



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Deborah Ford
Labor Negotiator

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Memorandum

To : Department Heads, Personnel Officers, and Payroll Personnel

From : Maria Monteagudo, Employee Relations Director

Re : Performance-based Pay Progression Information for Group B Employees

This memo provides the most current information on how to prepare to administer performance based pay progression for GROUP B employees in June. As you know Common Council file #151209 authorizes salary adjustments for Group B employees effective Pay Period 14 of 2016.

Employees with salary anniversary dates in Pay Periods 1 – 13 of 2016 should be evaluated in Pay Period 14 and the salary increase, when granted, will be effective Pay Period 14. Employees with salary anniversary dates between Pay Periods 14 – 27 will be evaluated on or near the salary anniversary date but the salary increase, when granted, will be effective retroactive to Pay Period 14, 2016, per the guidelines established by DER. Please note that retroactive adjustments for eligible employees will be processed approximately 2 pay periods after the new rates are established in HRMS and that lump sum adjustments for eligible employees who are at the maximum of their pay range or capped by the Mayor's salary will be paid at the end of the year.

We understand that departments are in the process of drafting forms and protocols to be used to administer pay progression for GROUP B employees. This memo contains critical information to assist you in this endeavor by identifying the required components of the performance appraisal form and the required rating scales to be used to ensure consistency across departments. Please share this information with departmental personnel responsible for those functions.

Funding of Salary Adjustments

Funding for salary increases has been established in the Wage and Supplement Fund at the level of 2% of your department's February of 2016 payroll. Generally, departments will be limited to this funding allocation when determining salary adjustments for GROUP B employees. Given the funding restrictions, it is *generally* expected that no more than 20% of eligible employees will be rated as exceptional. It is also anticipated that approximately 15% of the employees will not be eligible for an adjustment due to disqualifying criteria established in the guidelines prepared by DER or as a result of receiving an overall unsatisfactory performance rating.

By the end of this week you will receive an electronic roster of all GROUP B employees within your Department/Division. The roster will identify the overall funding allocation available to your department based on employees on the payroll as of February of this year. Please audit the roster and contact Nicole Fleck at X3371 with employee eligibility status or funding allocation questions/concerns.

The roster is to be used as a planning tool to ensure that each department works within their budget allocation. It will consequently identify the following information:

- The current rate of pay of all employees within your department/division, the pay range the position is assigned to, the midpoint and maximum of the range;

- employees who are eligible to receive a base building salary adjustment based on criteria established by DER;
- employees who are not eligible to receive a salary adjustment because they were initially appointed to their position in 2016;
- employees who will establish an *initial* salary anniversary date in Pay Period 15 – 27 of 2016 and who will not be eligible for the *retroactive portion of the adjustment*;
- employees who are near the maximum of their pay range who are eligible to receive an increase but such increase or a portion of the increase may be capped by either the pay range maximum or by the Mayor’s salary;
- employees who are at or above the maximum of the pay range or capped by the Mayor’s salary and may be eligible for a lump sum adjustment only.

A formula is built into the excel file that will enable you to enter the employee’s overall rating score in order to calculate the corresponding increase or adjustment at either 2% or 4% of the midpoint of the range.

Performance Appraisal Form Components and Rating Criteria

For the purpose of conducting performance appraisals for GROUP B employees departments will be allowed to use a performance appraisal form that suits their needs as long as it includes the essential components identified below:

- A section that assesses the employee’s performance in relation to his/her **Key Responsibilities Areas (Section A)**.
- A section that assesses the employee’s proficiency in relation to **Job Specific Core Competencies** from a master list of Competencies provided by DER. **(Section B)**. DER will make available a master list of competencies from *Workitect’s* Competency Coding Workbook to be used by departments. This tool includes thirty-five competencies dealing with definitions and behaviors, described in levels by job role (professional/specialist > supervisor/manager >director/executive) and levels of proficiency (basic >proficient>advanced). The Competency Coding Workbook is available in the Pay Progression Toolkit from DER’s website.
- A section for the employee’s **Overall Performance Rating** – This section documents the employee’s overall performance score/ rating. This rating, determined by calculating the average score from Sections A and B, will establish the basis for the salary adjustment based on the scale presented below:

Overall Performance Rating	Average Rating Score	Salary Adjustment
Outstanding	4.0+	4%
Fully Satisfactory	2.5 - 3.9	2%
Unsatisfactory	0 – 2.4	0

- A section that facilitates a **Performance Planning** discussion and documentation for the next review period; and
- A section for documenting **Professional Development** interests and activities.

A Performance Appraisal template that includes all of the above components has been developed by DER and is available in the Pay Progression Toolkit from the DER website. Departments are

required to use the same five point scoring scales for Sections A and B identified above. Five point scales provide the greatest opportunity for supervisors to differentiate between performance levels. The uniform use of those scales will ensure consistency in the administration of salary adjustments for GROUP B employees throughout the City. If you have question or concerns regarding the Performance Appraisal Form or template, please contact Andrea Knickerbocker at X3387.

Supervisory Training

Training for supervisors and managers with no or limited experience conducting performance appraisals may be available. Please contact Victoria Robertson at X2105 to discuss your needs.

Employee Self-Assessments - Conducting the Performance Reviews

In order to facilitate a fair and comprehensive discussion of the employee's accomplishments and contributions during the review period, DER recommends asking employees to complete a Self-Assessment Form prior to the scheduled performance review meeting. While this is not mandatory, it is highly recommended as it will facilitate the performance discussion. This is different from asking the employee to complete a self-assessment using the Performance Appraisal Form, which may lead to disagreements that may be difficult to resolve. A copy of this Self-Assessment Form is available in the Pay Progression Toolkit from the DER website.

Notification of Salary Increase or Salary Adjustment Form for Group B Employees

DER notification of the salary adjustments shall be provided by each department using a form developed by DER.

Administrative Review Process

Employees who are *denied* a salary adjustment based on the results of a performance appraisal review may ask DER to complete an administrative review of the denial. Written justification for the request for review will be required including the specific area of disagreement. The scope of the DER review will be limited to the process and the criteria considered in denying the salary increase. DER's finding after such administrative review will be final.