



Changes in Employee Status Affecting Compensation

The City of Gainesville recognizes that, as part of an individual employee's Compensation Life Cycle, various events apart from performance-based merit awards or general increases may occur that affect his or her compensation either on a regular or temporary basis. Many of these are milestone events such as the initial job offer or promotional pay increases, while others are short term such as special assignments. This Policy describes how compensation should be established in each circumstance.

Collective bargaining agreements also define aspects of compensation for bargaining-unit employees and may take precedence over this Policy. Appropriate aspects of this Policy will be offered to bargaining-unit employees through the collective bargaining process.

I. Salary Determination Upon Selection

- A. New Hire – the appropriate pay rate for a new employee will be established based on the employee's knowledge, skills, and abilities for the classification and market conditions. Consideration will be given, but not limited to, the employee's prior experience performing similar work, on-the-job experience on a temporary basis, level to which the employee meets or exceeds the minimum requirements for the classification, difficulty in recruiting and/or retaining incumbents in the classification, and internal equity to other employees in the same, similar, or related classifications.

The Human Resources Department negotiates starting pay with the candidate and, in preparation, will work with the hiring manager to establish an appropriate job offer. The Department Head may approve an initial job offer within the first quartile of the appropriate pay range (bottom 25%). A job offer in the second quartile of the appropriate pay range requires Human Resources' review of internal equity, candidate experience and qualifications, and market conditions, and requires approval by the Human Resources Director or appropriate Charter Officer. Any job offer above the mid-point of the pay range requires the same Human Resources review and approval by the appropriate Charter Officer. Any job offer made above the minimum of the appropriate pay range must be supported by objective evidence demonstrating the need to depart from the minimum.

- B. Promotion – the appropriate pay rate for an employee promoted to a classification compensated at a higher level than the employee’s current classification will be determined based on the employee’s knowledge, skills, and abilities and market conditions for the higher classification. Consideration will be given, but not limited to, the employee’s prior experience performing similar work, overtime worked if prior classification was hourly, on-the-job experience on an interim or temporary basis, level to which the employee meets or exceeds the minimum requirements for the classification, difficulty in recruiting and/or retaining incumbents in the classification, and internal equity to other employees in the same, similar, or related classifications.

The Human Resources Department negotiates the promotional pay increase with the candidate and, in preparation, will work with the hiring manager to establish an appropriate pay increase. At a minimum, the pay rate of an employee promoted to a higher compensated classification will be advanced 5% or to the minimum of the range of the higher classification, whichever is greater. Based upon the employee’s qualifications, as documented by objective, demonstrated evidence, the manager is authorized to offer up to a 10% pay increase as long as the offer is within the first quartile of the appropriate pay range. Any pay increase greater than 10% or that exceeds the first quartile of the pay range requires Human Resources’ review of internal equity, candidate experience and qualifications, and market conditions, and requires approval of the Human Resources Director or appropriate Charter Officer. Any pay increase made over the market mid-point of the appropriate pay range requires the same Human Resources review and approval of the appropriate Charter Officer. Any pay increase made above 5% or the minimum of the pay range must be supported by objective evidence demonstrating the need to depart from the 5% or minimum.

- C. Lateral Transfer to Different Classification - the appropriate pay rate for an employee accepting a position in a different classification compensated at the same level of the employee’s current classification is considered a lateral appointment and the pay will be determined based on the employee’s knowledge, skills, and abilities and market conditions for the classification. Consideration will be given, but not limited to, the employee’s prior experience performing similar work, on-the-job experience on an interim or temporary basis, level to which the employee meets or exceeds the minimum requirements for the classification, difficulty in recruiting and/or retaining incumbents in the classification, and internal equity to other employees in the same, similar, or related classifications. In most cases, no change in pay shall be offered.
- D. Lateral Transfer to Same Classification – the appropriate pay rate for an employee who accepts a position in another department or division in the

same classification that is in the same pay range as the employee's current classification will not receive a change in salary.

- E. Voluntary Demotion – the appropriate pay rate for an employee who accepts a position as a result of a competitive selection process in a classification compensated lower than the employee's current classification will be determined on a case-by-case basis based on the employee's knowledge, skills, and abilities for the lower classification, as well as whether the employee's current salary is within the range of the lower classification, difficulty in recruiting and/or retaining incumbents in the classification, and internal equity to other employees in the same, similar, or related classifications.

If an employee's current salary exceeds the maximum of the pay range for the lower classification and the lower classification is not part of a must-progress Progression-Through-Training Program (PTTP), the pay of the employee may be reduced to the maximum of the range of the lower classification. If the voluntary demotion is in a must-progress PTTP, the pay of the selected employee will be based on where the employee's knowledge, skills, abilities and training would otherwise place him/her in the PTTP pay range, regardless of the employee's current salary. This placement within the PTTP may result in the employee's pay being reduced. All future pay increases will be governed by the provisions of the approved PTTP.

At no time will the pay of an employee accepting a voluntary demotion to a lower compensated classification be increased except as in the aforementioned PTTP scenario.

II. Other Pay Adjustments

A. Involuntary Demotions

1. **Disciplinary** – the appropriate pay rate for an employee who is involuntarily demoted to a lower classification as a result of disciplinary action will be determined on a case-by-case basis based on the employee's knowledge, skills, and abilities for the lower classification, as well as whether the employee's current salary is within the range of the lower classification, difficulty in recruiting and/or retaining incumbents in the classification, and internal equity to other employees in the same, similar, or related classifications. In every case, such employees' pay rate shall not exceed the maximum of the pay range for the lower classification to which they are demoted.
2. **Non-disciplinary** – the appropriate pay rate for an employee who is involuntarily demoted for non-disciplinary reasons (for example, as a result of a reorganization or to address budget cuts) will be determined on a case-by-case basis based on the employee's knowledge, skills, and

abilities for the lower classification, as well as whether the employee's current salary is within the range of the lower classification, difficulty in recruiting and/or retaining incumbents in the classification, and internal equity to other employees in the same, similar, or related classifications. In the case where such employees' pay rate is currently above the maximum of the pay range for the lower classification and such employees' knowledge, skills, and abilities warrant it, the applicable Charter Officer may "redline" such employees (i.e., such employees will maintain their pre-demotion pay rate, but they will not be eligible for pay rate increases until such time when their pay rate falls below the maximum of the pay range for the lower classification).

B. Reclassification

As a result of a job audit, a position may be reclassified and due to the reclassification the pay range for that position may move up or down. If the pay range for that position is moved up or down, the following applies:

1. **Reclassification Downward** – the appropriate pay rate for an employee reclassified downward will be determined on a case-by-case basis based on the employee's knowledge, skills, and abilities for the lower classification, as well as whether the employee's current salary is within the range of the lower classification, difficulty in recruiting and/or retaining incumbents in the classification, and internal equity to other employees in the same, similar, or related classifications. In the case where such employees' pay rate is currently above the maximum of the pay range for the lower classification and such employees' knowledge, skills, and abilities warrant it, the applicable Charter Officer may "redline" such employees (i.e., such employees will maintain their pre-demotion pay rate, but they will not be eligible for pay rate increases until such time when their pay rate falls below the maximum of the pay range for the lower classification).
2. **Reclassification Upward** – the appropriate pay rate for an employee reclassified upward will be an upward adjustment of **at least** five percent (5%) or movement to the bottom of the pay range of the new classification, whichever is greater.

- C. Interim (Acting) Appointments – the pay rate for non-represented employees appointed on a temporary basis of at least 30 days (assignments of 30 days or less will be classified as developmental opportunities for appointed employees and are not eligible for additional compensation) to a higher level vacant managerial or professional classification authorized in the department's budget, and responsible for the majority of the duties of the higher level classification may be advanced 5% above the employee's current base pay or the minimum of the vacant or acting pay range, whichever is higher. Justification for compensation greater than 5% must be approved by

the appropriate Charter Officer in advance of offering the assignment to an employee. Notice of increases greater than 10% must be provided to the City Commission. Factors that should be considered in establishing the pay rate may include, but not be limited to, the following:

1. Expected duration of the assignment
2. The degree of difference between the positions
3. The circumstances surrounding the need for the assignment
4. Whether the appointed employee would be a candidate for the regular position (if assignment is due to a current or anticipated vacancy)
5. Degree to which the employee is assuming the full scope of responsibilities of the position (for acting assignments only)
6. Whether there is a back-fill for the employee's regular position or if the employee will continue to be responsible for all or part of their regular duties in addition to performing all the duties of the acting assignment

Under no circumstances will an employee be compensated at a rate greater than the maximum of the pay range of the higher classification to which they are appointed on an interim basis.

Employees appointed to acting assignments will continue to receive normal pay increases during the period of such assignment based on their regular position's base pay excluding the additional compensation for the acting assignment. Upon determining the new base pay, the additional compensation for the assignment will be added to determine the employee's new compensation for the acting/special assignment. Should an assignment be of such duration that the employee cannot be evaluated in the employee's regular classification; such employee will receive a pay increase based on the average increase provided to other employees in the same employee group (i.e., managers or professionals).

Employees appointed to acting assignments for greater than one year who are then selected to fill the vacant position on a regular basis will receive a promotional increase calculated on their acting salary (i.e., base pay plus acting rate times promotional increase rate).

A written justification for appointing an employee on an interim basis to an exempt classification must be provided to the appropriate Charter Officer and approval of the assignment approved by the Charter Officer in advance of the appointment of an employee.

- D. Special Assignments – most special assignments receive no additional pay as they are performed within the scope of an employee's regular position and may offer cross-training or developmental opportunities. However, management has the discretion to temporarily increase the base pay of an employee 5 % to 10% for the duration of a special assignment. Increases

greater than 10% must be approved by the appropriate Charter Officer in advance of offering the assignment to an employee, and notice of such assignment shall be provided to the City Commission. Factors that should be considered in establishing the pay rate may include, but not be limited to, the following:

1. The need for the employee's unique understanding and knowledge of the project
2. The special assignment must be beyond the normal scope of responsibilities of an employee's regular classification as defined by the employee's job description
3. The employee must continue to perform the duties of his or her regular job
4. The duration of the assignment
5. The degree of difference between the positions
6. The circumstances surrounding the need for the assignment

Special assignment pay must be paid through the annual City Commission approved budget dollars. For Charter Officers with fewer than 25 employees, special assignment pay is limited to 2% of the budgeted MAP personal services dollars. For Charter Officers with 25 or more employees, special assignment pay is limited to 1% of the budgeted MAP personal services dollars.

E. Equity Adjustments

When management becomes or is made aware that two or more employees having substantially equal job related experience, qualifications, and records of performance in a specific City job are paid at a base rate of pay that is substantially different, the concerned department may seek authorization to effect an equity adjustment for the employee or employees assigned to a substantially lower base rate of pay. "Qualifications" shall mean education, training, licenses, certifications, and other credentials that are directly related to the City job. Equity adjustments may only be made with prior review by Human Resources and approval of the appropriate Charter Officer.

Equity adjustments must be paid through the annual City Commission approved budget dollars. For Charter Officers with fewer than 25 employees, equity adjustments are limited to 2% of the budgeted MAP personal services dollars. For Charter Officers with 25 or more employees, equity adjustments are limited to 1% of the budgeted MAP personal services dollars.

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