

CHAPTER FIVE
COMPENSATION

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CHAPTER FIVE

COMPENSATION

I. City of Hampton Compensation Program

A. City of Hampton Compensation Philosophy

The City of Hampton's goal is to be the employer of choice by meeting the career needs of our employees. This will be accomplished by attracting, retaining and motivating high-performing employees and providing a competitive total compensation package. The total compensation package is based on economic conditions, service delivery to citizens and the financial resources available in the community.

City of Hampton Compensation Plan Definitions:

1. Career Needs - The City recognizes the need for individuals to grow professionally. To this extent the City will encourage personal and professional growth and development both vertically and horizontally for employees. The City values continuous growth in knowledge, skills, and competencies, which result in enhanced service to citizens and adds value to the organization.

2. Motivation and Retention Strategies - Factors contributing to increased job satisfaction and therefore greater motivation and productivity include but are not limited to:

- On-the-job training opportunities
- Opportunities to receive performance feedback, coaching and mentoring
- Opportunities for direct, positive feedback from customers

- Cross-training opportunities
- Public praise or recognition for customer delight
- Flexible scheduling where feasible
- Friendly and collaborative work environments
- Open door management
- Opportunities for continuous learning and organizational involvement

3. High Performance Employees Consistently

- Treat others with dignity and respect
- Master all job requirements
- Assume responsibility beyond job expectations
- Seek additional educational and career development opportunities
- Foster customer delight
- Demonstrate sound judgment
- Facilitate project completion

4. Total Compensation Package - The City's total compensation package includes: base and incentive pay, longevity pay, medical benefits, retirement, paid annual and sick leave, tuition reimbursement, employee assistance program, flexible scheduling and career development opportunities.

5. Economic Conditions Include:

- Local, regional and state economic conditions (e.g. cost-of-living and cost-of-labor indices)
- The level of income growth of Hampton residents
- The performance of Hampton businesses

6. Service Delivery to Citizens - Services, activities and events provided by City employees that enhance the quality of life and ensure the safety and security of citizens.

7. Availability of Financial Resources - In accordance with the financial policies established by City Council, the availability of sufficient resources in the City's budget to fund the total compensation package.

B. Compensation Plan

The City's compensation plan shall be developed, maintained and administered by the Director of Human Resources, acting for the City Manager. The Director of Human Resources shall have responsibility for management of the compensation plan. However, the plan may be administered with input and participation from managers and employees at all levels of the organization.

C. Pay Administration

1. Surveys

Surveys may be conducted on an ongoing basis as positions become vacant, upon Department Head request or upon initiation of the Director of Human Resources when it is determined necessary for the effective administration of the compensation system.

2. Assignment of Positions to Pay Ranges

The Director of Human Resources or designee shall be responsible for assigning City positions to a pay schedule, pay range, and/or pay band. This assignment is based on market data and the City Manager's determination of the strategic value of positions and/or employees to the

organization. Strategic value considerations may involve turnover, skill sets, recruitment and retention concerns, the impact of specific positions and employees on the organization's mission, and other relevant factors.

Pay ranges for Unified Public Safety, and WAE positions and pay rates are located in the appendices of this chapter.

Compensation for employees on the EXEC pay schedule is established by the City Manager based on accomplishments and budgetary limits. Compensation for employees on the EXECU pay schedule is recommended by the Department Head for approval by the Director of Human Resources or the City Manager. Compensation for employees on the EXEC and the EXECU pay schedules may be monetary, non-monetary or a combination of both.

3. Establishing Pay on Ranges or Bands

The employee's base salary shall be set within the pay range, pay band, and/or on the pay schedule established for the position. No employee's base salary shall be more than the maximum or less than the minimum pay established for the position.

4. Commission Sales Plans

The Director of Human Resources may develop commission sales pay plans for employees who work in sales and/or marketing positions. Plans may be modified to fit the specific mission and objectives of particular types of sales/marketing operations, and may include provisions for base pay, commissions, and/or bonuses based on performance

outcomes. Compensation plans established for sales/marketing employees shall be based on sales performance, and may also take into account market data and analysis, trend information resulting from previous City of Hampton sales and marketing activities, outside information resources and indices, and strategic considerations as determined appropriate by the City Manager. The plan for each department must be approved by the City Manager.

D. Applicability

This manual shall apply to and is the sole authority for setting rates of pay for the following categories of jobs and employees: general fund and non-general fund, except: members of City Council; elected officials and the employees of elected officials not covered by written agreement; the City Manager; City Attorney; Department Heads and other managers assigned to the executive compensation plan; employees or persons whose rates of pay are otherwise determined by Virginia law; employees or persons providing a specialized service under the supervision of a City of Hampton activity who are paid from other than federal, state, or general funds (e.g. security employees provided to local businesses and producers, sponsors, or promoters utilizing the Coliseum) and other individuals who are exempt from the City pay system as defined in Chapter One, Section II. Its application to any of these activities or any non-city agency shall be by mutual agreement between the City Manager, the Director of Human Resources and the head of the agency/activity concerned.

II. Categories of Positions

A. Permanent Full-Time (PFT): Positions needed on a continuing basis and requiring a regularly scheduled workweek of forty (40) hours or more.

B. Permanent Part-Time (PPT): Positions needed on a continuing basis and requiring a regularly scheduled workweek of twenty-five (25) or less hours.

C. When Actually Employed (WAE): Positions required on a temporary basis in which the incumbents work and are paid when actually needed and requiring a regularly scheduled workweek of twenty-five (25) or less hours.

III. Establishing Hourly Rates

A. Establishing Straight Time Hourly Rates

When a straight time hourly rate is required for any purpose it shall be derived by dividing the annual salary of the position by 2080 for all employees except for uniformed Fire and Rescue Division employees on twenty-four (24) hour shifts whose rate is derived by dividing the annual salary by 2704.

B. Establishing Hourly Rates for Overtime Purposes

Hourly rates for overtime purposes shall be based on one and one-half (1.5) times the sum of the employee's straight time hourly rate plus any additional remuneration as specified by the Fair Labor Standards Act.

C. Federal Minimum Wage

The City is subject to the Fair Labor Standards Act therefore, the Federal Minimum Wage shall apply to all individuals employed by the City, regardless of source of funding. Increases in the Federal Minimum Wage shall be automatically implemented on dates specified in the enacting legislation.

D. Partial Hour Calculation

Total time reported for pay purposes (in a 24 hour period) will be rounded to the nearest quarter hour (.25) using the eight (8) minute rule as listed below:

1. If the minutes are 53-07: Round to “.00”
2. If the minutes are 08-22: Round to “.25”
3. If the minutes are 23-37: Round to “.50”
4. If the minutes are 38-52: Round to “.75”

IV. Special Hiring Rates

A. Unified, Public Safety, and WAE Employees

A new employee or a rehired employee with a break in service of more than ninety (90) calendar days shall normally be hired at the minimum of the pay range. Based on a new employee's knowledge, skills and abilities, Department Heads have the discretion to offer a rate up to 10% above the minimum of the assigned pay range. If a new employee has qualifications that significantly exceed the minimum requirements of the position, a rate higher than 10% above the minimum and/or a sign-on bonus may be granted with written approval of the Director of Human Resources and/or the City Manager, as appropriate.

B. Selection of WAE Employees for Permanent Full-Time Positions

WAE employees who are selected for permanent full-time positions shall be considered new employees and are eligible for special hiring rates as outlined in Section A.

V. Merit Increases

A. Merit Increase Administration

All merit increases shall be established by City Council resolution based on the recommendation of the City Manager. Permanent Full-Time and Permanent Part-Time employees shall be eligible for merit increases the first pay cycle of the fiscal year. WAE employees shall not be eligible for merit increases. Merit increases shall be included in base pay until the salary reaches the maximum of the pay range or applicable zone on an approved pay band.

B. Effect of less than 'Met' Rating on Merit Increases

A merit increase for an employee with performance that is less than 'Met' shall be deferred for up to six (6) months, with Department Head approval and in coordination with the Department of Human Resources. The reason for the deferral of the merit increase shall be discussed with the employee. The employee shall be given an opportunity to improve performance during the deferral period in accordance with the provisions of Chapter Four, Section IV of this manual. The Performance Improvement Plan shall be documented as an attachment to the Performance Management Form and forwarded to the Department of Human Resources. If the employee improves performance to an overall 'Met' level or better during the deferral period, then the employee shall be granted the appropriate prorated merit increase to be effective at the end of the deferral period.

VI. Promotion

For the purpose of this manual the term "promotion" shall mean the movement of an employee to a position in a higher pay grade. All promotions to permanent positions

shall be made on the basis of competitive procedures unless an exception is provided elsewhere in this manual.

Under no circumstances shall an employee be promoted (temporarily or otherwise) if performance is less than 'Met', or if the merit increase has been deferred because of less than 'Met' performance, until the overall performance has improved and been documented as being 'Met' or better.

A. Permanent Full-Time and Permanent Part-Time Employees

A permanent employee who competes for and is promoted to a position with a higher pay range shall be granted an increase at the time of promotion.

1. No Change in Fair Labor Standards Act Status

The new salary shall be set at the minimum of the new pay range or the employee shall receive a ten percent (10%) increase, not to exceed the absolute maximum of the new pay range, whichever is greater.

2. Change in Fair Labor Standards Act Status – Non-Exempt to Exempt

When an employee is promoted from a position subject to overtime compensation to a position not subject to overtime compensation in accordance with the Fair Labor Standards Act, the new salary shall be set at the minimum of the new pay range or the employee shall receive a twelve percent (12%) increase, not to exceed the absolute maximum of the new pay range, whichever is greater.

3. Change in Fair Labor Standards Act Status – Exempt to Non-Exempt

When an employee is promoted from a position not subject to overtime compensation to a position subject to overtime compensation in accordance with the Fair Labor Standards Act the new salary shall be set at the minimum of the new pay range or the employee shall receive a ten percent (10%) increase, not to exceed the absolute maximum of the new pay range, whichever is greater.

4. Public Safety Designated Positions

The promotional increase for sworn Public Safety employees with the designation of Senior Patrol Officer, Master Patrol Officer, First Sergeant, Senior Corporal, Senior Medic Firefighter or Master Medic Firefighter shall be the difference between the initial increase received for the designation and the applicable increase based on the exempt or non-exempt status of the new position.

For example, an employee became a Senior Patrol Officer and received a three (3) percent increase and several years later became a Master Patrol Officer and received an additional five (5) percent increase for a total of eight (8) percent. The Master Patrol Officer decides to enter the promotional process and is subsequently promoted to a Police Corporal, which is a non-exempt position. Since the employee received a total of eight (8) percent for the Senior and Master Patrol Officer designations, the employee would only receive an additional two (2) percent increase to the Police Corporal position.

B. Temporary Promotions

Temporary promotions shall not exceed twelve (12) consecutive months. They may be used during the extended absence of an incumbent, to fill a vacancy until a permanent appointment is made, or to assign responsibility for an increased workload. Temporary promotions are normally used when the maximum period of temporary assignment has expired or when a temporary assignment is not appropriate. An employee must meet the minimum qualifications of the higher level position in order to be temporarily promoted to that position.

An employee in a temporary promotion shall not be permanently promoted without having participated in a competitive process under the provisions of this manual. If a permanent position targeted for RIF is filled by an employee in a temporary promotion, the temporary promotion will be rescinded and the employee will revert back to the permanent position assignment. At the termination of a temporary promotion the employee is returned to the regular position and rate of pay plus any applicable adjustments made subsequent to the temporary promotion not to exceed the maximum of the pay range. Merit increases for employees in a temporary promotion shall be calculated based on the employee's base pay in the regular position and be added to the employee's total salary. Temporary promotion documentation shall be made a part of the employee's personnel file and any qualifying experience gained may be used in any competitive examination or application filed subsequent to such temporary promotion.

Establishing pay for temporary promotions shall be the same as for permanent promotions. An employee who is temporarily promoted and later reverts to the former

position shall have pay set at the rate that would have attained had the temporary promotion not occurred. Merit increases for employees in a temporary promotion status shall be calculated based on the employee's base pay in the permanent assignment and added to the employee's total salary in the temporary promotion. The only exception to this policy shall be for employees temporarily promoted to positions on Executive Pay, in which case the City Manager shall establish annual salaries.

VII. Demotion

A demotion occurs when a permanent employee is assigned to a position with a lower pay range, or at a lower pay rate in the case of WAE employees for less than 'Met' performance, inability to perform the duties due to an unsatisfactory driving record, loss of a required license, failure to meet job requirements, or as a form of discipline. Proposed actions under these circumstances shall be coordinated with the Director of Human Resources or designee by the Department Head prior to initiating the demotion. Employees demoted for less than 'Met' performance or failure to meet job requirements shall receive seven (7) calendar days advance written notice of such demotion and the notice shall inform the employee of the specific reasons for the demotion.

Employees demoted for disciplinary reasons shall receive notice in accordance with Chapter 2 of the Personnel Policies Manual.

An employee who is demoted from a position to another position with a lower pay range because of less than 'Met' performance, failure to meet job requirements or misconduct, shall have pay reduced by fifteen percent (15%) or set at the minimum of the new pay range, whichever results in the least loss of pay. Base pay shall not exceed the maximum of the new pay range. A WAE employee moved to a WAE position at a lower

rate of pay due to unsatisfactory performance, failure to meet job requirements or misconduct shall have pay set at the lower rate.

VIII. Reassignment

For the purpose of this manual the term "reassignment" shall mean the transfer of an employee from one position to another position for which the same or a lower pay range is prescribed and which does not involve poor performance or misconduct. Reassignment may be at the employee's request for developmental or other reasons, or for valid management reasons. While reasonable consideration shall be given to the employee's preference, management considerations shall take precedence. The employee shall have no grievance rights against reassignment to positions in the same pay range.

A. Reassignment to a Position in the Same Pay Range

A Department Head may reassign an employee from one position to another position at the same pay range within the department provided the employee meets the established minimum qualifications for the assigned position. The reassignment of an employee from a position in one department to a position in another department at the same pay range shall have the approval of both Department Heads and the Director of Human Resources. Requests for such reassignments shall be initiated by the Department Head receiving the employee and shall show that the employee meets the established minimum qualification standards.

An employee who is reassigned from a position to another position with the same pay range shall remain at the same rate of pay. An employee who is reassigned from

one funding source to another with the same position title and same pay range shall remain at the same rate of pay.

B. Reassignment through No Fault to a Position in a Lower Pay Range

Because of staffing level adjustments, budget constraints, changes in mission, and other management considerations, it may become necessary to change the duties and/or level of responsibilities assigned to certain positions. This may result in a position being assigned to a lower pay range. An employee may be reassigned from a position to another position with a lower pay range through no fault (e.g. reorganization, reevaluation of the position, response to market factors). The employee shall retain the current base pay unless it exceeds the maximum of the new pay range, in which case the base pay shall be set at the maximum of the new pay range.

C. Voluntary Reassignment to a Position in a Lower Pay Range

An employee who requests and is reassigned to a position with a lower pay range shall have the base pay set at the time of the action.

1. No Change in Fair Labor Standards Act Status

The base pay will be set at the minimum of the new range or reduced by ten percent (10%), whichever results in the least loss of pay.

2. Change in Fair Labor Standards Act Status – Non-Exempt to Exempt

The base pay will be set at the minimum of the new range or reduced by ten percent (10%), whichever results in the least loss of pay.

3. Change in Fair Labor Standards Act Status – Exempt to Non-Exempt

The base pay will be set at the minimum of the pay range or reduced by twelve percent (12%), whichever results in the least loss of pay.

D. WAE Employee

A WAE employee who is reassigned to a position at a lower rate of pay shall have the pay set at the lower rate of pay.

IX. Administrative Upgrade

A trainee/recruit who has met all the requirements of the higher level position for which the employee is being trained shall be administratively upgraded without competition with Department Head approval. The employee shall retain the existing base pay or the minimum of the new pay range whichever is greater.

X. Assignment of Position to a Different Pay Range

When a position is assigned to a higher pay range or a higher pay rate, the employee shall retain the current base pay or be placed at the minimum of the new pay range or rate, whichever is greater. When a position is assigned to a lower pay range or pay rate the employee shall retain the current base pay unless it exceeds the maximum of the new pay range or rate, in which case the base pay shall be set at the maximum of the new pay range. These actions are administrative in nature and do not require competition on the part of the incumbents.

XI. Salary Adjustment within Pay Range

Salary adjustments, not to exceed the maximum of the pay range for the position, may be granted in cases where:

1. an employee has assumed significantly greater responsibility
2. an increase is necessary to retain a valuable employee who has received a written competing job offer or a competing job offer that has been verified by Human Resources
3. other valid reasons as determined by the Department Head

Requests must be approved in writing by the Director of Human Resources and the City Manager. Supporting documentation and approval shall be included in the employee's official personnel file.

XII. Reinstatement

A former permanent employee, who leaves employment in good standing, may be reinstated if reemployed within ninety (90) calendar days from the date of separation. The reinstated employee must be appointed to a position with the same title and rate of pay (plus any applicable adjustments made subsequent to separation) and position status from which the employee was separated. The period of separation shall be considered as leave without pay.

XIII. Overtime Provisions

It is the policy of the City of Hampton to comply with the requirements of the Fair Labor Standards Act (FLSA) for the purposes of establishing minimum wage, overtime pay, and recordkeeping policies. The FLSA provides an exemption from overtime pay for employees who work in executive, administrative, professional, or certain other positions. Overtime must be approved by the supervisor prior to the performance of the work. Unless otherwise authorized, non-exempt employees performing non-emergency

overtime work without prior supervisory approval are subject to discipline up to and including dismissal.

A. Exempt Employees

Employees assigned to positions determined to be exempt under the Fair Labor Standards Act are expected to work such hours necessary to accomplish the assigned responsibilities without additional compensation.

B. Non-Exempt Employees

Employees assigned to positions determined to be non-exempt under the Fair Labor Standards Act are eligible for overtime at a rate of i) one and one-half (1.5) hours of compensatory time for each hour worked or ii) one and one-half (1.5) times the regular rate of pay, for actual hours worked in excess of forty (40) in an administrative workweek.

C. Non-Exempt Uniformed Fire and Rescue Division Employees on a 21-Day Cycle

Federal regulations state that Uniformed, Sworn Fire and Rescue Division employees assigned to positions determined to be non-exempt under the Fair Labor Standards Act are eligible for overtime at a rate of: i) one and one-half (1.5) hours of compensatory time for each hour worked or ii) one and one-half (1.5) times the regular rate of pay, for hours worked in excess of their regularly scheduled 156 work hours in a designated twenty-one (21) calendar-day cycle. "Hours worked" for overtime calculation include actual hours worked and any hours in a paid leave status.

D. Non-Exempt Sworn Police Division Employees on a 28-Day Cycle

Federal regulations state that Sworn Police Division employees assigned to positions determined to be non-exempt under the Fair Labor Standards Act are eligible for overtime at a rate of: i) one and one-half (1.5) hours of compensatory time for each hour worked or ii) one and one-half (1.5) times the regular rate of pay, for hours worked in excess of the regularly scheduled 160 work hours in a designated twenty-eight (28) calendar-day cycle. "Hours worked" include actual hours worked and any hours in a paid leave status.

E. Record Keeping Requirements

The FLSA requires every covered employer to maintain certain records for each non-exempt worker to include the following:

1. The time and day of week when the employee's workweek begins.
2. Hours worked each day.
3. Total hours worked each workweek.
4. Total amount of leave (paid or unpaid) taken.
5. Compensatory time earned.
6. Compensatory time taken.
7. Total overtime earnings for the workweek or, for sworn public safety employees, calendar-day cycle.

All non-exempt employees must accurately record and report all "hours worked" in accordance with established timekeeping practices to ensure that they are paid for all such hours. Failure to accurately record "hours worked" will result in discipline up to and including dismissal.

F. Overtime Compensation

Overtime compensation may take the form of compensatory time or pay, at management's discretion. Compensatory time will be the default unless other arrangements are made prior to the work being completed. By accepting or continuing employment with the City, non-exempt employees understand and agree that this is how they will be compensated for overtime and acknowledge the City's policy regarding overtime compensation.

1. Compensatory Time

Compensatory time shall be calculated at one and one-half (1.5) hours for each hour worked. Employees may be paid at their regular rate of pay for accumulated compensatory time at management's discretion. Compensatory time may be taken at the employee's request with supervisory approval so long as the use of the compensatory time does not unduly disrupt the operations of the department.

Unless otherwise set by department or division policy, employees may accumulate a maximum of sixty (60) hours of compensatory time. Compensatory hours in excess of the maximum shall be paid at the employee's regular rate of pay at the time of payment. Upon separation of employment, any unused compensatory time balance shall be paid at the employee's regular rate of pay at time of separation.

2. Overtime Pay

Overtime pay shall be paid at one and one-half (1.5) times the employee's regular rate of pay.

XIV. Longevity Pay

Permanent Full-Time employees shall receive longevity pay at the rate of two hundred dollars (\$200) for each three (3) full years of continuous service pending the approval of funds through the budget process by City Council. Such service shall be computed from the individual employee's last date of employment with the City and longevity increments shall be effective at the beginning of the first pay period of the calendar month in which the employee attains eligibility. There is no limit on the number of longevity increments an employee can earn.

XV. City Holidays

A. City Holiday Observance

The City observes the following paid holidays each calendar year:

New Year's Day

Dr. Martin L. King Jr. Day

Presidents' Day

Memorial Day

Independence Day

Labor Day

Veterans' Day

Thanksgiving Day

Christmas Day

The City Manager shall designate the City holidays and the dates on which such holidays will be observed prior to the beginning of each calendar year.

Sworn Police employees, uniformed Fire and Rescue employees on twenty-four (24) hour shifts and other employees who work in operations that must be continuously maintained regardless of holidays may observe the actual legal holidays for pay purposes. Such operations and employees shall be identified in writing by the Department Head.

Permanent Full-Time employees who are in a paid status on the last working day before the City holiday and the first working day after the City holiday shall be compensated for the City holiday. Employees shall not be charged any type of leave on observed City holidays.

Permanent Full-Time employees who are in an unpaid status on the last working day before the City holiday or the first working day after the City holiday shall not be compensated for the City holiday. The hire or separation date for an employee shall not be effective on a holiday except when the employee works that day.

Permanent Part-Time and WAE employees not scheduled to work on the holiday shall not be paid.

B. City Holiday Pay

Holiday pay shall only be paid for the portion of the shift that falls within the period from 12:01 a.m. through 11:59 p.m. on the City holiday.

- 1. Non Exempt Employees Directed to Work:** All non-exempt employees who have been directed and authorized by an appropriate management official to perform work on a City holiday shall be paid two and one-half (2 1/2) times the straight time rate for all hours actually worked.

2. Employees Assigned to a Non-Traditional Work Schedule: If a designated City holiday falls on one of the regularly scheduled days off, either the preceding or following regularly scheduled workday will be observed as the City holiday with management approval.

3. Sworn Police Division and Public Safety Communication Employees: Sworn Police Division employees and Public Safety Communications employees shall receive holiday pay or equivalent time off. The equivalent time off for these City holidays not taken during the calendar year in which they were earned must be taken no later than June 30th of the following calendar year. The holiday time off shall be scheduled at the employee’s request with supervisory approval and shall be taken prior to utilization of annual leave. Holiday leave balances in excess of 80 hours as of June 30th for the previous calendar year shall be paid out to the employee during the month of July.

4. Uniform Fire Employees: Uniformed Fire employees who work 52/56-hour shifts shall receive holiday pay for hours worked on the City holiday falling within their scheduled shift. If no portion of a City holiday falls within the 52/56-hour uniformed fire employee’s scheduled shift, the employee will receive 12 hours holiday leave to be used within the calendar year in which it was earned.

July 3			July 4 (Holiday)			July 5			July 6
0000	0800	1600	0000	0800	1600	000	0800	1600	0000
A SHIFT	C SHIFT		A SHIFT			B SHIFT			
REG Pay (24 hrs)	REG Pay (16 hrs)	HOL Pay (8 hrs)	HOL Pay (16 hrs)	REG Pay (8 hrs)	REG Pay (24 hrs)				

	Receives 8 hours holiday pay for hours worked during actual holiday	Receives 16 hours holiday pay for hours worked during actual holiday	Receives 12 hours holiday leave on January 1 to be used during calendar year
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REG: Pay at regular or straight pay
HOL: Pay at holiday pay rate

In the example above, C-shift reports for duty at 8:00 a.m. on July 3 and is relieved of duty at 8:00 a.m. July 4. Because C-shift's scheduled shift includes eight hours (12:00 a.m.-8:00 a.m.) of the July 4 holiday, each employee working during this time will be paid eight hours holiday pay. A-shift reports for duty at 8:00 a.m. on July 4 and is relieved of duty at 8:00 a.m. July 5. Because A-shift's scheduled shift includes 16 hours (8:00 a.m.-11:59 p.m.) of the July 4 holiday, each employee working during this time will be paid 16 hours holiday pay. B-shift did not work any portion of the city holiday and, therefore, would receive 12 hours holiday leave.

If a 52/56-hour uniformed fire employee is granted time off during a scheduled shift that falls on a City holiday, the employee shall receive holiday leave equivalent to the number of hours that would have been worked during the City holiday had the employee actually worked.

In the example above, if an A-shift employee was assigned off or was on paid leave during the City holiday, they would be charged 16 hours holiday leave and 8 hours of another earned leave type.

XVI. Call-Out Pay

Non-exempt employees may be subject to call-out that does not unduly restrict freedom to conduct personal business. Employees subject to call-out may be required to carry a phone or pager, notify a manager/supervisor as to contact arrangements, or be included on a list of employees who may be called in to work on a rotational basis.

Call-out employees shall be paid at the applicable hourly rate for one (1) shift. Employees actually called to work under these circumstances shall be guaranteed at least two (2) hours pay for that work period. Travel time to and from work is not compensable time. If the call-out work hours cause the employee to exceed forty (40) hours in an administrative workweek, the regularly scheduled work hours in a 28-day cycle in the case of eligible sworn Police Division employees, or the regularly scheduled work hours in a 21-day cycle in the case of eligible uniformed Fire and Rescue Division employees, overtime rates shall apply. The call-out requirement shall be included in the position description or in an official memorandum and the employee shall be informed in advance of the scheduling of call-out time.

XVII. On-Call Pay

A non-exempt employee who is required by management to be immediately available to respond to situations outside of the regularly scheduled shift, whose movements are severely restricted, and who is required to respond to a call to duty within a very short period of time shall be considered to be on-call for pay purposes. On-call employees shall be paid at the applicable hourly rate for all on-call hours less meal and sleep time. Payment for on-call status shall be paid in one (1) hour increments and the minimum paid shall be one (1) hour. If the on-call work hours cause the employee to exceed forty (40) hours in an administrative workweek, the regularly scheduled work hours in a 28-day cycle in the case of eligible sworn Police Division employees, or the regularly scheduled work hours in a 21-day cycle in the case of eligible uniformed Fire and Rescue Division employees, overtime rates shall apply. If the on-call work period falls on a City holiday, holiday rates shall apply. The on-call

requirement shall be included in the position description or in an official memorandum and the employee shall be informed in advance of the scheduling of on-call time.

XVIII. Flex Time

At all times, the City retains the absolute discretion to “flex” a non-exempt employee’s schedule during the administrative workweek in which the additional hours were worked to reduce and/or eliminate overtime. Flexing is prohibited between administrative workweeks.

A. Non-Exempt Employees: For non-exempt City employees not on a uniformed fire and rescue service 21 day work cycle or a sworn police 28 day work cycle, this means that an employee’s schedule may be prospectively adjusted within the 7 day administrative work week in order to reduce and/or eliminate overtime in that workweek. In the example below, the employee’s total hours for the week would then equal 40 and no overtime would be incurred; nor would the employee be charged any leave.

Day	Hours Worked
Monday	9.5
Tuesday	10.0
Wednesday	8.0
Thursday	8.5
Total Hours (Monday-Thursday)	36.0
Work hours required on Friday	4.0
Total for the week	40.0

B. Non-Exempt Uniformed Fire and Rescue Division Employees on a 21-day Cycle

With respect to uniformed fire and rescue, schedules may be prospectively adjusted within their 21 day work cycle. In the example below, if a non-exempt fire employee works 156 hours prior to the end of the scheduled 21 day cycle, the supervisor could tell the firefighter to not come in for the scheduled shift in week three. The employee’s total hours for the 21 day work cycle are 156 and no overtime would be incurred; nor would the employee be charged any leave from her or his paid leave or compensatory time bank.

Week	Scheduled Shift	Actual Hours Worked	Total Hours Worked
1	3-24 hour	3-24 hour	72.0
2	3-24 hour	3-24 hour 1-12 hour	84.0
3	1-12 hour	Off	
Total	156.0	156.0	156.0

Similarly, since paid leave hours count as “hours worked” for overtime purposes for non-exempt uniformed fire and rescue personnel, prospective leave can be adjusted. In the example below, if a non-exempt fire employee works 156 hours prior to the end of the scheduled 21 day cycle, then there is no need to use the twelve (12) hours of vacation scheduled in week three. The employee’s total hours for the 21 day cycle are 156 and no overtime would be incurred; nor would an employee be charged any leave for the day she or he is removed from the schedule in week three.

Week	Scheduled Shift	Actual Hours Worked	Total Hours Worked
1	3-24 hour	3-24 hour	72.0
2	3-24 hour	3-24 hour 1-12 hour	84.0
3	Vacation (12 Hours)	Vacation Leave Not Used	0.0
Total	156.0	156.0	156.0

C. Non-Exempt Sworn Police Division Employees on a 28-day Cycle

With respect to sworn police, schedules may be prospectively adjusted within their 28 day work cycle.

Week	Scheduled Shift	Actual Hours Worked	Total Hours Worked
1	3-12 hour	3-12 hour	36.0
2	5-12 hour	5-12 hour	60.0
3	4-12 hour	4-12 hour	48.0
4	3-12 hour	2-12 hour	24.0
Total	180.0	168.0	168.0

Similarly, since paid leave hours count as “hours worked” for overtime purposes for non-exempt sworn police personnel, prospective leave can be adjusted. In the example below, her or his supervisor could change the schedule such that the employee is not scheduled for 14 hours of week four. As a result, the employee would still get the three days off in week four but would only have to take 26 hours of paid leave rather than the previously scheduled 36 hours. Total “hours worked” for the 28 day work cycle would then equal 160 and no overtime would be incurred.

Week	Scheduled Shift	Actual Hours Worked	Total Hours Worked
1	4-12 hour	4-12 hour 4 robbery hours	52.0
2	3-12 hour 4 court hours	3-12 hour 6 court hours	42.0
3	3-12 hour	3-12 hour 8 training hours	44.0
4	36 hours (Comp Time)	22 hours (Comp Time)	22.0
Total	160.0	160.0	160.0

XIX. Travel Time for Non-Exempt Employees

Ordinary home to work travel time is not “hours worked” and is not compensable time. Travel that keeps an employee away from home overnight is “hours worked” when it occurs during the employee’s regularly scheduled workday. The employee is simply substituting travel for other duties. The time is not only “hours worked” on regular working days during normal working hours but also during the corresponding hours on nonworking days. Thus, if an employee regularly works from 8:00 a.m. to 4:30 p.m. from Monday through Friday the travel time during these hours on Saturday or Sunday would be considered “hours worked”. Regular meal period time during travel time is not counted as “hours worked.” Importantly, “hours worked” does not include any time spent in travel away from home outside of regular working hours as a passenger on an airplane, train, boat, bus, or automobile.

XX. Training Time for Non-Exempt Employees

Time spent attending training required by the City is normally considered hours worked unless all of the following four criteria are met:(a) Attendance is outside of the employee's regular working hours;(b) Attendance is in fact voluntary;(c) The course, lecture, or meeting is not directly related to the employee's job; and (d) The employee does not perform any productive work during such attendance. However, training which is required by law by a higher level of government for certification of public sector employees within a particular governmental jurisdiction (e.g., certification of public emergency rescue workers by the Commonwealth of Virginia), is not considered hours worked if it is done outside of regular working hours.

XXI. Emergency Management and Inclement Weather

The City Manager or designee has the discretion to close all or any part of the City offices and operations when a situation exists that endangers life or City property, involves the safety or welfare of employees, or otherwise warrants such action.

Essential Personnel: Employees designated as "essential personnel" are generally defined as providing those services that must be continued regardless of or pursuant to inclement weather or an emergency. The designation of "essential personnel" shall be made by the City Manager or designee and may vary depending on the emergency. Essential personnel are expected to report for duty on time and remain on duty throughout the assigned shift as required to ensure that essential services continue uninterrupted.

Non-exempt essential personnel who work during the period of City closure shall receive pay for their regularly scheduled shift and as an additional benefit the equivalent of time off with pay on an hour-for-hour basis for actual hours worked. Actual hours worked during the City closure shall be paid at the employee's regular rate of pay. The time off with pay must be taken within twelve (12) months of the City closure. Time off balances not used within twelve months will be reduced by fifty (50) percent and added to the employee's annual leave balance. Essential personnel who fail to report to work when designated are subject to disciplinary action.

Exempt employees do not receive any additional compensation or leave for hours worked during a period of City closure. The City Manager has the discretion to authorize additional compensation for exempt employees under extraordinary circumstances.

Non-Essential Personnel: Employees designated as “non-essential personnel” are not required to provide services pursuant of or during inclement weather or emergency. Permanent full-time, permanent part-time and WAE non-essential personnel will receive their regular rate of pay for any scheduled hours during the period of City closure. Non-essential employees on approved leave will be charged for leave in excess of the period of City closure. Non-essential employees who choose to take liberal leave when the City is open during inclement weather or emergencies must use annual leave, compensatory leave or their personal day for regularly scheduled time not worked. Non-essential employees without sufficient leave balances to cover the period of liberal leave can make arrangements with management to make-up the hours during the administrative work week or take the time as unpaid.

Essential and non-essential employees who are not scheduled nor designated to work during the period of City closure will not receive pay or the equivalent of time off with pay. City employees should call 311 or 727-8311, check the City’s website: www.hampton.gov and/or monitor local radio and television stations for the most up-to-date information related to closures.

XXII. Achievement Award Program

The Achievement Award Program rewards employees whose creative ideas, suggestions, and actions result in improved service delivery, cost-savings, revenue-generation and/or enhances the City’s image. The Achievement Award Program may be used to reward individual and/or group outcomes. Awards equal to or greater than one thousand dollars (\$1,000) shall be approved by the City Manager. The program is detailed in a Personnel Administrative Instruction.

Department Heads, in coordination with the Department of Human Resources and with employee input, may develop written guidelines, performance criteria, incentives and rewards. Department plans may utilize a broad range of incentives including both monetary and non-monetary rewards. The City Manager or designee is responsible for developing an achievement program for Department Heads and the City Manager's staff.

Achievement awards shall meet at least one (1) of the following criteria:

1. the activity being rewarded provides a monetary savings to the City,
2. the activity increases the City's capability to provide effective services,
3. the activity enhances the City's image.

A. Monetary Awards

Monetary awards to an individual or groups for cost-saving or revenue-generating initiatives shall not exceed a total of ten percent (10%) of annual cost-savings or revenue generated. Monetary awards for other kinds of eligible initiatives shall be determined by the Department Head or designee based on departmental achievement award plans.

B. Non-Monetary Awards

Non-monetary awards may include, but are not limited to, paid time off, commemorative gifts, training, tuition reimbursement, certificates of recognition, gift certificates or designated parking spaces.

XXIII. Additional Compensation

Additional compensation may be in the form of a bonus, annual stipend, weapons allowance, educational incentive, certification incentive, critical skills retention incentive, or sustained performance adjustment.

A. Bonus

In cases when an exempt employee is assigned responsibility by the City Manager or Department Head for the management of project(s) of significant scope, in addition to regular duties, a bonus may be awarded upon successful completion of the project(s). The amount of the bonus shall be determined on a case-by-case basis and shall be approved in writing by the City Manager or designee.

B. Annual Stipend

An annual stipend may be awarded in those cases where an exempt employee is required to represent the City at a variety of meetings and/or on community groups, boards, or commissions, in addition to regularly scheduled shifts. The amount of such stipend shall be approved by the City Manager and shall be paid when the following criteria are met:

1. The employee is assigned to represent the City as a part of a community-based collaborative initiative and is accountable for progress toward an identified objective that advances the strategic goals of the City.
2. The employee has little or no control over the scheduling of the additional work hours.

The Department Head shall determine the eligibility for the stipend based on the type of work being performed and notify the employee that the work meets the stipend

program criteria. The Department Head shall be responsible for maintaining documentation on the assignment and the dates and hours worked during the fiscal year. The employee may qualify for a maximum stipend of thirty-five hundred dollars (\$3,500) for three hundred twelve (312) or more hours worked over and above the regular work schedule. Eligible employees who work less than the three hundred twelve (312) hour threshold shall be paid on a prorated basis. The annual stipend shall be paid in a lump sum.

C. Weapons Allowance

Sworn public safety employees who are authorized to carry a weapon in the performance of duties may receive an annual weapons allowance as determined by City Council resolution. Such allowance, when authorized, shall be paid at the start of each fiscal year in a lump sum. Eligibility for the weapons allowance shall be discontinued effective on the date the employee is no longer authorized to perform public safety-related duties.

D. Educational Incentive

Permanent Full-Time sworn Police Division and uniformed Fire and Rescue Division employees shall be paid educational/certification incentive pay in accordance with the applicable Personnel Administrative Instruction (PAI).

E. Certification Incentive

Certification incentive plans contribute to the success of the City's overall mission by rewarding employees for increasing and maintaining knowledge and skills. Certification incentive plans are department specific and developed by the Department

Head in conjunction with the Department of Human Resources. All certification incentive plans shall be approved in writing by the City Manager.

F. Critical Skills Retention Incentive

All Permanent Full-Time employees who are eligible for unreduced retirement as defined by the Virginia Retirement System, whose immediate departure would create functional hardship on the Department's or City's short term goals or ongoing responsibilities, and are paid at the maximum of the appropriate pay scale are eligible for the Critical Skills Retention Incentive program.

Although eligible employees may participate in the Critical Skills Retention Incentive program for a maximum of three years, there is no minimum time limit on the participation period. The incentive amount is on a declining scale by year and is paid each pay cycle. The incentive amount during the first year is calculated at five percent (5%) of base pay. The incentive for the second year is calculated at four percent (4%) of base pay. The incentive for the third (final) year is calculated at three percent (3%) of base pay. Participation in the Critical Skills Retention Incentive program must be authorized by the City Manager or designee, Director of Human Resources, and the appropriate Department Head as outlined in the Personnel Administrative Instruction.

G. Sustained Performance Adjustments

Sustained performance adjustment programs are established as a career path for eligible employees. The City offers these programs to encourage employees to seek opportunities to expand knowledge, skills and abilities. These programs allow employees to advance through a pay range or pay band by obtaining qualifications above the minimum requirements of the position. Sustained performance adjustment

plans are department specific and developed by the Department Head in conjunction with Human Resources and approved in writing by the City Manager.