



Date: February 9, 2018

To: City Manager for Governance Committee Action

From: Director of Human Resources

Subject: Approve Revisions to Sections in the Personnel & Salary Resolution, Eliminate the Control Point Salary Structure for Unclassified Employees and to Authorize the City Manager to Hire Candidates Above the Entry-Level Salary.

SUBJECT

Updating the City's Personnel & Salary Resolution to revise the term Control Point to Salary Range and authorize the City Manager to hire employees above the entry-level salary.

BACKGROUND

At the Council Operational and Strategic Priority Setting Retreat held on January 19-20, 2018, the City Council directed staff in part to streamline administrative process, promote efficient use of resources, and align roles and responsibilities within the organization. This is the first of several items that the Administration will advance to the City Council for consideration.

Currently Section 12 "Hiring Above Step 1" of the Personnel & Salary Resolution only authorizes the City Manager to hire new classified employees at the lowest salary level (Step 1) for their position. Specifically, this section reads that "When a candidate recommended for hire to a classified position in City service is found to possess extraordinary qualifications through former training and/or experience, or when the City is unable to recruit qualified candidates at the first step of the appropriate salary range, the City Manager, on recommendation of the Department Head, may recommend to the City Council for approval to appoint above Step 1."

The salary structure for classified employees is based on steps.

For unclassified employees, the salary structure is based on a control point. The lowest salary level is at 85% of control point and the highest level is at 110% of control point. For miscellaneous unclassified employees the City Council approved an agenda report on January 30, 1996 titled Control Point Based Compensation Plan for Unclassified Management Employees (Unit 9 Miscellaneous) (see Attachment 1). For Police Management and Fire Management, the City Council also approved an agenda report on November 18, 1997 titled Control Point Compensation Program for: (1) Adoption of Control Point Based Compensation Plan for Employees Represented by Employee Bargaining Unit 9A (Unclassified Police Management); and (2) Adoption of Control Point Based Compensation Plan for Employees Represented by Employee Bargaining Unit 9B (Unclassified Fire Management) (see Attachment 2). Both of these agenda reports include sections that reference new hire salaries and they read as follows: "New Hire Salary - This establishes the initial salary when hired and is generally set at the lower range level (85% of the control point salary). The City Manager shall have the authority to establish the salary of a newly hired member of Unit #9, Unit 9A and Unit 9B at any point on the salary range below the Control Point, based on qualifications. Assignment at or above the Control Point is subject to approval by the City Council." It is important to note that the concept of a control point

is not consistent with current human resources best practices. In recent years cities have eliminated control points and established salary ranges.

Therefore, for all hires above Step 1 for classified employees, or above 100% of Control Point for unclassified employees, staff prepares Reports to Council to seek approval. This often results in hiring delays due to agenda processing and losing qualified candidates due to inflexible hiring practices. In addition to quite a lot of staff time being used to prepare, review, and place the Reports to Council on the Council agenda, it is also worth surfacing the appropriateness of the City Council's role in hiring, appointing, and setting an individual employee's compensation with respect to Charter alignment and proper Council activity. The Civil Service rules and Council approves salary steps provide for appropriate authority and parameters for the Administration to fulfill its responsibilities as the appointing and hiring authority.

Staff surveyed local jurisdictions (Campbell, Cupertino, Gilroy, Milpitas, Mountain View, Palo Alto, and San Jose) and all of those agencies' City Managers have authority to hire employees at top step for both classified and unclassified employees. This often means that neighboring cities' recruitments are quicker and more streamlined and gives them a competitive edge in attracting qualified candidates.

DISCUSSION

Streamlining this process and allowing the City Manager to hire up through Step 5 for classified employees and anywhere in the unclassified job's salary range will expedite the City's recruitment process and is reflective of current hiring practices of neighboring jurisdictions. Therefore, staff recommends that the Council amend the Personnel & Salary Resolution (see Attachment 2) as follows:

Section 9 (b) Compensation Plan Unclassified Employees

Staff recommends amending this section by removing the control point and establishing a salary range consistent with the current range.

Section 12 Hiring Above Sep 1

Staff recommends to retitle this section to "Hiring Above the Entry Level Salary" and to amend this section by authorizing the City Manager to hire a candidate above Step 1, up to and including Step 5 for classified employees and at any point within the salary range for a job classification for unclassified employees.

This recommended change to Section 12 of the Personnel & Salary Resolution will only affect the City's hiring practices. Wage increases will still be subject to MOU provisions for bargaining groups. For unclassified employees, there will no longer be any reference to Control Point; instead the Compensation Schedule will refer to a Salary Range. This section of the Personnel Salary will also include language for unclassified employees that will be consistent with the current practice of authorizing merit increases within the Salary Range.

FISCAL IMPACT

Hiring above the lowest salary level will continue to be monitored by the City. In the event such hiring has a fiscal impact, the City Manager will require the hiring department to justify the hiring rate by demonstrating salary savings or through other savings within the department.

ENVIRONMENTAL REVIEW

Not applicable; this is not a project under CEQA.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's office-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office beginning the Thursday evening before the Tuesday meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.


RECOMMENDATION

Approve (1) the amendment of Section 9 (b) of the Personnel and Salary Resolution to eliminate the control point salary structure and establish a salary range for Unclassified Employees and (2) the amendment of Section 12 of the Personnel and Salary Resolution to authorize the City Manager to hire Classified and Unclassified employees above the entry level salary.



Elizabeth Brown
Director of Human Resources

APPROVED:



Deanna J. Santana
City Manager

Attachments

Attachment 1: Control Point Based Compensation Plan for Unclassified Management Employees (Unit 9 Miscellaneous)

Attachment 2: Control Point Based Compensation Program for: (1) Adoption of Control Point Based Compensation Plan for Employees Represented by Employee Bargaining Unit 9A (Unclassified Police Management); and (2) Adoption of Control Point Based Compensation Plan for Employees Represented by Employee Bargaining Unit 9B (Unclassified Fire Management)

Attachment 3: Revised Personnel & Salary Resolution, redlined.

Meeting Date: 1/30/96Council ☒Agency ☐OSA ☐

RECEIVED AGENDA REPORT

Agenda Item # 18C

JAN 31 1996

City of Santa Clara, California

COUNCIL DEPT



DATE: January 29, 1996
 TO: City Council for Action
 FROM: City Manager

APPROVED BY COUNCIL

Date: 1/30/96

SUBJECT: Control Point Based Compensation Plan (Plan) for
Unclassified Management Employees (Unit 9 Miscellaneous)

Executive Summary

During a prior year budget process, City Council Members asked the City Manager to consider the creation of an organized and clearly defined written compensation plan for Unclassified Management Employees. A committee, the Compensation Plan Committee, was established to study this request and to develop a program for City Manager and City Council consideration. After surveying other agencies, and lengthy review with the City Attorney's Office and recently with Unit 9, the committee is recommending a Control Point Based Compensation Plan. Attached is a copy of the Plan which explains the program in detail.

The Memorandum of Understanding (MOU) between the City and Bargaining Unit 9 for calendar years 1995 and 1996 included Section 6.1 which states: "It is the intention of the City and Unit 9, through the Compensation Plan Committee, to finalize the proposed changes in the Unit 9 Compensation Plan and provide it to the City Manager in the form of a report and recommendations by July 1, 1995. The City Manager will finalize the report by August 1, 1995 and present it to the City Council as soon as practicable thereafter." While these dates were adhered to, Unit 9 wanted and received additional time to review the proposal. Members of Unit 9 have reviewed and commented on the Plan; a survey was distributed and of those who responded, a majority supported a Control Point Based Compensation Plan.

Primary to the Plan is a control point established yearly by the City Council for each classification, and a salary range expressed as a percentage of the control point in which the City Manager can set the salary. The initial control point for each classification would be the higher of the current salary of the incumbent on the day the new Plan is implemented, or 5% below the highest incumbent salary in a multi-position classification. According to the City Attorney, Section 900 of the City Charter of the City of Santa Clara is not an impediment to the proposed compensation plan.

Advantages/Disadvantages

With the exception of the Unclassified Management units, written compensation plans exist for all other City bargaining units. As

an advantage, a written plan for Unclassified Management Employees would provide an organized and easily administered salary program for management employees. Council establishment of the Control Point for each position, as outlined on the attachment titled "City of Santa Clara Class Titles and Salaries: Control Point Salary Schedule-Unclassified Positions," would allow for yearly review by Council, similar to the basic salary plans for classified employees approved yearly in the budget process. Council approval would be required for compensation outside the approved range.

As disadvantages, the proposed plan "range" may raise some salary expectations, the program will require more paperwork, and less flexibility may result. It does not apply to the other management units; Unit 9A/Fire Management and Unit 9B/Police Management.

Economic Impact

The initial implementation of this plan would not increase any budgeted appropriations for salaries paid to Unclassified Management Employees.

Recommendation

It is recommended that the City Council approve the Control Point Based Compensation Plan for Unclassified Management Employees in Unit 9 (Miscellaneous), establishing the control points for each filled classification as shown on the attached page titled "Control Point Salary Schedule - Unclassified Positions." In addition, it is recommended that Council direct the City Manager to implement the plan, and to provide quarterly informational reports to Council on the increases/decreases within the range.

Jennifer Sparacino
Jennifer Sparacino
City Manager

Discussion

BASIS FOR SELECTION OF A CONTROL POINT BASED COMPENSATION PLAN

In researching the various options available for salary progression, it was determined that there are three common practices which are used, either alone or in combination, to allow employees to progress through a set salary range. They are:

AUTOMATIC PROGRESSION

The first, and certainly the most easily administered, method is one which features automatic progression through a salary range with fixed steps. Under this program, an employee advances from step to step through a salary range based only on his/her length of service. Typically, this type program rewards an employee for completion of each year of service until the employee has reached the top step on the range. Usually the advancement begins at the end of the probationary period and continued employment is the only criteria for advancement that is used thereafter. This type program is rarely used today, especially for management employees.

MERIT PROGRESSION

The second, and generally the most widely used for all public employment, is one which features regularly scheduled progression through a salary range with fixed steps based on merit. In this type of a program the employee is entitled to consideration for a step advancement on a salary range after a stated period in the current step and some kind of evaluation of his/her performance by the supervisor that indicates that the employee has met the standards required for a merit increase. Progression through the salary range under a merit program is virtually automatic, but a step increase may be denied without taking some kind of disciplinary action against the employee. Typically an employee's salary can only be reduced under this program through disciplinary action. This is the most common program in use today and is the program used by Santa Clara for non-management employees. Variations of this program are common for management employees.

PERFORMANCE BASED PROGRESSION

The third program is a performance based salary progression program. Some form of performance based progression is generally used in conjunction with a control point or mid-point program, particularly when dealing with management employees. Very simply put, this program rewards the employee for exceptional performance by granting salary increases within a range. Similarly, the employee may be reduced in salary within the range for sub-standard performance without resorting to a disciplinary action. An example of the use of a performance based program would be one where the employee and supervisor agree on a set of goals for a stated period and

the employee may receive a salary increase if those goals are met. An employee who fails to meet the established goals might receive a pay reduction. A second example of use of this program would be one which is tied to an annual performance review that may or may not be tied to established performance goals. Salary adjustment under this kind of program is not defined by a fixed step process, but generally requires superior performance over a long period of time before an employee is placed above the control or mid-point on the salary range. Variations of this method for salary setting for management is common in public agencies.

After review of the various options, the program selected for Santa Clara management combines both the merit and performance based programs. It is designed to be easily administered and to treat the employee and the employer fairly.

SUMMARY OF PROPOSED CONTROL POINT PLAN ELEMENTS

* City Council establishes a control point and range (85% to 110% of control point) for each unclassified management classification; City Manager sets salaries within the range. Vacant positions would be excluded from the initial setting of control point and range; these would be established at the time of recruitment by City Council action.

* Control points would be set at existing salary level(s); no salary increases would result from implementation of a Control Point Compensation Plan; future increases under the plan would be based on performance;

* Based on a control point for each classification; salary range expressed as percentage (85% to 110%) of control point;

* Adjustment mechanism for changing all control points by set amount (i.e., MOU negotiated cost of living increase);

* Alignment mechanism for changing control point of individual classification;

* Salary assignment mechanism for establishing a salary for a new hire/changing an incumbent's salary within a range;

* Does not include City Manager, City Attorney, City Clerk/City Auditor, or the Police Chief;

* Does not include Fire or Police Management.

CURRENT SYSTEM OF PAY INCREASES

Classified Employees:

* 5% salary increase at end of years 1, 2, 3, and 4. These increases are automatic unless Dept. Head has documented less than satisfactory performance.

* 2½% automatic salary increase at years 10 and 15 unless Dept. Head has documented less than satisfactory performance.

* Annual cost-of-living as determined by MOU.

Unclassified Employees:

* No automatic merit increases but typically three merit increases within the first few years in the position. Increases usually range from 2% to 7% - typically 5% if entry salary was low.

* Occasionally longevity increases if performance is outstanding.

* Annual cost-of-living as determined by MOU.

COMPENSATION PLAN COMMITTEE

The City Council asked the City Manager to consider the creation of an organized and clearly defined written compensation plan for Unclassified Management employees. A committee was established to study this request and bring-forward a proposal for City Manager and City Council consideration. The committee consisted of Electric Division Manager Mike Keller, (then) Assistant Director of Finance Scott Johnson, (then) Director of Personnel Services Jerry Reynolds, and Deputy City Manager Carol McCarthy. The committee found widespread use of this type of compensation plan in jurisdictions within the County and elsewhere. After lengthy research and previously described discussions with other agencies and certain bargaining units, the committee is recommending a Control Point Based Compensation Plan for Unclassified Management employees.

SURVEY OF OTHER AGENCIES

Employee Relations Service has provided the City with a list of those members of the consortium which utilize management salary plans with control points or mid-points. Of those which do not have such a system, they have also identified the members which have performance-based salary plans. The breakdown is as follows:

1. Control Point/Mid-Point Plans: Seven agencies.
2. Performance Based Pay Plans within a Salary Range: Thirteen agencies.
3. Other Types of Salary Plans: Sixteen agencies.

CONTROL POINT BASED COMPENSATION PLAN
FOR UNCLASSIFIED MANAGEMENT EMPLOYEES

Dated
December 26, 1995

I. GENERAL:

A. PURPOSE - The purpose of this proposed Compensation Plan (Compensation Plan) for unclassified management employees represented by Unit #9 (Unit #9) is to:

1. Comply with Article 6.1 of the Memorandum of Understanding (MOU) between the City of Santa Clara and Unit #9 (effective January 1, 1995) which allows for the drafting and presentation of this document to the City, and
2. Comply with Section 900 of the City Charter of the City of Santa Clara which requires the City Council to establish the salary for Unit #9.
3. Specifically exclude council appointed officers and elected officials.

B. PROPOSED COMPENSATION PLAN - The existing method of salary setting for Unit #9 will be modified to establish the Compensation Plan which will include the following features:

1. The Compensation Plan structure will be based on a control point for each classification, with a salary range expressed as a percentage of the control point.
2. The Compensation Plan will contain an adjustment mechanism for changing all control points by the same amount (i.e. an MOU negotiated cost of living increase would change all control points by the same percentage).
3. The Compensation Plan will contain an alignment mechanism for changing the control point of an individual classification in relation to other classifications.
4. The Compensation Plan will contain a salary assignment mechanism for establishing and changing an incumbent's salary within a range.

C. IMPLEMENTATION OF THE COMPENSATION PLAN - Implementing the change from the existing method of salary setting for Unit #9 to the Compensation Plan will raise some issues including:

1. Determining control points and the resulting salary range for all classifications.
2. Placement of all incumbents in a salary range.

**CONTROL POINT BASED COMPENSATION PLAN
FOR UNCLASSIFIED MANAGEMENT EMPLOYEES**

Dated
December 26, 1995

3. Addressing control point determination issues raised by incumbents.

II. CONTROL POINT BASED COMPENSATION PLAN STRUCTURE:

- A. **CONTROL POINT SALARY** - A dollar amount that establishes the salary for a classification under typical conditions. As an example used throughout this report, assume the control point for the classification of "Astronaut" to be \$5,480 per month.
- B. **SALARY RANGE** - An upper and lower salary level, expressed as a percentage of the control point salary, would establish the range within which an incumbent's salary will be determined. The lower range level will be 85% of the control point salary and the upper level will be 110% of the control point salary. As an example, if the control point for a classification is \$5,480 per month then the lower range level would be $\$5,480 \times 0.85 = \$4,658$ per month. Continuing the same example, the upper range level would be $\$5,480 \times 1.10 = \$6,028$ per month. The salary range levels can be expressed in terms of dollars per year, or month, or hour as required.
- C. **INCUMBENT'S SALARY** - An incumbent's Salary is established as a percentage of the control point for the classification.

III. CONTROL POINT ADJUSTMENTS:

- A. **CONTROL POINT ADJUSTMENTS** - The Control Point Adjustment is a change in all control points by a common factor. For example, an MOU negotiated increase in salary of 3% for all classifications in Unit #9 would cause all control points to be multiplied by 1.03. Continuing the example above, the control point salary for Astronaut would be adjusted from \$5,480 per month to \$5,644.40 per month. Note: if control point salaries are adjusted to the nearest whole dollar then the control point salary would become \$5,644 per month.
- B. **COUNCIL TO MAKE CONTROL POINT ADJUSTMENTS** - As required under the City Charter, it shall be the Council's responsibility to make control point adjustments by a common factor which apply equally to all classifications as a result of an adopted MOU.

IV. CONTROL POINT ALIGNMENTS:

- A. **CONTROL POINT ALIGNMENTS** - A Control Point Alignment is a change in the control point salary of an individual classification. For example, if it was determined by the

**CONTROL POINT BASED COMPENSATION PLAN
FOR UNCLASSIFIED MANAGEMENT EMPLOYEES**

Dated
December 26, 1995

City Manager that the classification of Director of Astronauts should have a control point salary of 10% greater than Astronaut instead of 5%, then the Control Point for the Director classification and only the Director classification would be recommended for adjustment from \$5,754 (\$5,480 x 1.05) to \$6,028 (\$5,480 x 1.10) per month.

- B. COUNCIL TO MAKE CONTROL POINT ALIGNMENTS - As required under the City Charter, it shall be the Council's responsibility to make re-alignments of an individual classification control point upon the recommendation of the City Manager.

V. ASSIGNMENT TO AND CHANGE OF SALARY WITHIN THE RANGE:

- A. NEW HIRE SALARY - This establishes the initial salary when hired and is generally set at the lower range level (85% of the control point salary). The City Manager shall have the authority to establish the salary of a newly hired member of Unit #9 at any point on the salary range below the Control Point, based on qualifications. Assignment at or above the Control Point is subject to approval by the City Council.
- B. MERIT SALARY PROGRESSION - Merit Salary progression is the adjustment of an incumbent's salary for at or above standard performance. An example of merit salary progression would be from the lower range level of the control point to 90% of the control point, to 95% of the control point to the control point over a three year period. Then, at the discretion of the City Manager, an adjustment from the control point to 105% of the control point for significant years of outstanding service.
- C. SALARY ABOVE CONTROL POINT - This is the adjustment of an incumbent's salary above the control point, up to the upper salary level for exceptional work by the incumbent or in recognition of many years of above standard service in a classification or both.
- D. EXTRAORDINARY MERIT SALARY CHANGE - This is a merit salary change in other than usual circumstances. For example, if an incumbent is performing in an unacceptable manner the City Manager may withhold or reverse the Merit Salary Progression outlined in section V.B. above. A more positive example might be the acceleration of the Merit Salary Progression outlined in section V.B. above if the incumbent shows exceptional performance.

**CONTROL POINT BASED COMPENSATION PLAN
FOR UNCLASSIFIED MANAGEMENT EMPLOYEES**

Dated
December 26, 1995

- E. CITY MANAGER TO MAKE SALARY ADJUSTMENTS - The City Manager shall have the authority to adjust an incumbent's salary within the salary range as established by the City Council.

VI. IMPLEMENTATION ISSUES;

- A. FAIRNESS IN IMPLEMENTATION - The objective of the implementation process is to establish the new Compensation Plan without rewarding or adversely impacting any incumbent.
- B. CONTROL POINT IMPLEMENTATION - The initial control point for each classification shall be the higher of the current salary of the incumbent on the day the new Compensation Plan is implemented or 5% below the highest incumbent salary in a multi-position classification. This will undoubtedly catch some newly hired incumbents with a control point that is lower than it should be.
- C. CONTROL POINT ALIGNMENT - The control point alignment process during the implementation period will be different than the control point alignment process after the implementation period. During implementation the process should be much simpler and allow for easy fixes of mis-alignments caused by the inflexible implementation of the initial control point.

Meeting Date: 11/18/97

AGENDA REPORTCouncil ☒Agency ☐SOSA ☐

City of Santa Clara, California

**DATE:** November 14, 1997**TO:** City Council for Action**FROM:** City Manager**SUBJECT:** Adoption of Control Point Based Compensation Plan for Employees Represented by Employee Bargaining Unit 9A (Unclassified Police Management)

EXECUTIVE SUMMARY: In January, 1996 the City Council adopted a Control Point Compensation Program as a basis for establishing salary ranges for Miscellaneous Management Employees represented by Employee Bargaining Unit 9. That program has proven itself to be a workable method of establishing salaries for individual unclassified employees within the range which has been adopted by Council.

The Unclassified Police Management employees (Unit 9A) have expressed interest in adopting the same sort of program and the attached Control Point Based Compensation Plan and proposed control points for the represented classifications of Police Captain and Assistant Police Chief have been agreed upon for presentation for adoption by the City Council.

The Control Point Compensation Plan establishes a salary control point for each classification. The salary range for the classification is then defined as a range between 85% of the control point as the low (entry level with limited experience) salary and 110% of the control point as the high (exceptional service with a long time in the classification) salary. Once the control point based salary range has been established by the City Council, the City Manager has the authority to place an individual employee anywhere on that salary range that she feels is appropriate based on the employee's performance.

ADVANTAGES & DISADVANTAGES OF ISSUE: Provides for a fair and logical salary progression program for the classifications of Police Captain and Assistant Police Chief.

ECONOMIC/FISCAL IMPACT: Because the Control Point Based Compensation Plan only establishes a salary range for the classifications and does not provide for salary adjustments for the incumbents, there is no immediate fiscal impact.

STAFF RECOMMENDATION: Adopt the attached Control Point Based Compensation Plan for Employee Bargaining Unit 9A and adopt the attached Control Point Salary Schedule, effective the date of City Council action. Direct the City Manager to provide a quarterly report to Council summarizing the salary adjustments made under the Plan. (This quarterly report is currently done for Unit 9, Miscellaneous Management.)

Jennifer Sparacino
Jennifer Sparacino
City Manager

Attachment

CONTROL POINT BASED COMPENSATION PLAN
FOR UNCLASSIFIED POLICE MANAGEMENT EMPLOYEES

I. GENERAL:

- A. PURPOSE - The purpose of this proposed Compensation Plan (Compensation Plan) for unclassified police management employees represented by Unit #9A (Unit #9A) is to:
1. Establish a compensation plan similar to that which was adopted in January, 1996 for application to unclassified management employees represented by Unit #9A which establishes an orderly salary progression for represented employees.
 2. Comply with Section 900 of the City Charter of the City of Santa Clara which requires the City Council to establish the salary for Unit #9A.
 3. Specifically exclude council appointed officers and elected officials from application of this compensation plan.
- B. PROPOSED COMPENSATION PLAN - The existing method of salary setting for Unit #9A will be modified to establish the Compensation Plan which will include the following features:
1. The Compensation Plan structure will be based on a control point for each classification, with a salary range expressed as a percentage of the control point.
 2. The Compensation Plan will contain an adjustment mechanism for changing all control points by the same amount (i.e. an MOU negotiated cost of living increase would change all control points by the same percentage).
 3. The Compensation Plan will contain an alignment mechanism for changing the control point of an individual classification in relation to other classifications.
 4. The Compensation Plan will contain a salary assignment mechanism for establishing and changing an incumbent's salary within a range.
- C. IMPLEMENTATION OF THE COMPENSATION PLAN - Implementing the change from the existing method of salary setting for Unit #9A to the Compensation Plan will raise some issues including:
1. Determining control points and the resulting salary range for all classifications.

**CONTROL POINT BASED COMPENSATION PLAN
FOR UNCLASSIFIED POLICE MANAGEMENT EMPLOYEES**

2. Placement of all incumbents in a salary range.
3. Addressing control point determination issues raised by incumbents.

II. CONTROL POINT BASED COMPENSATION PLAN STRUCTURE:

- A. CONTROL POINT SALARY - A dollar amount that establishes the salary for a classification under typical conditions. As an example used throughout this report, assume the control point for the classification of "Astronaut" to be \$5,480 per month.
- B. SALARY RANGE - An upper and lower salary level, expressed as a percentage of the control point salary, would establish the range within which an incumbent's salary will be determined: The lower range level will be 85% of the control point salary and the upper level will be 110% of the control point salary. As an example; if the control point for a classification is \$5,480 per month then the lower range level would be $\$5,480 \times 0.85 = \$4,658$ per month. Continuing the same example, the upper range level would be $\$5,480 \times 1.10 = \$6,028$ per month. The salary range levels can be expressed in terms of dollars per year, or month, or hour as required.
- C. INCUMBENT'S SALARY - An incumbent's Salary is established as a percentage of the control point for the classification.

III. CONTROL POINT ADJUSTMENTS:

- A. CONTROL POINT ADJUSTMENTS - The Control Point Adjustment is a change in all control points by a common factor. For example, an MOU negotiated increase in salary of 3% for all classifications in Unit #9A would cause all control points to be multiplied by 1.03. Continuing the example above, the control point salary for Astronaut would be adjusted from \$5,480 per month to \$5,644.40 per month. Note: if control point salaries are adjusted to the nearest whole dollar then the control point salary would become \$5,644 per month.
- B. COUNCIL TO MAKE CONTROL POINT ADJUSTMENTS - As required under the City Charter, it shall be the Council's responsibility to make control point adjustments by a common factor which apply equally to all classifications as a result of an adopted MOU.

IV. CONTROL POINT ALIGNMENTS:

- A. CONTROL POINT ALIGNMENTS - A Control Point Alignment is a change in the control point salary of an individual classification. For example, if it was determined by the

CONTROL POINT BASED COMPENSATION PLAN
FOR UNCLASSIFIED POLICE MANAGEMENT EMPLOYEES

City Manager that the classification of Director of Astronauts should have a control point salary of 10% greater than Astronaut instead of 5%, then the Control Point for the Director classification and only the Director classification would be recommended for adjustment from \$5,754 (\$5,480 x 1.05) to \$6,028 (\$5,480 x 1.10) per month.

- B. COUNCIL TO MAKE CONTROL POINT ALIGNMENTS - As required under the City Charter, it shall be the Council's responsibility to make re-alignments of an individual classification control point upon the recommendation of the City Manager.

V. ASSIGNMENT TO AND CHANGE OF SALARY WITHIN THE RANGE:

- A. NEW HIRE SALARY - This establishes the initial salary when hired and is generally set at the lower range level (85% of the control point salary). The City Manager shall have the authority to establish the salary of a newly hired member of Unit #9A at any point on the salary range below the Control Point, based on qualifications. Assignment at or above the Control Point is subject to approval by the City Council.
- B. MERIT SALARY PROGRESSION - Merit Salary progression is the adjustment of an incumbent's salary for at or above standard performance. An example of merit salary progression would be from the lower range level of the control point to 90% of the control point, to 95% of the control point to the control point over a three year period. Then, at the discretion of the City Manager, an adjustment from the control point to 105% of the control point for significant years of outstanding service.
- C. SALARY ABOVE CONTROL POINT - This is the adjustment of an incumbent's salary above the control point, up to the upper salary level for exceptional work by the incumbent or in recognition of many years of above standard service in a classification or both.
- D. EXTRAORDINARY MERIT SALARY CHANGE - This is a merit salary change in other than usual circumstances. For example, if an incumbent is performing in an unacceptable manner the City Manager may withhold or reverse the Merit Salary Progression outlined in section V.B. above. A more positive example might be the acceleration of the Merit Salary Progression outlined in section V.B. above if the incumbent shows exceptional performance.

CONTROL POINT BASED COMPENSATION PLAN
FOR UNCLASSIFIED POLICE MANAGEMENT EMPLOYEES

- E. CITY MANAGER TO MAKE SALARY ADJUSTMENTS - The City Manager shall have the authority to adjust an incumbent's salary within the salary range as established by the City Council.

VI. IMPLEMENTATION ISSUES:

- A. FAIRNESS IN IMPLEMENTATION - The objective of the implementation process is to establish the new Compensation Plan without rewarding or adversely impacting any incumbent.
- B. CONTROL POINT IMPLEMENTATION - The initial control point for each classification shall be established by the City Manager based on the length of service in the current position by the incumbent in the classification if it is a single position classification or by the length of service of the highest salaried employee if it is a multi-position classification.
- C. CONTROL POINT ALIGNMENT - The control point alignment process after the implementation period will be different than the control point alignment process during the implementation period. After the initial setting of the control points the City Manager may periodically recommend adjustment of the control points by survey of total compensation available to similar classes in other agencies, as well as internal relationships in total compensation.

CITY OF SANTA CLARA CLASS
PROPOSED CONTROL POINT SALARY SCHEDULE
POLICE UNCLASSIFIED POSITIONS
Effective Date ???

<i>CODE</i>	<i>POSITION</i>	<i>CONTROL</i>	<i>85% LEVEL</i>	<i>110% LEVEL</i>
027	Assistant Police Chief	10,513	8,936	11,564
	Police Captain (3)	10,012	8,510	11,013

Meeting Date: 11/18/97
Council ☒
Agency ☐
SOSA ☐

AGENDA REPORT

City of Santa Clara, California

Personnel
Agenda Item # 18F



APPROVED BY COUNCIL

Date: 11-18-97

DATE: November 14, 1997

TO: City Council for Action

FROM: City Manager

SUBJECT: Control Point Compensation Program for:
(1) Adoption of Control Point Based Compensation Plan for Employees
Represented by Employee Bargaining Unit 9A (Unclassified Police Management);
and (2) Adoption of Control Point Based Compensation Plan for Employees
Represented by Employee Bargaining Unit 9B (Unclassified Fire Management)

During the employee negotiations last year (December 1996/January 1997) with Police Management (Unit 9A) and Fire Management (Unit 9B), it was agreed that a Control Point Compensation Program would be developed, similar to the Program in effect for management employees in Unit 9 (Miscellaneous Management).

The Programs have recently been completed and placed on the Council Agenda for November 18, 1997. These Programs do not change individual salaries but establish a salary range (85% - 110% with Control Points designated) for hiring purposes and merit salary increases (when appropriate based on performance) for police and fire management employees.

The two reports are attached: (1) Adoption of Control Point Based Compensation Plan for Employees Represented by Employee Bargaining Unit 9A (Unclassified Police Management); and (2) Adoption of Control Point Based Compensation Plan for Employees Represented by Employee Bargaining Unit 9B (Unclassified Fire Management).

Jennifer Sparacino
Jennifer Sparacino
City Manager

JS:yfg

Attachments

AGENDA REPORT

Agenda Item # 18F

City of Santa Clara, California



Meeting Date: _____
Council ☐
Agency ☐
SOSA ☐

DATE: November 14, 1997

TO: City Council for Action

FROM: City Manager

SUBJECT: Adoption of Control Point Based Compensation Plan for Employees Represented by Employee Bargaining Unit 9B (Unclassified Fire Management)

EXECUTIVE SUMMARY: In January, 1996 the City Council adopted a Control Point Compensation Program as a basis for establishing salary ranges for Miscellaneous Management Employees represented by Employee Bargaining Unit 9. That program has proven itself to be a workable method of establishing salaries for individual unclassified employees within the range which has been adopted by Council.

The Unclassified Fire Management employees (Unit B) have expressed interest in adopting the same sort of program and the attached Control Point Based Compensation Plan and proposed control points for the represented classifications of Hazardous Materials Specialist, Hazardous Materials Administrator, Fire Marshal, Battalion Chief, Deputy Fire Chief and Fire Chief have been agreed upon for presentation for adoption by the City Council.

The Control Point Compensation Plan establishes a salary control point for each classification. The salary range for the classification is then defined as a range between 85% of the control point as the low (entry level with limited experience) salary and 110% of the control point as the high (exceptional service with a long time in the classification) salary. Once the control point based salary range has been established by the City Council, the City Manager has the authority to place an individual employee anywhere on that salary range that she feels is appropriate based on the employee's performance.

ADVANTAGES & DISADVANTAGES OF ISSUE: Provides for a fair and logical salary progression program for the classifications of Hazardous Materials Specialist, Hazardous Materials Administrator, Fire Marshal, Battalion Chief, Deputy Fire Chief and Fire Chief.

ECONOMIC/FISCAL IMPACT: Because the Control Point Based Compensation Plan only establishes a salary range for the classifications and does not provide for salary adjustments for the incumbents, there is no immediate fiscal impact.

STAFF RECOMMENDATION: Adopt the attached Control Point Based Compensation Plan for Employee Bargaining Unit 9B and adopt the attached Control Point Salary Schedule, effective the date of City Council action. Direct the City Manager to provide a quarterly report to Council summarizing the salary adjustments made under the Plan. (This quarterly report is currently done for Unit 9, Miscellaneous Management.)

Jennifer Sparacino
Jennifer Sparacino
City Manager

Attachment

CONTROL POINT BASED COMPENSATION PLAN
FOR UNCLASSIFIED FIRE MANAGEMENT EMPLOYEES

I. GENERAL:

A. PURPOSE - The purpose of this proposed Compensation Plan (Compensation Plan) for unclassified fire management employees represented by Unit #9B (Unit #9B) is to:

1. Establish a compensation plan similar to that which was adopted in January, 1996 for application to unclassified management employees represented by Unit #9B which establishes an orderly salary progression for represented employees.
2. Comply with Section 900 of the City Charter of the City of Santa Clara which requires the City Council to establish the salary for Unit #9B.
3. Specifically exclude council appointed officers and elected officials from application of this compensation plan.

B. PROPOSED COMPENSATION PLAN - The existing method of salary setting for Unit #9B will be modified to establish the Compensation Plan which will include the following features:

1. The Compensation Plan structure will be based on a control point for each classification, with a salary range expressed as a percentage of the control point.
2. The Compensation Plan will contain an adjustment mechanism for changing all control points by the same amount (i.e. an MOU negotiated cost of living increase would change all control points by the same percentage).
3. The Compensation Plan will contain an alignment mechanism for changing the control point of an individual classification in relation to other classifications.
4. The Compensation Plan will contain a salary assignment mechanism for establishing and changing an incumbent's salary within a range.

C. IMPLEMENTATION OF THE COMPENSATION PLAN - Implementing the change from the existing method of salary setting for Unit #9B to the Compensation Plan will raise some issues including:

1. Determining control points and the resulting salary range for all classifications.

CONTROL POINT BASED COMPENSATION PLAN
FOR UNCLASSIFIED FIRE MANAGEMENT EMPLOYEES

2. Placement of all incumbents in a salary range.
3. Addressing control point determination issues raised by incumbents.

II. CONTROL POINT BASED COMPENSATION PLAN STRUCTURE:

- A. CONTROL POINT SALARY - A dollar amount that establishes the salary for a classification under typical conditions. As an example used throughout this report, assume the control point for the classification of "Astronaut" to be \$5,480 per month.
- B. SALARY RANGE - An upper and lower salary level, expressed as a percentage of the control point salary, would establish the range within which an incumbent's salary will be determined. The lower range level will be 85% of the control point salary and the upper level will be 110% of the control point salary. As an example, if the control point for a classification is \$5,480 per month then the lower range level would be $\$5,480 \times 0.85 = \$4,658$ per month. Continuing the same example, the upper range level would be $\$5,480 \times 1.10 = \$6,028$ per month. The salary range levels can be expressed in terms of dollars per year, or month, or hour as required.
- C. INCUMBENT'S SALARY - An incumbent's Salary is established as a percentage of the control point for the classification.

III. CONTROL POINT ADJUSTMENTS:

- A. CONTROL POINT ADJUSTMENTS - The Control Point Adjustment is a change in all control points by a common factor. For example, an MOU negotiated increase in salary of 3% for all classifications in Unit #9B would cause all control points to be multiplied by 1.03. Continuing the example above, the control point salary for Astronaut would be adjusted from \$5,480 per month to \$5,644.40 per month. Note: if control point salaries are adjusted to the nearest whole dollar then the control point salary would become \$5,644 per month.
- B. COUNCIL TO MAKE CONTROL POINT ADJUSTMENTS - As required under the City Charter, it shall be the Council's responsibility to make control point adjustments by a common factor which apply equally to all classifications as a result of an adopted MOU.

IV. CONTROL POINT ALIGNMENTS:

- A. CONTROL POINT ALIGNMENTS - A Control Point Alignment is a change in the control point salary of an individual classification. For example, if it was determined by the

CONTROL POINT BASED COMPENSATION PLAN
FOR UNCLASSIFIED FIRE MANAGEMENT EMPLOYEES

City Manager that the classification of Director of Astronauts should have a control point salary of 10% greater than Astronaut instead of 5%, then the Control Point for the Director classification and only the Director classification would be recommended for adjustment from \$5,754 (\$5,480 x 1.05) to \$6,028 (\$5,480 x 1.10) per month.

- B. COUNCIL TO MAKE CONTROL POINT ALIGNMENTS - As required under the City Charter, it shall be the Council's responsibility to make re-alignments of an individual classification control point upon the recommendation of the City Manager.

V. ASSIGNMENT TO AND CHANGE OF SALARY WITHIN THE RANGE:

- A. NEW HIRE SALARY - This establishes the initial salary when hired and is generally set at the lower range level (85% of the control point salary). The City Manager shall have the authority to establish the salary of a newly hired member of Unit #9B at any point on the salary range below the Control Point, based on qualifications. Assignment at or above the Control Point is subject to approval by the City Council.
- B. MERIT SALARY PROGRESSION - Merit Salary progression is the adjustment of an incumbent's salary for at or above standard performance. An example of merit salary progression would be from the lower range level of the control point to 90% of the control point, to 95% of the control point to the control point over a three year period. Then, at the discretion of the City Manager, an adjustment from the control point to 105% of the control point for significant years of outstanding service.
- C. SALARY ABOVE CONTROL POINT - This is the adjustment of an incumbent's salary above the control point, up to the upper salary level for exceptional work by the incumbent or in recognition of many years of above standard service in a classification or both.
- D. EXTRAORDINARY MERIT SALARY CHANGE - This is a merit salary change in other than usual circumstances. For example, if an incumbent is performing in an unacceptable manner the City Manager may withhold or reverse the Merit Salary Progression outlined in section V.B. above. A more positive example might be the acceleration of the Merit Salary Progression outlined in section V.B. above if the incumbent shows exceptional performance.

CONTROL POINT BASED COMPENSATION PLAN
FOR UNCLASSIFIED FIRE MANAGEMENT EMPLOYEES

- E. CITY MANAGER TO MAKE SALARY ADJUSTMENTS - The City Manager shall have the authority to adjust an incumbent's salary within the salary range as established by the City Council.

VI. IMPLEMENTATION ISSUES:

- A. FAIRNESS IN IMPLEMENTATION - The objective of the implementation process is to establish the new Compensation Plan without rewarding or adversely impacting any incumbent.
- B. CONTROL POINT IMPLEMENTATION - The initial control point for each classification shall be established by the City Manager based on the length of service in the current position by the incumbent in the classification if it is a single position classification or by the length of service of the highest salaried employee if it is a multi-position classification.
- C. CONTROL POINT ALIGNMENT - The control point alignment process after the implementation period will be different than the control point alignment process during the implementation period. After the initial setting of the control points the City Manager may periodically recommend adjustment of the control points by survey of total compensation available to similar classes in other agencies, as well as internal relationships in total compensation.

CITY OF SANTA CLARA CLASS
PROPOSED CONTROL POINT SALARY SCHEDULE
FIRE UNCLASSIFIED POSITIONS
Effective Date ???

CODE	POSITION	CONTROL	85% LEVEL	110% LEVEL
	Battalion Chief (5)	8,666	7,366	9,533
	Deputy Fire Chief (2)	9,185	7,807	10,104
117	Fire Chief	10,368	8,813	11,405
120	Fire Marshal - Vacant (2/28/97)	8,253	7,015	9,078
124	Hazardous Materials Administrator	8,052	6,844	8,857
	Hazardous Materials Specialist (3)	7,742	6,581	8,516

Updated 11/14/97

CITY OF SANTA CLARA

PERSONNEL AND SALARY

RESOLUTION

INDEX

	<u>Page</u>
Section 1. Short Title.....	1
Section 2. Scope of Application	1
Section 3. Definition of Terms.....	1
Section 4. The Classification Plan	4
Section 5. Amendment and Maintenance of Classification Plan	6
Section 6. Class Specifications.....	7
Section 7. Interpretation of Classification Specifications.....	7
Section 8. Qualifications of Employees.....	8
Section 9. Compensation Plan.....	8
Section 10. Application of Compensation Plan for Classified Positions	9
Section 11. Calculation of Anniversary Dates	11
Section 12. Hiring Above Step 1	13
Section 13. Applicable Pay Rates Following a Change of Status	13
Section 14. Applicable Pay Rates Following Salary Range Increases and Decreases.....	15
Section 15. Salary on Reclassification of Positions	15
Section 16. Initial Adjustments to Compensation Plan.....	16
Section 17. Hours of Work.....	16
Section 18. Overtime	16
Section 19. Holidays	17
Section 20. Vacations	18
Section 21. Vacation/Sick Leave Conversion	19
Section 22. Sick Leave	20
Section 23. Bereavement Leave.....	24
Section 24. Military Leave.....	25
Section 25. Jury Duty.....	26
Section 26. Court Appearance as a Witness	26
Section 27. Uniform Allowance	26
Section 28. Insurance Benefits	27
Section 29. Retirement Benefits	28

Section 30. Leave of Absence Without Pay	28
Section 31. Right of Employee to Retain Position.....	29
Section 32. Temporary Changes in Work Schedules.....	29

Section 1. Short Title

This Resolution shall be known as the "Personnel and Salary Resolution" and is a reenactment of Resolutions 636, 3144, 3830, and 4652.

Section 2. Scope of Application

The provisions of this Resolution shall apply to all City employees. However, where the context of any section or part thereof shows that it is applicable to the Classified Service alone, then such section or part thereof shall not apply to the Unclassified Service and vice-versa. Should this Resolution conflict with any of the provisions of a current Memorandum of Understanding between the City and any of the recognized bargaining units, the provisions of the Memorandum of Understanding shall apply.

Section 3. Definition of Terms

The words and terms defined in this section shall have the following meanings in this Resolution and in any other Resolution classifying and fixing the salaries and compensation or authorizing the employment of personnel in any department or office in the City of Santa Clara.

- (a) "Allocation" – the assignment of a single position to its proper classification in accordance with the nature and scope of duties performed and the authority and responsibilities exercised.
- (b) "Anniversary Date" - the first day worked on a regular basis with the City of Santa Clara (e.g., hire date).
- (c) "Appointing Authority" – the City Manager shall appoint and remove, subject to the Civil Service Provisions of the Charter, all officers and employees of the City, except as otherwise provided by the Charter or this Resolution, and except as he/she may authorize the head of a department or office to appoint and remove subordinates in such department or office.
- (d) "Classification (Class)" – a group of positions having duties, responsibilities, and authority sufficiently similar to permit a) grouping under a common title and b) the equitable application of common standards of selection, transfer, promotion, and compensation.

- (e) "Classified Service" – all positions in the City service with the exception of those specifically exempt from the Civil Service Rules and Regulations, per Article XI, Section 1101 of the City Charter.
- (f) "Compensation" – the salary, wage, allowances and all other forms of valuable consideration, earned by or paid to any employee by reason of service in any position, but does not include any allowances authorized and incurred as incident to employment.
- (g) "Consumer Price Index" – as defined by the United States Department of Labor, Bureau of Labor Statistics, and applied to the San Francisco-Oakland-San Jose Bay Area for urban wage earners and clerical workers.
- (h) "Continuous Service" – employment with the City without break or interruption. The provisions of Section 11(f) of this Resolution shall apply in computing continuous service for the purpose of this Resolution.
- (i) "Demotion" – a change in status of an employee from a position in one classification to a position of a lower classification with a lower maximum pay.
- (j) "Department Head" and "Division Head" – the manager of a Department or Division respectively, including Elective Officers as defined in the Administrative Code (Chapter 2 of "The Code of the City of Santa Clara, California").
- (k) "Employee", "Regular Employee" or "Incumbent" – a person legally occupying a position in the City service.
 - (1) "Full-Time Employees" – those employees whose position requires the total number of hours prescribed for normal employment in the classification or position. All positions shall be full-time unless otherwise designated or unless the compensation is fixed upon the basis of part-time work.
 - (2) "Part-Time Employees" – those employees in positions which are designated part-time or for which compensation is fixed on the basis of part-time work.

- (l) "Leave of Absence" – permission to be absent from duty without pay for a specified period and for a specified purpose, with the right to return before or at the expiration of the period.
- (m) "Position" – a job in a particular classification with a regularly assigned combination of specific duties and responsibilities.
- (n) "Promotion" – advancement from a position in one classification to a position in a higher classification with a higher maximum pay.
- (o) "Reclassification" or "Reallocation" – a reassignment or change in the allocation of an individual position to a more appropriate classification, whether new or existing, on the basis of material changes in the duties and responsibilities of the position.
- (p) "Salary" – base salary as indicated in current Schedules of Salary Ranges excluding any other pay incidental to employment.
- (q) "Step Increase Date" – the date an employee is eligible to move to the next salary step in the salary range. This date may be the same as the employee's Anniversary Date or it may be adjusted based on a leave of absence, a promotion or a transfer.
- (r) "Sworn Personnel":
 - (1) "Sworn Uniformed Fire Personnel" –personnel of the Fire Department with powers and responsibilities to be directly engaged in fire prevention or suppression work, but excluding volunteer members of the Fire Department.
 - (2) "Sworn Uniformed Police Personnel" –personnel of the Police Department having full police powers and responsibilities to enforce all laws including the California Penal Code, but excluding Police Reserves.
- (s) "Title" or "Classification Title" - the designation given to or name applied to a classification, each position allocated to a classification, and the legally appointed incumbent of a position allocated to a classification. The meaning of a title is set forth in its corresponding classification specification.

- (t) "Total Compensation" – all of the salary and fringe benefits related to the cost to the City to employ an individual and may include salary, retirement and Social Security, holidays, sick leave, vacation, insurance premiums, uniform allowance, or any other special fringe benefit unique to a particular bargaining group. Allocation of total compensation monies by the bargaining group shall be limited to only those areas already defined in the Memorandum of Understanding, such as, but not limited to, salary, insurance premiums, and uniform allowance.
- (u) "Transfer" – a change in the assignment of an employee from one position to another in the same classification or a comparable classification.
- (v) "Unclassified Service" – all positions in the City service specifically exempt from the Civil Service Rules and Regulations per Article XI, Section 1101 of the City Charter.
- (w) "Unit" - that group of employees found to be an "appropriate unit," as determined pursuant to Employer-Employee Relations Resolution No. 2979, representing those employees who elect such representation.
- (x) "Working Title" - a title other than the official classification title that is used informally in the course of work activities to distinguish amongst positions within the same classification.

Section 4. The Classification Plan

- (a) The City Council, upon recommendation of the City Manager, shall create and adjust classifications of positions in the City Service. This Classification Plan shall consist of classifications defined by class specifications, including a descriptive title, a description of typical duties and responsibilities, and a statement of minimum qualifications for all positions within each classification.
- (b) The City Council, upon recommendation of the City Manager, may create new classifications or divide, combine, or abolish existing classifications and may reassign a classification from one salary range to another.
- (c) At the direction of the City Manager, all positions in the City Service created or established by the City Council shall be allocated by the

Director of Human Resources to their proper classifications in the Classification Plan. Allocations shall be determined in accordance with the duties, responsibilities, and authority of each position and shall be based on the principle that all positions shall be included in the same classification if:

- (1) Sufficiently similar with respect to duties, responsibilities, and authority to permit grouping under a common title;
 - (2) Comparable minimum education, experience, knowledge, skill, and ability requirements are demanded of incumbents;
 - (3) Common standards of selection, transfer, and promotion may be equitably applied; and
 - (4) The same salary range may be applied with equity.
- (d) The classification title of a position shall be used in all official personnel and budget records and transactions of the City of Santa Clara. No provisions of this Resolution, however, shall be deemed to prevent the use of a working title that differs from the official classification title of any position provided that the working title is designated by the head of the department in which the position exists.
- (e) Whenever in the judgment of the City Manager it is necessary for the expeditious transaction of the business of the City for a department to employ a person on a temporary basis in a type of position for which there is no classification provided in the Classification Plan, then the City Manager may authorize such employment. In such case the City Manager shall fix the amount of compensation, and may determine the minimum qualifications for such additional employees, and shall limit in advance the period of time the position may be allowed.

Section 5. Amendment and Maintenance of Classification Plan

Whenever one or more new positions are under consideration for possible establishment, or whenever, because of any revision in organization or methods, a significant change of the duties or responsibilities of any existing position is to be made which may require the reallocation of such position, or whenever a new classification is

created to which any position may more appropriately be allocated, or whenever, because of the abolishment or combination of any existing positions or classifications, an amendment to the Classification Plan is required, one or a combination of the procedures stipulated in (a) and (b) shall be observed.

- (a) The Department Head shall report the significant facts relating to such possible changes in writing to the City Manager in the manner prescribed.
- (b) The City Manager, upon written request of any employee or upon his/her own initiative, may initiate an inquiry of the classification of any position.

Upon either of the above initiations, the City Manager may direct the Director of Human Resources to study the assigned duties and responsibilities of any such position and the qualifications required for filling the same, and of the relationships of such positions to other classifications of positions in the Classification Plan.

On the basis of such study, the Director of Human Resources shall then recommend to the City Manager that no change be made in the allocation of the position, or that the position be allocated to a more appropriate classification in the existing Classification Plan or that a new classification be established to which the position would be allocated, whichever is the appropriate action.

The City Manager will recommend to the City Council any changes in the allocation of individual positions, or any changes in existing classifications and classification specifications, which the City Manager deems appropriate. The City Council may then take action to modify the Classification Plan in accordance with the provisions of Section 1103 of the City Charter.

Section 6. Classification Specifications

- (a) The Director of Human Resources shall maintain a written specification for each classification, which, when approved and adopted by the City Council, shall constitute the official specifications of classifications in the City service. Such classification specifications shall be based on an analysis of the duties and responsibilities of positions in the City service.

Each classification specification shall set forth the title of the classification, a description of the responsibilities and typical duties, and a statement of minimum qualifications for performance of the work.

- (b) The official copy of each classification specification shall indicate the date of adoption or latest revision or amendment and will be kept on file in the Human Resources Department. The official copy of each classification specification shall be open to inspection by employees and the general public. The official copy of any specification is available electronically or may be obtained in hard copy from the Human Resources Department for a specified charge.
- (c) Said classification specifications, when adopted, are hereby incorporated herein and made a part of this Resolution by reference. Any modification or amendment thereto may be adopted by a majority vote of the City Council.
- (d) Classification specifications for positions in the Classified Service must first be approved and adopted by the City of Santa Clara Civil Service Commission before they may be approved and adopted by the City Council.

Section 7. Interpretation of Classification Specifications

- (a) Classification specifications are illustrative documents intended to summarize the key characteristics of each classification. Typical duties and responsibilities listed are provided as examples of work that may be performed by incumbents of positions assigned to the classification and are not limiting or restrictive. Each classification should be viewed as a whole and in relation to other classifications in the Classification Plan; consideration should be given to typical duties; responsibilities; authority; required knowledge, skills, and abilities; as well as the minimum qualifications for employment.
- (b) Qualifications commonly required of all incumbents of and applicants for all positions in the City Service shall be deemed to be requirements whether or not they are not specifically mentioned in individual

classification specifications; these include, but are not limited to, United States (U.S.) Citizenship or proof of permission to reside and work in the United States if not a U.S. citizen, the ability to perform the essential functions of the job in accordance with the Americans with Disabilities Act (ADA) and California's Fair Employment and Housing Act (FEHA), honesty, sobriety, and industry. Specific minimum qualifications for each classification in the Classified Service are established under the Civil Service Rules and Regulations and approved by City Council; minimum qualifications for classifications in the Unclassified service are approved by City Council.

Section 8. Qualifications of Employees

Incumbents of all classifications in the City service must possess the minimum qualifications prescribed for their classification, including education and/or experience. Applicants to positions in the Classified Service shall be subject to the recruitment and examination procedures described in the Civil Service Rules and Regulations.

Section 9. Compensation Plan

- (a) Classified Employees: The following subsection shall apply to regular Classified employees.
 - (1) The current Salary Schedules are on file in the Human Resources Department, and are incorporated by reference.
 - (2) The Salary Schedules constitute the Compensation Plan applicable to all classifications. Step and Range increases are built into the current Salary Schedules as follows: Approximately 5% increase between each Step 1 through 5, approximately 2 1/2% from Step 5 to 6 and from Step 6 to 7, and approximately 2 1/2% difference between each Salary Range. Steps 6 and 7 of said schedules are applicable only as "longevity pay" as set forth in Section 10. All salaries prescribed are monthly rates. For those positions where it is more appropriate to pay on an hourly basis, the hourly rate of pay equivalent to the proper monthly salary step shall be paid as indicated in the various Salary Schedules.

- (3) The compensation of Classified employees of the City shall be as set forth in the current Salary Schedules.
- (4) The Salary Schedules referred to in this Resolution may from time to time be revised and amended by the City Council.
- (b) Unclassified Employees: This section applies to all Unclassified positions.
~~Control Points~~ **The Salary Range** for Unclassified positions shall be established by the City Council upon recommendation of the City Manager. A ~~Control Point~~ Salary ~~-Range/~~ Schedule shall be maintained in the Human Resources Department.

Section 10. Application of Compensation Plan for Classified Positions

The Salary Schedules for classified positions, with such amendments as may be adopted by the City Council from time to time, shall have the force and effect and shall be interpreted and applied as follows:

- (a) The salaries or rates of compensation prescribed are fixed on the basis of full-time positions, unless otherwise designated.
- (b) The rates of pay prescribed shall be deemed to include pay in every form, except for necessary expenses authorized and incurred incident to employment, or except as herein provided.
- (c) Employees shall be considered eligible for increase in salary according to the following general plan upon approval of the Department Head.
 - (1) The numbers 1, 2, 3, 4, and 5, respectively, denote the various steps in the salary range.
 - (2) Step "1" shall be paid upon initial employment for a period of at least twelve (12) months.
 - (3) Employees shall become eligible for increase to Step "2" upon satisfactory completion of twelve (12) months of service in Step "1."
 - (4) Employees shall become eligible for increase to Step "3" upon satisfactory completion of twelve (12) months of service in Step "2."
 - (5) Employees shall become eligible for increase to Step "4" upon satisfactory completion of twelve (12) months of service in Step "3."

- (6) Employees shall become eligible for increase to Step "5" upon satisfactory completion of twelve (12) months of service in Step "4."
- (7) Employees may become eligible for an accelerated increase in salary within Steps "1" and "5" for outstanding performance upon recommendation of the Department Head and with the approval of the City Manager. In all such cases the Department Head shall submit written justification to the City Manager.
- (8) Notwithstanding any other provision contained herein, any classified employee who has been employed for the City of Santa Clara for a total of ten (10) years, and has been employed at Step "5" of the salary range for his/her present classification for at least one (1) year, upon approval of the Department Head, shall receive a pay adjustment to Step "6" based on the current Salary Schedule. Any classified employee who has been employed for the City of Santa Clara for a total of fifteen (15) years, and has been employed at Step "6" of the salary range for his/her present classification for at least one (1) year, upon approval of the Department Head, shall receive a pay adjustment to Step "7" based on the above mentioned Salary Schedule.
- (d) If the Department Head does not approve the scheduled increase, the employee shall be notified ten (10) days prior to his/her Anniversary Date or Step Increase Date. In the event a step increase is denied on an employee's Anniversary Date, but a step increase is granted at a subsequent date prior to the next regularly scheduled Step Increase Date, no change shall be made in the employee's Anniversary Date.
- (e) If an employee is denied a step increase, he/she may make a written appeal to the City Manager through his/her Department Head within fifteen (15) days of the postmark of his/her letter of notice of denial. The City Manager shall grant the employee an interview within 45 days.
- (f) The pay of any employee may be reduced to a lower step within the established pay range upon recommendation of the Department Head and

with the approval of the City Manager, in cases where the quality and manner of work performance do not justify the pay being received. However, employees in the Classified Service having a permanent appointment shall be subject to the procedures set forth in the applicable Civil Service Rules and Regulations.

Section 11. Calculation of Anniversary Dates

(a) Anniversary Date of Employment

For purposes of compensation, the Anniversary Date for Classified and Unclassified employees will be the first day worked on a regular basis with the City of Santa Clara. All salary changes shall be effective as of the commencement of a bi-weekly payroll period. Employees who have an Anniversary Date that falls within the first week of the pay period and have been approved for a step increase will be adjusted on the first day of the pay period during which the Anniversary Date falls. Employees who have an Anniversary Date that falls within the second week of the pay period and have been approved for a step increase will be adjusted on the first day of the pay period immediately following the Anniversary Date. It is the intent of this provision that in no event shall a regular employee be paid under more than one rate of compensation during any payroll period.

(b) Annual Step Increases

If a classified employee remains in the same classification in which he/she received original appointment, he/she may receive the annual salary step increase on his/her Anniversary Date, subject to provisions of Sections 9 and 10 above.

(c) Transfer Within Same Classification or Within Another Classification With Same Salary Range

Should a classified employee be transferred to another classification having the same salary schedule and salary range as the classification in which he/she has acquired permanent Civil Service status, the same provisions as above shall apply.

(d) Promotional Appointment

Should a classified employee be appointed to another classification to which a higher salary range applies, the Step Increase Date will coincide with the employee's Anniversary Date, subject to the provisions of Sections 9 and 10.

(e) Leaves of Absence

For compensation purposes, a personal leave of absence or any period of time an employee is off without pay (other than for reasons of illness covered by medical leave granted under Section 30 herein, industrial injury or illness or military service), which exceeds thirty-one (31) consecutive calendar days will constitute an interruption in continuous employment. In such instances the length of the leave of absence shall delay the Step Increase Date accordingly. A leave of absence or any period of time an employee is off without pay which does not exceed thirty-one (31) consecutive calendar days shall be considered as continuous employment toward the accumulation of time for the next appropriate step increase.

- (f) During any leave provided for by the Family Care and Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA), the employee shall retain employee status with the employer, and the leave shall not constitute a break in service, for purposes of longevity, seniority under any Memorandum of Understanding, or any employee benefit plan. An employee returning from leave shall return with no less seniority than the employee had when the leave commenced for any employment related purpose.

Section 12. Hiring Above ~~Step 1~~the Entry Level Salary

The entry level salary is defined as Step 1 for Classified Employees and the bottom of the salary range for Unclassified Employees. When a candidate recommended for hire to a classified position in City service is found to possess extraordinary qualifications through former training and/or experience, or when the City is unable to recruit qualified candidates at the first step of the appropriate salary range, the City Manager, on recommendation of the Department Head, may *approve the hiring of a candidate above Step 1, up to and including Step 5.* ~~recommend to the City Council for approval to appoint above Step 1.~~ *For unclassified employees, the City Manager has*

authority to hire and grant merit increases at any point within the salary range for the job classification.

Section 13. Applicable Pay Rates Following a Change of Status

(a) Pay Rates Following Promotion:

- (1) A classified employee promoted to a classification with a higher salary range shall be compensated at Step 1 of the classification to which he/she has been promoted, provided that Step 1 is at least approximately five (5) percent above the salary before promotion. If Step 1 is not at least approximately five (5) percent above the salary before promotion, the promotional salary shall be adjusted to at least approximately five (5) percent above the former salary unless prohibited by ineligibility to go to Step 6 or Step 7 (longevity steps). If the promotion places the employee on a different Salary Schedule, he/she will then be placed in the salary step that is closest to the salary the employee would have received had the employee received a five (5) percent increase in his/her former Salary Schedule and salary range. The Step Increase Date will coincide with the employee's Anniversary Date.
- (2) In the event that a classified employee is promoted on his/her Anniversary Date, he/she shall first receive any within-range increase to which he/she is entitled in the lower classification, and then the promotional salary adjustment provided in paragraph (1) above. The Step Increase Date will coincide with the employee's Anniversary Date.
- (3) If the promotion places the employee in Step 5 of their Salary Schedule and salary range, the Step Increase Date will coincide with the date of the promotion. Once the employee attains a salary at Step 6 or Step 7 (top longevity salary steps), the Step Increase Date will be changed to coincide with the employee's Anniversary Date. See Section 10 (c)(8) above.

(b) Pay Rates Following Demotion:

- (1) If a classified employee is demoted to a classification with a lower salary range, the employee shall be assigned to a salary step in the lower range, as follows:

If a disciplinary demotion: The employee will be assigned to a salary step in the lower classification's salary range that earns less money than the employee was earning before the demotion. No change shall be made in the Anniversary Date or the Step Increase Date.

If a non-disciplinary demotion: The employee will be assigned to the salary step in the lower classification's salary range that the employee would have reached if the employee had never promoted to the higher classification. No change shall be made in the Anniversary Date or the Step Increase Date.

- (2) Unclassified Employees: In the event of a demotion of an Unclassified Employee, the adjusted salary shall be as approved by the City Manager.

(c) Pay Rates Following Transfer:

When a classified employee transfers from one position to another in the same classification or to another classification to which the same Salary Schedule and salary range is applicable, the employee shall remain at the same salary step and shall retain his/her Anniversary Date and Step Increase Date.

Section 14. Applicable Pay Rates Following Salary Range Increases and Decreases

- (a) If a salary range for a given classification increases, the incumbents of the classifications affected shall have their existing pay adjusted to the same step in the new salary range (Step 2 to Step 2, Step 3 to Step 3, etc.).
- (b) Except in the case of an overall Salary Schedule adjustment, if a salary range is decreased, incumbents shall retain their same dollar amount of pay within the lower salary range. If the employee's present rate exceeds the maximum step of the lower salary range, the employee shall continue

to receive the same dollar amount, which shall be designated a "Y" rate and indicated by a capital "Y" following the salary each time it appears on personnel records or transactions. Said "Y" rate shall be cancelled when the Salary Schedule and salary range reach the employee's original pay rate or upon vacancy of the position.

- (c) If a salary range change becomes effective on an employee's Anniversary Date, he/she shall first receive any within-range adjustment to which he/she is entitled and then receive his/her corresponding step adjustment.
- (d) If a salary range change becomes effective on the date an employee is promoted to a higher classification, he/she shall first receive any corresponding step adjustment to which he/she is entitled in the lower classification, and then the next higher step promotional adjustment as provided in Section 13(a) above.

Section 15. Salary on Reclassification of Positions

- (a) If a position is reclassified to a classification having the same maximum salary, the salary and the Anniversary Date of the incumbent shall not change.
- (b) If a position is reclassified to a classification which has a higher salary range, the salary shall be adjusted in accordance with Section 14(a) above.
- (c) If a position is reclassified to a classification with a lower salary range, the incumbent's salary shall not change, as provided in Section 14(b) above.

Section 16. Initial Adjustments to Compensation Plan

Subject to the provisions of this Resolution, the salary ranges referenced by this Resolution shall be applicable to all positions allocated to classifications listed in the Classification Plan, a copy of which is on file in the Human Resources Department. Each employee shall be paid the salary or compensation in accordance with the salary range prescribed for the classification to which his/her position is allocated.

Section 17. Hours of Work

All City employment is based on a forty hour work week with the following exception:

Shift personnel in the Fire Department work twenty-eight (28), twenty-four (24) hour scheduled duty shifts in a six (6) pay-period cycle.

Section 18. Overtime

THIS SECTION IS SUBJECT TO APPLICABLE FEDERAL AND/OR STATE LEGISLATION AND/OR CITY RESOLUTION.

- (a) It is the policy of the City of Santa Clara to avoid overtime work whenever possible. The City recognizes however, the obligation to provide services to the community and, on occasion, may require employees to extend work shifts or to be called back to work due to emergencies, personnel shortages, or required workloads.

Employees contacted for overtime work have an obligation to affirmatively respond to this need unless incapacitated or due to extenuating circumstances beyond the control of the employee and reasonably acceptable to the City. Failure on the employees part to affirmatively respond to such requests and/or to acceptably document such extenuating circumstances or incapacitation will be in violation of the City's rules and regulations and may be subject to formal disciplinary action.

- (b) The Department Head or designee shall authorize overtime.
- (c) Compensatory time off shall be taken as determined by the Department Head and shall be at the employee's convenience where practical. If the employee does not take the time off, the employee shall be paid at the employee's regular rate of pay.
- (d) All classified employees will be paid overtime or be eligible for compensatory time off in accordance with existing policy.
The employee may not accrue more compensatory leave hours than permitted by the current MOU or Department policy.
- (e) Unclassified employees are not entitled to overtime compensation. The monthly salary shall be considered full compensation for all hours worked.

Section 19. Holidays

- (a) With the exceptions stated below, employment holidays are:

New Year's Day
Martin Luther King Jr. Day
President's Day
Spring Holiday
Memorial Day
Independence Day
Labor Day
Admission Day
Columbus Day
Veterans' Day
Thanksgiving Day
Friday following Thanksgiving Day
Christmas Day

and every day appointed by the City Council as a holiday. On days appointed by the City Council as "special" or "limited" holidays, City offices shall remain open and shall function in their normal and usual manner.

- (b) A special or limited holiday is a holiday applying only to one or more job classifications, and not generally observed Statewide by all employers. Holidays listed in Section 19(a) are not special or limited holidays.
- (c) If a holiday falls on Sunday, the holiday will be observed on Monday. If a holiday falls on Saturday, the holiday will be observed on the preceding Friday. Except for sworn Police and Fire Department personnel working shifts, regular employees will receive eight (8) hours of compensatory time off if the "observed" holiday falls on their scheduled day off.
- (d) For employees of the Recreation Division of the Parks and Recreation Department: If an employee works 40 hours in a workweek that includes a holiday, the employee will be paid double time and a half for the hours worked on the holiday. If the employee works 32 hours or less in a week that includes a holiday, the employee will be paid double time for the hours worked on the holiday.

Section 20. Vacations

- (a) Regular employees shall accrue vacation leave on a bi-weekly basis, provided that the employee is in a paid status for at least two-thirds (2/3) of the hours of the pay period (53.4 hours or 74.67 hours for 24-hour

employees), at the rate set forth by the current Memorandum of Understanding.

- (b) Maximum vacation accrual will be set forth in the current Memoranda of Understanding.
- (c) Vacation time off shall be subject to approval of the Department Head. Vacation eligibility will be as set forth in the current Memorandum of Understanding subject to any limitations contained therein.
- (d) Vacation time off for Department Heads shall be subject to the approval of the City Manager.
- (e) In accordance with the current Memorandum of Understanding, regular employees who separate from City service with accrued vacation time shall be paid for unused vacation on the effective date of separation. Employees may use vacation time on his/her last day(s) of City service to continue in a paid status without being present.
- (f) In case of the death of an employee, payment for accrual vacation shall be made to the estate of the employee, or in accordance with State law.

Section 21. Vacation/Sick Leave Conversion

- (a) For all employees except 24-hour Employees
Employees in this category have the option, subject to approval, of converting sick leave to vacation leave on a two-to-one basis. The maximum allowable exchange will be 96 hours of sick time for 48 hours of vacation leave per calendar year. Minimum exchange will be 8 hours sick leave for 4 hours of vacation.
- (b) For all 24-hour Employees
All provisions are the same as in the preceding section except the conversion ratio will be three-to-one; the maximum allowable exchange will be 216 hours of sick leave for 72 hours of vacation leave; minimum exchange will be 12 hours of sick leave for 4 hours of vacation leave.
- (c) General Rules for Vacation/Sick Leave Conversion
The vacation/sick leave conversion program set forth in this resolution is intended to provide a means for the individual employee to convert sick

leave to vacation leave on the ratio set forth in this section. Such conversion, either to convert sick leave to vacation leave or vice versa shall be subject to the following conditions:

- (1) All requests to convert sick leave to vacation leave shall be submitted in writing to the Department Head in advance of intended vacation utilization.
- (2) The granting of such conversion and subsequent use will be at the discretion of the Department Head.
- (3) If the employee has not been permitted the use of the converted vacation leave within twelve (12) months, and has submitted at least one written request for utilization, the employee will have the option to re-convert the vacation leave to sick leave in reverse ratio* to the original conversion. This conversion will be allowed only for previously converted sick leave to vacation and will not be permitted for regularly accrued vacation leave.
- (4) If an employee, after converting sick leave to vacation leave, exhausts all of his/her remaining sick leave, he/she may make a written request to the Department Head to re-convert vacation leave to sick leave on a reverse ratio* basis. A written physician's statement attesting to the illness/injury is required and requests are subject to Department Head approval.
- (5) Sick leave converted to vacation is not available for use during the same pay period as the conversion.
- (6) This section only applies to employees whose Memorandum of Understanding allows for the temporary overaccrual of vacation. If an employee has converted sick leave to vacation and will exceed his/her vacation maximum accrual at the end of the calendar year, he/she will have the option to re-convert vacation leave back to sick leave on a reverse ratio* basis. Such re-conversion shall be limited to previously converted sick leave to vacation and may not exceed the amount necessary to reduce the accrued vacation to the

maximum allowable. Regularly accrued vacation leave, including vacation leave accrued in excess of the maximum allowable, will not be eligible for this re-conversion to sick leave.

*NOTE: As used in this section, "reverse ratio" is intended to mean that the ratio of sick leave to vacation leave will revert to the original ratio at the time of the initial conversion.

Section 22. Sick Leave

- (a) Sick leave shall be accrued at the rate 96 hours per calendar year (3.7 hours per bi-weekly pay period). For purposes of determining eligibility for sick leave accrual, employees must be on a paid status for at least 36 hours, excluding overtime, sick leave, family sick, family death, or personal leave, during the bi-weekly pay period. (Paid vacation, compensatory time off (CTO), holidays, and emergency paid leave, in addition to actual time worked, count toward the minimum hours required for accrual.)
- (b) Fire Department employees on a twenty-four (24) hour shift shall accrue 288 hours sick leave per calendar year (11.07 hours per bi-weekly pay period). For purposes of determining eligibility for sick leave accrual, Fire Department employees working on a shift basis must be in a paid status at least 50 hours during the bi-weekly pay period, excluding overtime, sick leave, family sick leave, family death leave, or personal leave. (Paid vacation, compensatory time off (CTO), holidays, and emergency paid leave, in addition to actual time worked, count toward minimum hours required for accrual.) However, Fire Department personnel not employed on a 24-hour shift basis shall accrue sick leave as set forth in the Section 22(a).
- (c) Sick leave accrued in a pay period may not be used during the same pay period.
- (d) Accrued sick leave may be used for leave consistent with leave under the Family Medical Leave Act (FMLA), the California Family Rights Act (CFRA), Government Code Section 12945(b)(1) or death of a member of

the employee's immediate family (immediate family as defined by FMLA or CFRA).

- (e) In the event of a death of a member of an employee's immediate family, the employee may use accrued sick leave as family death leave with approval of the City Manager (see Section 23: Bereavement Leave).
- (f) Not more than 48 hours of the employee's accrued sick leave (or six (6) shifts for 24-hour Fire employees) may be used as family sick leave within a calendar year for the care or attendance of members of his/her immediate family. "Immediate family" is defined as: spouse, parent, step-parent, child, step-child, sibling, grandparent, grandchild, aunt or uncle, niece or nephew, first cousin, parent by marriage, son or daughter-in-law, sibling by marriage, foster parent, domestic partner, anyone residing with employee, and anyone dependent on employee for care. The City Manager or designee may approve the use of additional sick leave.
- (g) Upon a doctor's certification that the employee is disabled because of pregnancy, or childbirth, or related medical condition, the employee may utilize accrued sick leave.
- (h) Accrued sick leave may be used for industrial injury or illness, as follows:
 - (1) Accrued sick leave may be applied during industrial injury or illness leave.
 - (2) If a Public Safety employee assigned to Fire Units #1 and #9B and Police Units #2 and #9A has exhausted his/her year of pay pursuant to Section 4850 of the State of California Labor Code, Sick Leave may not be used to supplement temporary disability pay pursuant to Section 4853 of the State of California Labor Code. This is not intended to deny any represented employee a cash payoff for any unused sick leave, upon disability retirement as provided for elsewhere in this document.
- (i) The City Manager or the employee's Department Head may require the employee to provide a physician's certificate, or otherwise, confirming that the employee was sick during any period of sick leave. If an employee

uses 40 hours or more of sick at one time, the employee shall provide to the Department Head a doctor's note certifying that the employee is physically able to perform the essential functions of the employee's position upon the employee's return to work.

- (j) A medical leave of absence for one calendar year without pay may be granted by the City Manager. If the employee is unable to return to work at the end of one year of leave of absence without pay, his/her service shall be terminated or retired.
- (k) A medical leave of absence granted by the Family and Medical Leave Act of 1993 (FMLA) or the California Family Rights Act (CFRA) will run concurrently with any paid leave.
- (l) Sick leave will have an unlimited accrual for use. However, payment of sick leave at retirement will be limited to a maximum of 1,500 hours (or 3,000 hours for 24-hour Fire employees). For employees who have accumulated more than 1,500 hours (or 3,000 hours for 24-hour Fire employees), the employee shall not be permitted to receive payment at retirement for more than the hours they had on the books as of January 1, 2004, plus 1,500 hours (or 3,000 hours for 24-hour Fire employees).
- (m) Employees leaving City service, except when on military leave, shall forfeit all sick leave benefits except as noted below. Sick leave may be used during a period of vacation prior to separation only with medical certification.
- (n) Employees whose service with the City aggregates fifteen (15) years or more shall be entitled, upon retirement, to payment for sick leave then accumulated for continuous service upon the following basis:
 - (1) Sick leave hours earned at the rate of ninety-six (96) hours per year shall be converted to their dollar equivalent based on the regular rate of pay last held by the employee, and those with 25 years or more service shall be entitled to be paid 75% of said accumulated sick leave;
 - (2) those with 20 years or more service shall be paid 50% of said accumulated sick leave; and

- (3) those with 15 years or more service shall be paid 25% of said accumulated sick leave.
- (o) Sick leave hours earned by Fire Department public safety employees on a twenty-four (24) hour shift basis, shall first be divided in half and the balance converted to their dollar equivalent based on the reduced twenty-four (24) hour average hourly rate of pay last held by the employee, and then paid on the same schedule as that set forth above.
 - (p) In the event of death of an employee, all accrued sick leave shall be paid to the employee's estate at full value.
 - (q) No City employee shall be entitled to paid sick leave under any of the following circumstances:
 - (1) Disability arising from any sickness or injury purposely self-inflicted or caused by the employee's willful misconduct, including, but not limited to, intoxication and misuse of narcotics or drugs.
(Employees may use sick leave for alcohol or drug addiction rehabilitation consistent with the existing Civil Service Rules and Regulations.)
 - (2) Sickness or disability sustained while on an unpaid leave of absence.
 - (3) Disability or illness arising from compensated employment other than with the City of Santa Clara.
 - (r) Sick leave shall not be used in lieu of, or in addition to, vacation except as stated herein.
 - (s) Separation of an employee's continuous employment or service, except by reason of layoff for lack of work or funds, shall abrogate all sick leave accrued to the time of such separation, regardless of whether or not such person subsequently reenters the City service.
 - (t) "Observed" holidays occurring during sick leave shall not be counted as a day of sick leave.
 - (u) Upon written determination from a qualified workers' compensation or City physician that the employee is declared permanently incapacitated for

further duty due to injury or illness, the City will apply for a disability retirement immediately, in accordance with the retirement administrative procedures.

Section 23. Bereavement Leave

- (a) The City will provide employees with a paid bereavement leave benefit to attend to the customary obligations arising from the death of a member of the employee's immediate family, as defined in this section.
 - (1) Employees are eligible to receive up to forty (40) hours (or three (3) shifts for 24-hour Fire employees) of bereavement leave in the event of the death of a parent, child, or sibling of the employee, employee's spouse, or employee's domestic partner (including, in each case, step, adoptive and in-law), spouse or domestic partner.
 - (2) Employees are eligible to receive up to three (3) work days, regardless of shift assigned, (or two (2) shifts for 24-hour Fire employees) of bereavement leave in the event of the death of a grandparent, grandchild, aunt or uncle of the employee, employee's spouse, or employee's domestic partner (including, in each case, step, adoptive and in-law).
 - (3) Employees are eligible to receive up to one (1) work day, regardless of shift assigned, (or one (1) shift for 24-hour Fire employees) of bereavement leave in the event of the death of a great-grandchild, great-grandparent, niece, nephew, or first cousin of the employee, employee's spouse, or employee's domestic partner (including, in each case, step, adoptive, and in-law).
- (b) The bereavement leave benefit is based on each death occurrence and is not charged through the total compensation model (Salary Adjustment Form).

- (c) Up to forty (40) hours (or five (5) shifts for 24-hour Fire employees) of additional bereavement leave may be charged as family death leave to an employee's sick leave balance with City Manager approval.
- (d) At the request of the City, the employee will provide verification.

Section 24. Military Leave

Military leave with pay shall be granted in accordance with the applicable sections of the Military and Veterans Code of the State of California and federal law.

The employee will receive full City pay for Military Leave up to 30 calendar days on an annual basis. Any Military Leave exceeding 30 calendar days will require the employee to utilize other approved time off, excluding sick leave. If the employee does not have sufficient accrual balances to cover Military Leave exceeding 30 calendar days, he/she may request a Personal Leave of Absence without pay.

Section 25. Jury Duty

No deductions shall be made from the pay of a regular employee for the hours that jury duty intrudes upon the assigned work shift providing that he/she submits any jury fees collected to the City. Employees may keep mileage fees received as reimbursement for the use of a private vehicle. An employee accepted for jury duty shall immediately notify his/her Department Head.

Section 26. Court Appearance as a Witness

No deductions shall be made from the salary of an employee who has been subpoenaed as a witness as a result of having observed an event or occurrence while on City duty providing he/she submits the witness fee. The same procedures are to apply as in the above paragraph.

Section 27. Uniform Allowance

A standard uniform regulation shall apply to designated Police and Fire Department uniformed personnel. Eligibility and annual amounts to be paid by the City will be based upon criteria as set forth in current Memorandum of Understanding. Payments for uniform allowance will be made bi-weekly.

Newly hired personnel will not receive uniform allowance during the initial twelve (12) continuous months of employment in the classification eligible for uniform allowance. Upon satisfactory completion of 12 months of employment, payment in the

amount equal to full uniform allowance (where applicable) will be paid for the initial 12 months of employment inclusive of any partial amount which would have been incurred in a previous year (on a pro-rated basis).

The City shall also provide for the repair of, or replacement based on the remaining useful life of the uniform article damaged while actively engaged in the line of hazardous duty in the Police and Fire service. All safety equipment supplied by the City damaged while actively engaged in the line of hazardous duty shall be replaced at no cost to the employee.

Section 28. Insurance Benefits

Types of insurance:

1. Health, Dental, Short and Long Term Disability, and Life Insurance: The City may arrange for and make available to City of Santa Clara employees the following group insurance benefits: Health, Dental, Short and Long Term Disability, Life Insurance, Voluntary Employees Beneficiary Association (VEBA), Employee Assistance Program and Flexible Spending Plan. The City has the obligation to change, alter, modify or the right to discontinue such plans when mandated by the provider. Current contracts for these insurance benefits shall be on file in the City Clerk's Office.
2. Health Allocation: Employee Bargaining Groups shall, on a once a year basis, commencing with the beginning of the calendar year, designate a fixed maximum monthly sum to be paid by the City for all represented employees toward applicable insurance premiums.

To be eligible for the health allocation, a represented full-time employee must be on a paid status for at least 80 hours (112 hours for 24-hour employees) in the month prior to the month of coverage. Part-time employees will have access to full health and dental benefits, but the total health allocation will be pro-rated to hours worked.

If the premiums for the individual employee exceed the amount allocated, the balance is paid by a salary deduction from the paycheck of the individual employee or under special circumstances, paid directly by the employee.

If the premiums are less than the monthly amount allocated, the difference will be refunded twelve (12) times a year.

3. Insurance Premium Payments During Periods of Work-related Injuries: For an employee who is temporarily disabled due to an accepted workers' compensation claim and has not earned the health allocation, the City will continue to pay the required premiums up to the amount of the health allocation until the employee is able to return to full duty or is declared permanent and stationary. However, should the injury be determined by the City's Workers' Compensation Third Party Administrator and/or the Workers' Compensation Appeals Board to not be service connected, the employee shall repay the City in full the premiums paid on his/her behalf.

Section 29. Retirement Benefits

Pursuant to Section 1200 of the City's Charter, the California Public Employees' Retirement System is the Retirement System of the employees of the City. As a condition of employment, employees of the City automatically become members of the Public Employees' Retirement System. The current contract between the City of Santa Clara and the Public Employees Retirement System is on file in the City Clerk's Office.

The Retirement System is divided into two Retirement Formulas, for Public Safety Employees and Miscellaneous Employees, as follows:

- (1) Public Safety Employees – 3% at age 50 Retirement Program
- (2) Miscellaneous Employees – 2.7% at age 55 Retirement Program

Section 30. Leave of Absence Without Pay

A leave of absence without pay may be granted as follows:

- (a) The City Manager may grant a leave without pay not to exceed one (1) calendar year.
- (b) Maternity Leave.

The term "maternity leave" refers to a leave of absence without pay because of pregnancy, childbirth, or related medical conditions. Pursuant to the Federal Pregnancy Discrimination Act (Pub. L. 95-555, 92 Stat. 2076 (1978) 42 U.S.C. 2000e), the rules and regulations issued pursuant thereto by the Equal Employment Opportunity Commission and Section

12945 of the California Government Code, the City Manager may grant a leave without pay not to exceed four (4) months for disability caused by pregnancy, childbirth, or related medical conditions. The City Manager may extend the leave up to eight (8) additional months.

The employee will give reasonable written notice of the need for maternity leave and her estimated duration of the leave.

Accrued vacation time (pursuant to Section 20) and accrued sick leave (pursuant to Section 22) may be used by the employee during the maternity leave.

(c) Family Leave.

Pursuant to the federal "Family and Medical Leave Act of 1993" (FMLA) and the California Family Rights Act (CFRA), the City Manager may grant a leave without pay for up to twelve (12) workweeks in a rolling twelve (12) month period for the care of an employee's spouse, child, or parent who has a serious health condition or the employee's own serious health condition that makes the employee unable to perform the functions of his/her position. The City Manager may authorize additional unpaid leave to increase the total leave without pay to one (1) calendar year. When the employee has requested a Medical Leave of Absence without Pay or Maternity Leave of Absence and Family Medical Leave simultaneously, FMLA leave shall run concurrently with such leaves.

Section 31. Right of Employee to Retain Position

When a leave of absence with or without pay is granted, it is with the definite understanding that the employee will be restored to the position vacated by him/her at the expiration of his/her leave.

Section 32. Temporary Changes in Work Schedules

- (a) General Rule – Temporary changes in work schedules shall be made whenever required. However, such changes shall be considered emergencies and emergency overtime rules shall apply whenever:

- (1) less than fourteen (14) hours advance notice is given to eight (8) hour, nine (9) hour, ten (10) hour, or twelve (12) hour shift employees; or
 - (2) less than forty-two (42) hours advance notice is given to Fire Department employees working a twenty-four (24) hour shift.
- (b) During the City's Annual Cleanup Campaign, the City may temporarily change the regular hours of work, on regular work days, of employees, upon 14 hours advance notice. Change in assignment for employees must be limited to shifts commencing up to one hour either prior to their regular shifts or up to one hour after the commencement of their regular shifts at straight time salary. Employees so assigned will work a nine (9) hour work day excluding unpaid time for meals. Any hours in excess of a regular (e.g., 9/80) schedule will be paid at the prevailing overtime rate.

Section 33.

This Resolution supersedes Resolutions Nos. 636, 3144, 3830, ~~and~~ 4652 and amendments thereto.