.

If an employee is assigned to complete at least fifty (50) percent of the essential job functions of another position or is assigned to special duties for a designated period of time and the position/duties is the same or lower classification while still performing their regular job functions, the employee shall be compensated an additional wage not to exceed one hundred five (105) percent of their current rate of compensation. The Director of Human Resources will make recommendation to the Appointing Authority for approval. Temporary assignments shall not normally exceed six (6) months. However, an additional extension may be approved based upon the City's operational needs, but may not exceed eighteen (18) months in total to include the original six (6) months designation.

SECTION 8 ALTERNATE POSITIONS HELD

When an employee performs the duties of an alternate position for more than four (4) hours per day, for a period of more than five (5) consecutive work days, the employee will be paid at the rate of the alternate position only for the actual hours worked in the alternate position.

SECTION 9. TRANSFER BETWEEN PART-TIME AND SEASONAL POSITIONS

Based upon operational needs, an employee holding a part-time position may fill a seasonal job position. The transfer must be approved by the current supervisor and the supervisor overseeing the seasonal position. The rate of pay may be up to the maximum of the seasonal position, not to exceed the employee's current part-time rate of pay. Holding a seasonal position does not change the employee's employment status and employee will retain all benefits afforded to the employee as a

part-time employee provided that the employee meets the eligibility requirements of those benefits.

SECTION 10. RESPONSIBILITY

Each Director and Manager/Supervisor is responsible for implementing this policy. All non-union employees should familiarize themselves with the rules regarding the salary administration program and the compensation/classification system by reviewing this policy. Violations of this policy may result in disciplinary action up to and including termination. Questions regarding the salary administration program, the classification plan, and/or the compensation plan should be directed to the Human Resources Manager and/or Director of Administrative Services.

SECTION 11. NON-EXEMPT POSITIONS

Non-exempt positions as defined by the U.S. Department of Labor regulations are labeled in the Salary Ordinance for the Personnel of the City of Gahanna.

Employees in non-exempt positions will be paid based on one-quarter ($\frac{1}{4}$) hour increments. The Fair Labor Standards Act requires that all non-exempt employees will be paid for all time worked and any hours worked over forty (40) hours in active paid status during the workweek will be compensated as overtime at one and one-half ($1\frac{1}{2}$) times the employee's regular hourly rate. Therefore, non-exempt employees cannot work in a voluntary capacity doing the same duties that they are paid to perform in their usual paid position.

Non-exempt positions will be paid for all time worked; however, all overtime must be approved, in advance, by the employee's Supervisor. Overtime shall be paid in increments of one-quarter ($\frac{1}{4}$) of an hour. Therefore, all start and end times must be rounded to the nearest quarter hour as follows:

1 – 7 minutes past the quarter hour	Rounded back
8 – 14 minutes past the quarter hour	Rounded forward

The employee has the right to request compensatory time in lieu of overtime pay, pursuant to the Benefits Ordinance for the City of Gahanna.

SECTION 12. IMPLEMENTATION

This policy becomes effective on the 1st day of January, 2022, and rescinds all previous directives, procedures, and memoranda on the subject with the exception of current applicable salary and benefits ordinances approved by Council.