IV. COMPENSATION PLAN

Section 1. PAY SCHEDULE

The pay of City employees shall be on the basis of the official grade table of rate schedules prescribed in the Pay and Classification Plan approved by the City Manager, or pursuant to the provisions of Collective Bargaining Agreements.

Section 2. ADMINISTRATION OF THE PAY PLAN

Pay ranges are intended to furnish administrative flexibility in recognizing differences among positions, to provide employees incentive, and to reward employees for performance.

Employees will be paid in accordance with the rates established in the pay plan for the position classifications to which appointments are made.

The Human Resources Department shall have responsibility for the uniform and consistent administration of the pay plan, including obtaining City Manager approval for all hiring rates, salary adjustments, and other payroll changes in accordance with the provisions of this policy manual.

Section 3. PAY RATE UPON INITIAL HIRE

The pay rate at time of appointment to any position, generally, will be the minimum rate for the position grade. Compensation at higher rates may be considered when experience, skill, training, or conditions of the labor market justify such action. Salary offers above the minimum rate of the pay grade, if requested by the hiring authority, require approval of the Human Resources Director and City Manager/designee. All salary offers, in conjunction with offers of employment, including in-house promotions, demotions, and transfers, are made by the Human Resources Department.

The pay rate upon initial hire of an employee whose position is governed by a labor union shall be in accordance with the provisions of the applicable collective bargaining agreement.

The City Manager will have the authority to establish the pay rate of a Department Director upon appointment or promotion, within the pay range, commensurate with the responsibilities of the position and competitive with other public agencies.

Section 4. PAY RATE AFTER LEAVE OF ABSENCE

If an employee is reinstated to the same or comparable position after an approved Military or Family and Medical Leave of Absence, the pay rate upon

reinstatement will be the same rate as was in effect at the time of departure, or a higher rate if a negotiated or City Council approved salary increase occurred during the leave period.

Section 5. PAY RATE UPON REHIRE

If a former employee who left the City in good standing is rehired by the City, the employee's pay rate, upon hire, will be determined at the discretion of the City Manager.

Section 6. PAY RATE UPON TRANSFER OR RECLASSIFICATION

The following applies to employee transfers and position reclassifications:

- Lateral transfer or reclassification - pay rate will remain the same.

- Reclassification to a more appropriate pay range, in which the incumbent(s)' current salary is appropriate to the new grade/range - no automatic increase/decrease in pay rate.

- Reclassification to a more appropriate pay range, in which the incumbent(s)' current salary is below the minimum rate, above the maximum rate, or is not appropriate to the new pay range, based on factors including, but not limited to, tenure, salary of other employees in the new grade and their tenure, etc. - a salary adjustment will be processed in accordance with the promotional policy.

- If the incumbent(s) job responsibilities have been effectively changed by the city and this action created a need to reclassify the position higher or lower in the classification plan, the incumbent(s) salary will be adjusted in accordance with the promotion or demotion policy.

- If the reclassification is the result of a market salary adjustment, it shall be considered an **equity adjustment**. The incumbent shall be placed in the new pay grade according to their years of experience doing the job; the promotional percentage will not be used for calculating the new salary. The pay rate will be revised so that the incumbent(s) salary is the same percentage above the minimum rate of the new pay grade as it was in the prior pay grade.

Section 7. PAY RATE UPON PROMOTION

When an employee is promoted to a position with a higher grade level, his pay rate will be increased based upon the number of pay grades between his original pay grade and the pay grade to which promoted, as follows:

1 Grade	2 or 3 Grades	4 or 5 Grades	6+ Grades
5%	7%	10%	15%

or the minimum rate of the pay grade of the higher classification, whichever is greater.

The pay rate of an employee promoted to a position as Department Director shall be determined by the City Manager within the pay range of the position commensurate with the responsibilities of the position and will not necessarily be governed by the above parameters.

In no case shall the pay rate upon promotion exceed the maximum rate of the grade to which the employee is promoted.

Section 8. PAY RATE UPON DEMOTION

When an employee is demoted voluntarily, the pay rate will be decreased so that his salary is the same percentage above the minimum rate of the lower pay grade as it was in the pay grade prior to demotion. In the case of the demotion for cause, organizational/administrative reasons, or for purposes of an accommodation, the pay rate will be determined by the City Manager.

Section 9. TEMPORARY DUTY ASSIGNMENTS (WORKING ABOVE CLASSIFICATION) AND ACTING/INTERIM ASSIGNMENTS

A. TEMPORARY DUTY ASSIGNMENTS

If an employee is **designated/ordered by his supervisor,** as outlined in a memorandum, to work in a higher job classification, other than as a Department Director, requiring a greater level of difficulty/responsibility, on a temporary basis of at least eighty (80) consecutive hours due to extended sick leave, vacation, authorized leave, etc., the designated employee's salary shall be increased by five percent (5%), or the minimum rate of the pay grade of the higher classification, whichever is greater, for the duration of the assignment, effective from the first date of the assignment, only for hours actually worked (i.e., paid leave time which is taken during the temporary duty assignment will be compensated at the employee's regular rate of pay).

If an employee is **designated by the City Manager** to work as a Department Director on a temporary basis of at

least eighty (80) consecutive hours due to extended sick leave, vacation, authorized leave, etc., the designated employee's salary shall be increased by ten percent (10%),or the minimum rate of the pay grade of the higher classification , whichever is greater, for the duration of the assignment, effective from the first date of the assignment, only for hours actually worked (i.e., paid leave time which is taken during the temporary duty assignment will be compensated at the employee's regular rate of pay).

B. ACTING/INTERIM ASSIGNMENTS

If an employee is designated by supervision or by the City Manager to work in an acting/interim capacity in a higher classification or as a Department Director on a temporary basis of at least eighty (80) consecutive hours due to separation of the former employee/Department Director, the designated employee's salary shall be increased by five percent (5%) or ten percent (10%), respectively, or the minimum rate of the pay grade of the higher classification, whichever is greater, for the duration of the assignment for hours actually worked and for authorized paid leave time which occurs during the acting/interim assignment.

If a Department Director is designated by the City Manager to oversee another department/division on a temporary basis, while maintaining his regular responsibilities, the designated Department Director's salary shall be increased commensurate with the responsibilities of the assignment, as authorized by the City Manager.

Temporary duty and acting/interim assignments will not result in a change in position title, change in FLSA status (exempt/non-exempt), or a change in benefit status. This temporary duty or acting/interim salary adjustment is documented by approval of a Personnel Action Form.

It is the responsibility of supervision to ensure that the temporary salary adjustment does not continue beyond the temporary duty or acting/interim assignment and to ensure that this compensation is not given unilaterally or provided indefinitely to employees perceived to be performing duties of a higher classification and/or while the department/division is fully staffed. This compensation is solely for temporary work assignments in the absence of an employee in an authorized budgeted position for a minimum of eighty consecutive hours, as outlined above.

Section 10. ADVANCEMENT WITHIN A GRADE SCHEDULE

Advancement within a grade schedule shall be in accordance with the guidelines issued by the City Manager in conjunction with the direction of City Council through the annual budget process. This applies to both probationary and non-probationary employees; wage increases for represented employees shall be in accordance with collective bargaining negotiations.

Section 11. PAY UPON SEPARATION

An employee who separates from the City will receive his final paycheck on the next regularly scheduled payday following the date of separation. Final paychecks shall include payment for any unused leave which may be due the employee as provided in these procedures and rules.

Section 12. WAGES DUE TO A DECEASED EMPLOYEE

In the event of the death of an employee, his named beneficiary shall receive all wages, including leave benefits, which may be due the employee. This payment will be processed through the payroll system.

Section 13. OTHER SALARY INCREASES

The City Manager may grant salary adjustments, as deemed necessary, for purposes of equity or as determined to be in the best interest of the City.

Section 14. OTHER COMPENSATION/BENEFIT PROGRAMS

Depending upon employee status (i.e., full-time, part-time, represented, non-represented, etc.), the following types of compensation and/or benefit programs may be authorized:

- Employee and Dependent Health, Dental, Vision and Life Insurance.
- Short-term/Long-term Disability Insurance.
- Internal Revenue Code Section 125 (Cafeteria) Plan.
- Retirement Plan.
- Educational Assistance.
- Uniforms or Clothing Allowance.
- Certification/Incentive Pay Programs.

Section 15. CERTIFICATION/INCENTIVE PAY PROGRAMS

Certified Fire Department and Police Department employees are eligible for educational incentive monies, in accordance with the provisions of Florida Statutes, Sections 633.382 and 943.22, respectively. Incentive payments are in

accordance with the eligibility criteria and amounts outlined in the statutes; these payments are included in each paycheck.

Section 16. EMPLOYEE PAYCHECKS

City employees receive their paychecks on a bi- weekly basis.

A. MANDATORY AND VOLUNTARY DEDUCTIONS

1. The City is **required** by law to make the following **mandatory deductions** from each employee's paycheck:

FICA (Federal Insurance Contribution Act) and **OASDI** (Old-Age, Survivors, and Disability Insurance): commonly called Social Security, are legally established percentages of salary up to a certain dollar amount of salary earned in a calendar year.

Federal Income Tax (Withholding tax): the amount deducted is based on annual earnings and the number of exemptions claimed.

Retirement Contribution: a percentage of an employee's compensation (as defined by the retirement plan of which the employee is a member) is deducted each pay period on a pre-tax basis for contribution to the Police, Fire, or General Employees' retirement plans.

Internal Revenue Service (IRS) levy, child support/alimony payments pursuant to an Income Deduction Order, or other statutorily required deductions (e.g., reimbursement of a student loan to the State of Florida).

2. The City of Oviedo will make any of the following **voluntary deductions** for specific programs from employee paychecks provided the employee submits written authorization for each deduction:

- Additional withholding tax.
- Labor union dues for certified bargaining units.
- Health, dental, vision, and life insurance.

- Other voluntary insurances offered by the City.
- "Cafeteria" plan products/programs.
- Deferred compensation program contributions.
- 401(a) Money Purchase Plan Loan Repayments

Voluntary deductions, such as payment of City water bill, lien assessments, alimony/child support deduction submitted by the employee rather than via the Clerk of the Court, etc., for the convenience of employee's personal debts/obligations, are prohibited.

B. ISSUANCE OF PAYCHECKS

Employee paychecks are released by the Finance Department to each department and will be released only to the employee. If an employee is not available to receive his paycheck, he must submit a written statement authorizing its release to a person designated in the statement.

Direct deposit/payroll deduction deposits are authorized to approved institutions.

Paychecks are issued to employees on their regularly scheduled payday unless otherwise authorized as follows:

ADVANCE ON WAGES/EARLY PAYCHECK

In the case of an unforeseen emergency, an employee may submit a request for an early paycheck or for an advance on wages. Any request for an advance on wages must be submitted in writing by the employee to his Supervisor/Department Director with the reason for the request documented. In order for an advance on wages to be paid in emergency circumstances, any hours paid must already have been worked or, alternatively, the employee must have a sufficient vacation leave balance to cover the payment, in the event he does not return to work. Such emergency advances require the **prior** approval of the Department Director, Human Resources Director, and City Manager. If approved, the check will be issued by the Finance Department as soon as possible.