
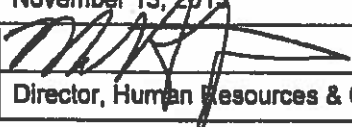


Exhibit A

	HUMAN RESOURCES DEPARTMENT		
	PROCEDURE	Establishing Base Pay	
	Division	Compensation	
	Effective Date	November 13, 2013	Proc Revn No. 3
	Approval		
	Title	Director, Human Resources & Civil Service	Reviewed 11/13/13
PURPOSE			
To standardize procedures related to establishing base pay for new hires, reassignments, promotions, classification changes, and demotions. This procedure does not create a contract of employment for any City employee in regard to any specific compensation amount or in any base pay rate that may be determined by application of this procedure.			
OVERVIEW			
<ul style="list-style-type: none"> • Definitions, pg. 2 • Roles & Responsibilities, pg. 3 • General Guidelines, pg. 4-5 • Required Documents, and Exceptions, pg. 5 • Zone Determination Form, pg. 7 			
APPLIES TO			
<input type="checkbox"/> All employees <input checked="" type="checkbox"/> Regular full-time classified employees <input checked="" type="checkbox"/> Regular part-time classified employees <input checked="" type="checkbox"/> Probationary employees		<input type="checkbox"/> Temporary employees <input type="checkbox"/> Temporary Seasonal employees <input type="checkbox"/> Temporary On Call employees <input type="checkbox"/> Interns	
<input type="checkbox"/> Civil Service <input type="checkbox"/> Grant Funded Positions <input type="checkbox"/> Executive Employees <input checked="" type="checkbox"/> COA Retirees			
Human Resources Department (HRD) Internal Procedure <input type="checkbox"/> All HRD Staff <input type="checkbox"/> Administration <input type="checkbox"/> ADA Office <input type="checkbox"/> Automation	<input type="checkbox"/> Civil Service <input checked="" type="checkbox"/> Compensation <input type="checkbox"/> Compliance <input type="checkbox"/> Employee Benefits	<input type="checkbox"/> Employee Relations <input type="checkbox"/> Employment Services <input type="checkbox"/> Finance <input type="checkbox"/> HRMS	<input type="checkbox"/> Organization Research <input type="checkbox"/> Organizational Development <input type="checkbox"/> Records <input type="checkbox"/> Risk Management

DEFINITIONS	
Base Pay	The compensation paid to an employee for performing a specific job; does not include shift differentials, benefits, overtime, incentive or any other pay element.
Candidate	Applicant who meets the minimum qualifications for a position within the City of Austin and is not otherwise ineligible.
Classification	The job title of a position as reflected in records maintained by the Human Resources Department.
Classification Change	A process resulting in a change to the current classification of a position. The assignment of a job to a higher, lower, or same salary grade/salary range in the organization due to a job content evaluation.
Effective Date	The date is the beginning of the pay period on which the personnel action becomes official. For exceptions to base pay, the beginning of the pay period but no earlier than the date the exception is approved.
Demotion	An employee's involuntary transfer from the employee's current position to another position in a lower salary grade/salary range.
Internal Equity	The evaluation of salaries of the current employees in the same job title within the City, Department, or Division. Evaluation of pay compression within the reporting relationships may be considered.
Job Description	The written description maintained by the Human Resources Department that includes purpose, duties, responsibilities, exemption status, knowledge, skills and abilities, and minimum qualifications associated with a position.
Lateral Transfer	The transfer of the employee to another position in the same or another Department in the same salary grade/salary range through a competitive process.
Living Wage	A minimum base pay that a regular full-time or part-time classified employee receives.
Minimum Qualifications	The minimum levels of education, experience, and other defined criteria required to perform the duties of a job classification as stated in the City of Austin job description.
New Hire	At the completion of the hiring process, the designation given to the individual selected to fill the position as a regular full-time or part-time, independent of prior employee status with the City of Austin.
Pay Scale	The list of all job classifications and their relative salary grades and salary ranges.
Position	An individual group of tasks, activities, and responsibilities that is: (a) designated by a job title in records maintained by the Human Resources Department; (b) funded as a permanent job position for the City's current year budget; and (c) included in the Classification Plan.
Promotion	A change of an employee from one position to posted position with a higher salary range.
Reassignment	<p>A change in job duties without a change in position title or salary; or a change in position title without a change in salary or salary grade.</p> <p>Reassignments may be initiated by a Department Director when the best interests of the City are served by such action. It may be necessary to reassign employees as part of reorganization to other classifications for non-performance related reasons.</p>
Relevant (Related) Experience	As determined by the hiring supervisor and/or department human resources staff. Experience that is related and applicable to the duties and responsibilities of the position.
Salary Grade	A designation given to a prescribed salary range (minimum to maximum) to which a grouping of jobs may be assigned.
Salary Range	The range of pay rates established for a pay level. Characterized by the designation of the maximum, the midpoint (the middle) and the minimum rate of pay.
Salary Zone	Segments of the salary range linked to years of experience for employee placement beyond the minimum qualifications of the job; noted as Zone I, Zone II, Zone III and Zone IV which is used to establish the employees' base pay. The market rate has been designated as the minimum or entry point of Zone IV.
Voluntary Reassignment	An employee has applied for or requested and accepted a position that has a lower salary range than their current salary range.
Volunteer Experience	Verifiable relevant work experience in which an applicant performs specific job duties but receives no compensation.

ROLES AND RESPONSIBILITIES	
Hiring Supervisor	<ul style="list-style-type: none"> • Complete and submit all hiring paperwork in a timely manner to department HR staff. • May establish base pay according to the guidelines outlined in this procedure. • Secure approval from department Human Resources office for base pay prior to making job offer. • For base pay exceptions, ensure justification is forwarded to department Human Resources office for consideration and processing.
Department HR Staff	<ul style="list-style-type: none"> • Review salary offers to ensure compliance with establishing base pay guidelines • Ensure completion of all documentation of regarding base pay • Ensure base pay exceptions include justification for business need. Obtain approvals from HRD Compensation for exceptions to base pay prior to job offer.
Department Director or designee	<ul style="list-style-type: none"> • Submit justification memorandum to department Human Resources office for pay exceptions and ensure that base pay exception requests are consistent with department practices. • Approve submittal of requests for exceptions to the Human Resources Department
HRD Compensation	<ul style="list-style-type: none"> • Provide guidance and advice to hiring supervisor and/or department Human Resources staff in the application of this procedure • Review and assess approval of base pay and documentation provided by Department. • Analyze requests for exceptions to base rate and direct recommendations to HRD Director. • Ensure appropriate approvals are obtained for exceptions to base pay prior to job offer.
HRD Director or Designee	<ul style="list-style-type: none"> • Review both departmental request & HRD Compensation's recommendation for exceptions to base rate, and refer to appropriate Assistant City Manager (ACM) with recommendations.
Department ACM, City Manager, or Designee	<ul style="list-style-type: none"> • Review and evaluate Department requests and HRD recommendations for exceptions to base pay and approve or deny requests.

Section 1 Establishing Base Pay		
General Guidelines	<ul style="list-style-type: none"> • Department determines base pay for new hires, involuntary or voluntary demotions, promotions, or classification changes based on candidate's education and experience for the position. • Rate of pay may be appropriate for the individual's relevant experience and qualifications. • Rate of pay for regular classified employees must be at least the living wage. • Internal equity should be considered • Candidate must meet the minimum qualifications of the position. • Exceptions to this standard require additional approvals and justifications; see "exceptions", Section 2. 	
Experience Requirements	<p>Review for experience requirements:</p> <ul style="list-style-type: none"> • Determine experience is relevant, calculate the number of months of experience the candidate has for each relevant position in his/her work history • For purposes of calculating work experience and/or volunteer experience, part time work will be calculated on a half time basis. (Example: 12 months of part-time experience = 6 months of creditable experience). • Volunteer experience can be included in the total experience if it is relevant and verifiable. • The maximum credit a candidate may receive during any time period cannot exceed full-time status. Full-time, part-time, or volunteer experience gained while working in another separate full-time position cannot be credited unless the experience gained in the primary full-time job is dismissed. However, two part-time jobs held simultaneously may be counted as one full-time job. • If employment dates coincide with school, verify whether employment was full-time or part-time. • Example 1: A candidate is employed in a relevant position by XYZ Company on a full time basis from 3/1/00 – 3/10/01. The candidate is also employed in a similar relevant position with ABC Company on a part time (or volunteer) basis during the same period. The maximum credit that the applicant can receive is 12 months experience. • Example 2: A candidate is employed part time in relevant positions with both XYZ and ABC from 3/1/00 to 3/1/01. The maximum credit the candidate can receive is 12 months experience. • Example 3: A candidate is employed on a full time basis with XYZ in a non-relevant position from 3/1/00 to 3/1/01. During the same dates, the candidate is also employed part time in a relevant position with ABC Company. The maximum credit the applicant can receive is six months. The applicant only receives half credit for a part time position. 	
Salary Zones	<p>Base salary recommendations will fall into one of the following zones:</p> <ul style="list-style-type: none"> • Zone I: Up to 4 years of relevant experience above minimum qualifications. • Zone II: Between 4+ and 7 years of relevant experience above minimum qualifications. • Zone III: Between 7+ and 10 years of relevant experience above minimum qualifications. • Zone IV: 10+ or more years of relevant experience above minimum qualifications. 	
Zones Guidelines	Salary Range	<ul style="list-style-type: none"> • No employee base pay will be below the minimum or beyond the maximum of the salary range.
	COA Retired Employees	<ul style="list-style-type: none"> • Applicants who have retired from the City of Austin will be zoned according to their qualifications. • If the employee is returning to the same job title held at the time of retirement, the rate of pay will not exceed the pay rate at time of retirement.
Internal Equity Review	Consider the following when determining recommended base salary	<ul style="list-style-type: none"> • The candidate or employee's current salary. • The education, experience, and tenure, if appropriate, of applicant or employee. • The candidate or employee projected salary in the new pay range. • The new position's minimum entry requirements and candidate's qualifications.
	Promotions and Classification Changes to a Higher Salary Grade	<ul style="list-style-type: none"> • Employee should be zoned according to the guidelines above. • Base pay should increase by a minimum of 5%. • Promotions to a lead, supervisory or manager position should consider the guidelines established in the Acting Pay Procedure <ul style="list-style-type: none"> ○ At least 5% for Lead ○ At least 10% for Supervisory/Manager

	Reassignments or Lateral Transfer	<ul style="list-style-type: none"> No increase in salary may be given for an employee moving to the same salary grade/salary range in another position within the City.
	Demotions, Voluntary Reassignments, and Classification Changes to a Lower Salary Grade	<ul style="list-style-type: none"> Employee's salary will be reduced by at least 5% below the current rate of pay. This rate of pay cannot exceed the maximum or be below the minimum of the new salary range. <ul style="list-style-type: none"> In the case of involuntary demotions, no base pay exceptions will be made. For voluntary reassignments and classification changes to a lower salary grade, exceptions to a pay reduction may be requested. .

Section 2. EXCEPTIONS TO BASE PAY OUTSIDE ZONE QUALIFIED

Prior Approval Required	This procedure for approval for exceptions must be completed prior to making a salary offer to a candidate.						
Exceptions Above or Below Zoned Rate	All salaries requested above or below the zoned rate for which the candidate is qualified are subject to this exception procedure.						
Required Review and Documentation	<ul style="list-style-type: none"> The criteria for determining base pay and the supporting documentation includes the following: <ul style="list-style-type: none"> Business requirements of the position Number of times recruited for position, salary offer declines, Budgetary impact Internal equity analysis Candidate's current salary Zone Determination Form Candidate's application 						
Required Documents	Personnel Action	Top Candidate Verification Form	New Employee Paperwork	Classification Change Paperwork	Zone Determination Form	Personnel Action Form	Demotion Paperwork
	<i>Hire</i>	X	X		X	X	
	<i>Promotions</i>				X	X	
	<i>Reassignments</i>					X	
	<i>Classification Change</i>			X	X	X	
	<i>Demotions</i>				X	X	X

REFERENCE DOCUMENTS		
Number	Type	Title
Replaced Documents		
	Personnel Policy	
	Administrative Bulletin	
	Personnel Procedure	Interim Base Pay Procedure (April 7, 2004)
	Personnel Procedure	Demotions Using a Market Range (March 25, 1998)
	Form	Zone Determination Form
	HRD Reference	
	BANNER	
	Government Regulations	
	Template	
Current Documents		
Chapter A: III. A	Personnel Policy	Compensation: Wage and Salary
	Administrative Bulletin	
http://inside/hr/admin/hrdproc.cfm	Personnel Procedure	
	Personnel Forms	Top Candidate Verification Form
	HRD Reference	
	BANNER	
	Government Regulations	
	Template	
PROCEDURE ADMINISTRATION		
Review Cycle	Annual	
Performance Measures	None	
Authority to Change	Initiated by HRD/Compensation	



Zone Determination Form¹

Name: _____ Reviewed by/Date: _____

Job Title: _____ Current Hourly Rate: _____

Minimum Qualifications: _____

Licenses & Certifications Required: _____

Related Job Experience:

Begin Date (yy/mm)	End Date (yy/mm)	Title	Full Time	Part Time	Total Experience (yy/mm)

Related Education:

Zone Calculation:

Month/years of related experience _____

Education (subtraction) _____

Years of Experience Required (subtraction) _____

Total experience/education beyond minimum qualifications _____

Zone Qualified (circle)	Zone I (0-4 yrs)	Zone II (4-7 yrs)	Zone III (7-10 yrs)	Zone IV (10+ yrs)
Salary Range (insert)	\$00.00-00.00	\$00.00-00.00	\$00.00-00.00	\$00.00-00.00

Human Resources Liaison Signature: _____ Date: _____

CoA Employee? Y/N _____ Current Title: _____ Pay Grade: _____

¹ This procedure does not create a contract of employment for any city employee in regard to any specific compensation amount or in any base pay rate that may be determined by application of this procedure.



Zone Determination Form¹

Name: _____

Reviewed by/Date: _____

Job Title: _____

Current Hourly Rate: _____

Minimum Qualifications:

Licenses & Certifications Required:

Related Job Experience:

Begin Date (yy/mm)	End Date (yy/mm)	Title	Full Time	Part Time	Total Experience (yy/mm)

Related Education:

Zone Calculation:

Month/years of related experience _____

Education (subtraction) _____

Years of Experience Required (subtraction) _____

Total experience/education beyond minimum qualifications _____

Zone Qualified (Check)	<input checked="" type="checkbox"/> Zone I (0-4 yrs)	<input type="checkbox"/> Zone II (4-7 yrs)	<input type="checkbox"/> Zone III (7-10 yrs)	<input type="checkbox"/> Zone IV (10+ yrs)
Salary Range (Insert)				

Human Resources Liaison Signature: _____ Date: _____

CoA Employee? Y ☐ N ☐

Current Title: _____ Pay Grade: _____

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