

# Classification and Compensation Plan

## CLASSIFICATION PLAN

### **Section 1. Adoption of Classification Plan**

The City will establish and maintain a Position Classification Plan. This position classification plan shall include all regular full-time and part-time positions in the City covered under the Employee Handbook, with the exception of LPPSA, LPPNSA, IAFF, and ATU positions. The classification plan shall be maintained, and reviewed at the time a vacancy occurs, to reflect the current responsibilities and requirements and other applicable factors for all covered City positions. For each position there shall be a written position or class description which will include the following:

- a. Position or classification title;
- b. FLSA status;
- c. A position summary which explains the nature of the work responsibilities of the position;
- d. The essential duties and responsibilities;
- e. Position requirements such as the knowledge, skills, and abilities necessary for performance of the work;
- f. A statement of the education, experience and training required, and desired (if different) for recruitment;
- g. Specialized requirements such as licensures, certifications, or registrations; and
- h. Physical requirements and working conditions in compliance with the Americans with Disabilities Act.

### **Section 2. Maintenance of Classification Plan**

The Director of Human Resources shall be responsible for the preparation, administration and maintenance of the classification plan to ensure that position classifications accurately reflect the essential duties and responsibilities, required knowledge, skills, and abilities, and other position requirements. Department Heads shall be responsible for notifying the Director of Human Resources of substantive changes in the nature of the duties, responsibilities, working conditions, or other factors affecting the classification of any existing position in their department.

The Director of Human Resources shall review and analyze changes in position classifications and determine whether the change in the nature or level of duties and responsibilities warrants a revision or reassignment of the position classification, establishing a new position classification to which the position is assigned, or taking other appropriate action.

The Director of Human Resources shall determine whether changes in a position classification warrants a review of the job evaluation points assigned to a position classification and if so, whether that review results in a change in the position classifications assigned grade in the Compensation Plan.

The Human Resources Department shall maintain all official position descriptions for all City positions.

### **Section 3. Classification of New Positions**

The Director of Human Resources shall be responsible for the process of analyzing and assigning new positions to existing position classifications or developing a new position classification and evaluating the new position classification for placement in the City's Compensation Plan. Evaluations of new positions and reclassification requests will be completed by an outside consultant. New positions must be approved by the Common Council. The Director of Human Resources shall be responsible for determining the qualifications and experience level of the new position, in consultation and review with the Department Head and Mayor.

### **Section 4. Amendments to the Classification Plan**

The Common Council shall approve amendments to the Classification Plan by adding, changing, or deleting positions or classes of positions and salary grades based on internal analysis, market comparisons, authorized budget allocation and other relevant factors, based upon the Director of Human Resources recommendations.

### **Section 5. Use of the Classification Plan**

The classification plan is used for the following:

- a. As a guide for recruiting and determining eligibility of applicants for employment in City positions;
- b. In determining lines of promotion and promotion eligibility;
- c. Determining compensation levels for position classifications, and;
- d. Providing uniform job terminology

### **Section 6. Administration**

The City of La Crosse Common Council authorizes the Director of Human Resources to implement the Classification Plan.

### **Section 7. Request for Reclassification**

Requests for reclassification of a position to a higher classification grade should be submitted, in writing, by the Department Head to the Human Resources Department between May 1 and May 15 of each calendar year. The request should include the specific reasons for the request for reclassification, and must clearly demonstrate increased complexity and/or responsibility within their respective position. Upon receipt of the request the Director of Human Resources shall study the request and determine the merit of the request for reclassification. If the Director of Human Resources determines a reclassification is justified, a recommendation shall be presented to the Common Council. If approved by Common Council, the Director of Human Resources or their designee shall make the necessary changes to maintain a fair, equitable and accurate classification plan.

## **COMPENSATION PLAN**

### **Section 1. Coverage of the Compensation**

Employees shall be compensated in accordance with the Compensation Plan established by the City and adopted by the Common Council and administered by the Human Resources Department. Positions covered by LPPSA, LPPNSA, IAFF and ATU are not included in the City's Compensation Plan. The City shall develop and maintain a compensation plan based on equitable compensation relationships for all position classifications covered by the Compensation Plan in accordance with state and federal laws.

The compensation plan shall include all regular full time and regular part-time position classifications covered under the Employee Handbook of the City.

## **Section 2. Objectives**

The City recognizes that employees play a significant role in the provision of services in the community. The City strives to recruit and retain high quality employees to provide public services. The City has identified the following objectives in its Compensation Plan:

- Provide fair and equitable rates of pay to employees
- Develop a system that establishes a market rate and salary range for each position.
- Establishes rates of pay that allows the City to successfully compete for, recruit and retain qualified employees
- Establishes a market position which is fiscally responsible with public resources
- Ensures consistent administration throughout the City

The City upholds the principal of equal employment opportunity (EEO), basing differentials in pay solely on qualifications, position responsibilities and individual performance without regard to non-position related attributes. No individual shall be discriminated against with respect to compensation because of race, color, creed, religion, political affiliation, sex, age, national origin, sexual orientation, marital status, veteran's status, disability or any other group or class against which discrimination is prohibited by state or federal law.

## **Section 3. Compensation Plan**

The compensation plan is designed to establish and maintain a salary structure which attracts, motivates, recruits and retains qualified employees and is competitive with the local labor market. These objectives are accomplished through the use of:

- a. Formal job evaluation system.
- b. Competitive compensation structure with salary increases based on factors as determined by the Common Council.
- c. The compensation plan will consist of salary grades with an established minimum, midpoint, and maximum rate. Position classifications will be placed in a salary grade based on the formal job evaluation ranking of the position classification and upon market considerations.
- d. The overall compensation plan (pay and benefits) will be reviewed and evaluated on an annual basis. Recommended changes shall be communicated to the Common Council and employees.
- e. The overall compensation (pay and benefits) may be limited by budgetary constraints (available revenues) and be structured accordingly.

The compensation plan is structured with twenty (20) grades with an approximate seven (7%) percent spread between grades. Each grade is comprised of eleven (11) steps with a 2.75% spread between steps.

#### **Section 4. Maintenance of Compensation**

The Director of Human Resources or their designee shall review the status of the compensation plan annually and evaluate any amendment(s) necessary to maintain an up-to-date and competitive compensation structure.

The Director of Human Resources or their designee, in consultation with the Mayor, shall make recommendations for modifications to the plan to the Common Council based upon a study of local economic conditions, the financial state of City government, and market conditions of position classifications and other relevant factors deemed appropriate for consideration.

#### **Section 5. Payment at Listed Rate**

All employees covered by the compensation plan shall be paid within the pay range established for their respective position classification.

#### **Section 6. Rate of Pay upon Hire (New employee)**

Employees will start at the Minimum Rate of the Pay Grade if the employee has the minimum skills and abilities required in the job description. The hiring supervisor, with the approval of the Human Resources Director, can start experienced individuals up to Step 6. Any requests for placement above Step 6 may occur only with the approval of the Common Council. Exceptions to this Step 6 limitations will be granted for Public safety command positions, IT positions and Attorney positions. These positions may hire above Step 6 without Council approval.

Human Resources shall consider internal equity of incumbent employees in the classification and department when making an employment offer for compensation above the minimum rate established for the classification. The salary may not exceed the maximum rate of the range of the salary grade to which the position is assigned.

A starting wage above step 6 (midpoint) in the compensation plan for “new employees” shall require the approval of the Common Council upon the recommendation of the Director of Human Resources, the Department Head and the Mayor. The compensation level of current employees in the same classification will not be increased to provide a higher rate of pay for a new hire. Department Heads are not authorized to present compensation offers to potential candidates. It is the responsibility of the Human Resources Department to present all employment offers to potential employees, including wage and benefit levels.

#### **Section 7. Salary Adjustments**

The Director of Human Resources or their designee shall be responsible for implementing all salary adjustments. Employees shall be advised of all salary changes. Salary adjustments may occur as a result of the following:

- a. Across the Board Increase:** The Common Council may grant an across the board adjustment each fiscal year based on the recommendation of the Director of Human Resources or their designee and the Mayor, and budgetary considerations. The increase shall be applied to the midpoint (step 6) of each grade; the remaining steps are calculated from the midpoint, maintaining a 2.75% differential between steps. Subject to funding, changes to the compensation plan shall take effect on the first full pay period in January of each year.

- b. **Step Increase:** Step increases for those employees who have not reached the maximum of the range assigned to their position may be authorized by the Common Council. Annual performance will be the determining factor for a step increase. Employees who leave City employment prior to the first day of the pay period of the first full pay period in July are not be eligible for a step increase or stipend.
- c. **Demotion – Performance Related:** An employee may receive a decrease in salary due to a demotion to a lower level position assigned to a lower salary grade. The new salary must fall within the range of the new position classification, and be an established step within the salary grade.
- a. **Promotion:** The salary of an employee promoted, or assigned an interim appointment, will be placed at the Minimum Rate of the new salary range; OR the step closest that provides a 5.5% increase, if over the Minimum Rate. There may be situations in which a 5.5% increase may be insufficient, and compression may be a problem. In those situations, the Human Resources Director may grant up to 10% to alleviate a compression situation. Consideration for an exception shall include current market of qualified candidates for the position and delayed eligibility for step increase of more than 16 months. The new salary must fall within the range of the new position classification, and be an established step within the salary grade. Promotion or interim assignment may only occur when a position is vacated. At the completion of the interim assignment the employee would return to their former position, at the step they would have been placed at had they remained in the position.
- d. **Reclassification:** When a position is reclassified resulting in the assignment of the position to a different salary grade, the Director of Human Resources or their designee has the discretion to adjust the salary upward, provided that the adjusted salary does not exceed the maximum of the new salary range. The salary will be adjusted by placing it in the step which is closest to, or equal to, the employee's current rate however it shall not result in a pay decrease. In cases where the current salary is below the minimum of the new grade the salary shall be brought up to the minimum of the new salary grade. Employees who experience a *negative* change in pay grade as a result of reclassification may not experience a reduction in pay. If the employee's present pay falls within the new range, the employee will be placed in the new range at the step closest to their current pay, without a decrease. If the employee's current pay exceeds the new range maximum, the employee will maintain their current rate of pay however would not be eligible for further base-accumulating pay increases until his/her pay is again within the pay range for the new position.
- e. **Transfer:** The Director of Human Resources or their designee may adjust the salary of an employee transferred to a new position based on qualifications and relevant prior experience, within the established pay grade. Human Resources shall consider internal equity of incumbent employees in the classification and department when making an employment offer for compensation above the minimum rate established for the classification. Employees who transfer to a position with the same job title shall receive no adjustment in base pay.

## **Section 8. Performance Evaluations and Step Increases**

Performance evaluations are conducted on an annual basis to provide a planned and orderly means of evaluating individual performance. The performance evaluation provides an opportunity for performance feedback and to establish goals and objectives for the upcoming performance period. It is meant to improve employee performance at virtually any level of performance. The following principles shall be followed for the administration of the performance evaluation program:

- a. Step increases are subject to funding by Common Council through the budgetary process.
- b. Subject to funding and eligibility requirements for step increases, step increases shall be effective the first full pay period in July.
- c. Performance evaluations shall be conducted annually, and shall serve the evaluation period of June 1 (previous year) through May 31 (present year). Human Resources will provide Performance Evaluation forms to be used in evaluating employee's performance. All evaluations must be received in Human Resources by the end of June. Failure to do so will result in the delay of the step increase for the employee.
- d. An employee must receive an overall rating of "exceptional", "exceeds expectations" or "meets expectations" to be eligible for a step increase. Progression shall be limited to one step. Employees at or above the top step who meet the established performance factors shall receive a \$750 performance stipend, subject to Common Council funding. The stipend shall be received in the paycheck representing the first full pay period in July. Employees who leave City employment prior to the first day of the pay period of the first full pay period in July are not be eligible for a step increase or stipend.
- e. The responsibility for conducting performance evaluations is delegated to the employee's immediate supervisor. The Department Head is responsible for reviewing the completed performance evaluations to ensure accuracy and consistency within the Department. The Human Resources Department will review all evaluations to ensure consistency city-wide.
- f. Department Heads will be evaluated in a closed session by the Mayor and designated member(s) of the Executive Committee. Members of the Common Council may provide written input to the evaluators. While in closed session only the Mayor and member(s) of the Executive Committee may participate in the performance evaluation.
- g. Guidelines for conducting effective performance reviews are available in Human Resources.
- h. The original performance evaluation, as well as employee self-evaluation or comments, shall be maintained in the employee's personnel file.
- i. All personnel should understand clearly that step increases are based upon performance and not upon the mere passage of time.
- j. If no increase has been recommended, the reason for this will be communicated to the employee by their immediate supervisor. A performance improvement plan will be initiated.
- k. Any new, transferred or promoted employee placed into their position on or after January 1 will not be eligible for the initial step advancement.

**Section 9. Effective Date of Salary Changes**

Salary changes shall become effective on the date of the transfer, promotion or demotion, and if possible, occur on the first day of a pay period.

**Section 10. Advance on Wages**

There shall be no advance on wages and no paycheck will be released early.

**Section 11. Amendments to the Compensation Plan**

The Common Council reserves the right to modify or eliminate all or any portion of the Compensation Plan at any time.