

STANDARD PROCEDURE

CITY OF WILSON

PERSONNEL MANUAL

SUBJECT	NUMBER	EFFECTIVE DATE	SUPERSEDES
Salary Administration Policy	B-8	November 1, 2010	

Prepared By: Human Resources & Risk Services

Approved By: Agnes M. Speight, Assistant City Manager



1.0 Purpose

Maintain a compensation program that will attract and retain qualified employees at all levels of responsibility who perform in a manner that permits the City of Wilson to achieve its objectives and goals; reflect the relative value of jobs; be externally competitive and internally consistent and fair; provide the flexibility (based upon availability of funds) to reward employees on the basis of individual performance and contribution to the achievement of the City's goals; foster good employee understanding and relationship; and comply with all State & Federal Laws and regulations.

2.0 Policy

It is the policy of the City of Wilson to maintain levels of pay and benefits that are competitive with the average compensation of employers offering similar employment and competing in the same labor market. To establish such pay levels based on regular surveys of pay rates, benefits, other components of compensation and all aspects of Human Resource administration; and to make external comparison on the basis of base pay and other compensation components.

3.0 Scope

All employees of the City of Wilson are covered under this policy.

4.0 Responsibility

Development and maintenance of the Compensation Program is the responsibility of the Department of Human Resources and Risk Services. This includes the utilization of appropriate job analysis and job evaluation techniques in the classification of new positions and in the reclassification of existing positions. The Department of Human Resources is solely responsible for establishing new job titles; eliminating existing job titles when appropriate; working with managers to revise job descriptions when appropriate.

5.0 Rules/Procedures

5.1 Salary Administration Policy

Conduct periodic market comparison to ensure that the City of Wilson's pay structure remains competitive; and developing and maintaining the City's pay plans. The Human Resources & Risk Services Department has the responsibility for auditing and monitoring all classification and reclassification actions initiated by department heads.

5.2 Salary Structure

Pay grades are a means by which an employer offers comparable financial compensation for jobs that are of similar value. The City of Wilson assigns pay grades based on a combination of internal and external considerations as described in the job evaluation process. It is the policy of the Department of Human Resources & Risk Services to analyze, adjust, maintain, and implement changes to the salary structure. The pay grades and ranges were developed based upon:

- The clustering of job evaluation results;
- Reporting relationships;
- The marketplace analysis; and
- Generally accepted salary administration practices

5.3 Hiring Rate (External & Internal)

The minimum rate for hiring will generally be between the start of the pay grade and 5% above that minimum, upon approval of the City Manager. Exception rates for new hires will not exceed rate(s) paid to similarly qualified incumbent(s) in the same classification within the same department. The hiring department must be able to fund hiring rates greater than the minimum; the source of funds must be identified prior to any job offer.

Hiring supervisors who believe circumstances warrant additional compensation above that which is outlined may seek review and approval from the Director of Human Resources & Risk Services.

**5.4 Use of Job Titles**

Job Titles are the result of job analyses conducted by the Department of Human Resources & Risk Services, identifying the type of work that is performed and the skills, knowledge and abilities that are required to perform the particular job. Official job titles are listed on the Pay Plans. Each position has been assigned an official job title, which must be used on all official City of Wilson documentation to include Human Resources & Risk Services, Payroll, and Budget documents.

**5.5 Salary Adjustments**

Salary increases for budgeted employees may be granted only at the beginning of each fiscal year subject to availability of funds and approval of the City Manager.

**5.6 Promotion**

An employee shall be promoted when:

5.6.1. The employee is selected to fill a vacant position with a higher classification and pay grade (competitive promotion).

5.6.2. The employee's current position is upgraded (reclassified) to a higher classification at a higher pay grade (administrative promotion).

5.6.3 Pay Policy

Employees are eligible for a pay increase as indicated below:

5.6.1.A. When an employee is promoted to an open position at a higher classification and pay grade, the employee's present salary may be increased up to a maximum of 5% percent or to the minimum of the new job classification, whichever is greater. The new salary may not exceed the maximum amount authorized for that pay grade, nor should the increased amount be inconsistent with internal parity.

5.6.2.B. When a promotion is effected through reclassification of an employee's present position, the employee will be eligible for a promotion at the next authorized salary period. The employee's current salary may be increased up to a maximum of 5 percent or to the minimum of the new job classification, whichever is greater. The new salary may not exceed the maximum amount authorized for that pay grade, nor should the increased amount be inconsistent with internal equity. The amount budgeted for a position cannot be paid if it exceeds the amount calculated above. All promotions and related salary increases are contingent upon the availability of funds.

**5.7 Demotion**

5.7.1. The employee is placed in a different classification having a lower pay range.

5.7.2. The employee's position is reclassified to a classification having a lower pay range. In the case of a demotion of the type, an employee's pay may remain the same or be reduced at the discretion of the Director of Human Resources & Risk Services Director.

**5.8 Lateral Transfer**

An employee shall be laterally transferred when:

5.8.1. The employee is moved to a position with the same classification or to a position with another classification having the same pay range.

5.8.2. The employee's position is reclassified to a different classification having the same pay range.

5.8.3 Pay Policy

An employee shall not be eligible for a salary increase at the time of the lateral transfer. (To be eligible for promotion or transfer outside the employee's department, an employee must have completed his/her initial one (1) year probationary period of employment. To be either promoted or transferred, an employee must meet the minimum requirements of the positions as identified.)

**5.9 Extra Pay for Acting Assignments (Interim Pay)**

When an employee is requested to serve in an "Acting" role in a position that represents a higher pay grade, a supplemental pay increase may be paid. Acting appointments typically occur when another employee is on approved leave or the length of time to fill a critical vacant position is expected to be longer than 30 days. Acting appointments must be for a minimum of 30 days and should not exceed 6 months. The temporary pay increase cannot exceed the amount of increase the employee would receive if regularly promoted into the position. Interim pay increases must be approved by the Director of Human Resources & Risk Services or appropriate Department Head before being implemented and processed.

**5.10 Employees on or Returning from a Leave of Absence**

Compensation actions will not be processed while employees are on an approved leave of absence. Any approved increases during the duration of an approved leave of absence may be implemented upon the employee's return and effective on the first pay date of the month following the employees return to work date.

**5.11 Budget Limitations**

The implementation of policies and procedures pertaining to payment of salaries is contingent upon funds being available, i.e. the organization's ability to pay.

**5.12 Exceptions**

Requests for exceptions to the above guidelines that will not result in an increase in the amount budgeted for the position in question must have prior approval of the City Manager and the Director of Human Resources & Risk Services. Requests for exceptions that will result in an increase in the amount budgeted for the position must be approved by the City Manager before the increase can be implemented.

**5.13 Reclassification of an Occupied Position**

The reclassification of an established position is considered an administrative promotion and should be a direct result of an identifiable organization change that has significantly impacted or altered the position responsibilities of the incumbent. A departmental request for a reclassification review should have prior approval of the appropriate Department Head and the City Manager. Reclassification of an occupied position may result in the upgrade, downgrade, or change to another job classification. Salary adjustments for the incumbent will be subject to the pay policies on promotions, demotions, and transfers.

**6.0 Procedures**

- 6.1 The requesting department determines the need for a review of an existing position on the basis of new responsibilities or reorganization of the department, which significantly affect job assignments of a position.
- 6.2 The supervisor will complete a position description form. The incumbent in the position may be asked to complete a job questionnaire, which can be utilized as a tool in the completion of a job description form. The position description form will be reviewed and signed by two levels of supervision, and then forwarded to the Department of Human Resources & Risk Services.
- 6.3 The Department of Human Resources will evaluate the drafted position description and consult with the requesting department to verify job duty information (if necessary).
- 6.4 The Department of Human Resources & Risk Services will document the results of the reclassification request. If the request is denied, reasons will be provided to the requesting department.

6.5 **Salary Administration Policy**

The Department of Human Resources will forward the updated position description to the requesting department. A Personnel Action Form (PAF) should be forwarded to the Department of Human Resources to effect any change in the incumbent's status.

7.0 **Total Compensation Summary**

The Department of Human Resources will produce a statement of total compensation for each faculty and classified employee on an annual basis. This document will depict the total amount of direct and indirect compensation the employee receives with the intent of communicating the total rewards package.