STANDARD PROCEDURE

CITY OF WILSON PERSONNEL MANUAL **SUBJECT** NUMBER **EFFECTIVE DATE SUPERSEDES Employee Status Changes** 6/2024 7/2020 B-2 Page 1 of 3 Approved By: Will Aycock, Greenlight General Manager

Prepared By: Human Resources

1.0 **Purpose**

To establish a policy that governs employee status changes within the boundaries of the effective Pay Plan and in conjunction with all applicable federal regulations.

2.0

All employees are covered under this policy.

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This policy establishes procedures to change existing positions, classifications, supervisory responsibilities, as well as any other changes related to job descriptions, in compliance with the Fair Labor Standards Act (FLSA). City policy B-8: Salary Administration Policy governs all aspects of employee status changes noted in this policy, as applicable.

4.0 **Definitions**

- 4.1 Pay Plan: The official document of the City of Wilson (City) that includes all position titles within the City, with assigned pay grades, pay ranges for each pay grade, and FLSA exemption status.
- 4.2 Pay Grade: The designated pay level, indicated by a number included in the Pay Plan, that corresponds with position responsibilities.
- 4.3 **Pay Range:** The minimum and maximum salary level for each pay grade.
- 4.4 Employee Status Change (ESC) Form: The form used to make any status changes to an employee's pay range, pay grade, rate of pay, position, department, probationary status or other changes that affect accurate payroll processing and/or Human Resources processes.
- 4.5 **Exempt:** The term used to categorize employees performing certain types of work for which FLSA regulations do not apply. The City is not required to pay overtime compensation to exempt employee. Exempt status is determined by FLSA categories as defined in the federal law.
- 4.6 Non-exempt: The term used to categorize employees performing certain types of work, and whose salary falls below a specified salary level as defined by FLSA. These employees are subject to FLSA overtime compensation pay or compensatory time in lieu of overtime at a rate of time and one-half of the employee's regular rate of pay for time worked over the number of hours in the employee's standard pay cycle.
- 4.7 **Initial Probationary Period:** The initial period following full-time and permanent part time employee's date of hire, which is used to determine the employee's ability to satisfactorily perform the duties of the position and to meet departmental and City standards of conduct. For all departments except the Police Department, the initial probationary period is twelve (12) months. For Police Department sworn personnel, this period of time is twenty-four (24) months.
- 4.8 **Promotion:** The movement of an employee from a position in one pay grade to a position in a higher pay grade. A promotion may or may not involve an increase in pay.
- 4.9 Promotional Probationary Period: The six-month period following an employee's promotion or transfer into a new position or department.
- 4.10 **Demotion:** The movement of an employee from a position in one pay grade to a position in a lower pay grade. A demotion may or may not involve a decrease in pay.

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- 4.11 <u>Transfer</u>: The movement of an employee from a position in one pay grade to a position within the same pay grade. Pay is not affected by a transfer.
- 4.12 **Reclassification:** The movement of an employee from one pay grade to a different pay grade as a result of a classification study, a reorganization that changes the duties and responsibilities of a position, or an evaluation conducted by a supervisor of the duties and responsibilities being handled by an employee.

5.0 Procedures

- 5.1 All employee status changes, including but not limited to, promotions, demotions, transfers and/or salary changes, should be initiated with an Employee Status Change (ESC) form. Forms can be found on the City's the City's M: drive, applicable communication mobile apps, and in Human Resources.
- 5.2 An employee is hired in accordance with and placed into a position within the City's effective Pay Plan. Employees may not be hired at a salary greater than 5% over the minimum of the pay range for that position without approval, in accordance with policy *B-8: Salary Administration Policy*.
- 5.3 The City Manager may designate Pay Plan adjustments based on budgetary considerations.
- Newly hired employees in all departments except the Police Department are subject to a twelve (12) month initial probationary period. Newly hired Police Department sworn employees are subject to a twenty-four (24) month initial probationary period. Because the probationary period is used to determine whether the employee meets the operational and interpersonal expectations of the organization, there will be no grounds for an appeal in the event an employee is terminated within the initial probationary period. Employees may apply for and receive promotional or transfer opportunities within the probationary period.
- Newly hired employees may be hired below the pay range minimum at a trainee status, as determined by the supervisor, based on the need to receive certifications and/or education that is required for the position. Trainee status should be indicated on the ESC Form.
- 5.6 Upon satisfactory completion of the initial (12 months) or promotional (6 months) probationary period, the employee may be removed from probationary status, at the discretion of the supervisor. Supervisors must submit a completed ESC form to Human Resources indicating removal of probation and the level of increase, if applicable.
- 5.7 In cases where an employee has not satisfactorily met the requirements of the probationary period for various reasons, including but not limited to, performance issues or failure to obtain required certifications, supervisors may choose to extend the probationary period for a specific time, not to exceed six months.
 - 5.7.1 Supervisors should submit an ESC form to Human Resources indicating the duration of and reasons for the extension.
 - 5.7.2 Upon successful completion of the requirements, supervisors should submit an ESC form to Human Resources to end the employee's probationary status.
 - 5.7.3 Supervisors may terminate the probationary extension at any point, in accordance with applicable City policies.
- 5.8 Police Department sworn employees who are in their initial probationary period (24 months) are eligible to receive up to a 5% salary increase after satisfactory completion of their first 12 months of employment. Satisfactory completion of the additional 12 months of their initial probationary period will result in their being removed from

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probationary status; no additional pay is given at that time. (Police Department supervisors must submit a completed ESC form to Human Resources at the end of the first 12 months indicating the level of increase, if applicable, and at the end of the 24 month initial probationary period to remove the employee from probationary status).

- 5.9 The initial probationary period may be extended as needed, based on the supervisor's evaluation of the employee's conduct, performance and/or ability to complete specific certification or other requirements of the position, where the supervisor believes some additional time may enable the employee to meet expectations. (Note: A Performance Improvement Plan (PIP) must be completed for employees whose probationary periods are extended).
- 5.10 Employees moving from temporary status to permanent part-time or full-time status are considered new hires and are subject to the initial probationary period of 12 months. Employees moving from permanent part-time status to full time status are considered promotions and are subject to the 6-month promotional probationary period.
- 5.11 Demotions may be voluntary or involuntary and require a completed ESC form to be submitted to Human Resources. If voluntary, the employee may keep their current salary if it falls within the pay range for the demoted position, at the discretion of that position's supervisor. If involuntary, the employee's salary may be adjusted at the discretion of the demoting supervisor. Involuntary demotions will be followed by a 6-month probationary period with no salary increase at its successful completion.
- 5.12 Transfers require a completed ESC form to be submitted to Human Resources to initiate the change. Transferred employees are subject to a 6-month probationary period. No salary change is associated with a transfer, either when it is initiated or when the 6-month probationary period is successfully completed.
- 5.13 Temporary part-time and seasonal employees will be hired based on hourly rates that meet or exceed FLSA minimum wage requirements.

6.0 Administrative Guidelines

- 6.1 Upon receipt of submitted ESC forms, Human Resources will review the changes for compliance with FLSA guidelines and City policy, and ensure that all applicable adjustments to benefits are entered into the payroll system.
- 6.2 All requested salary changes must be approved in accordance with policy *B-8: Salary Administration Policy prior to notification of such changes to applicants or existing employees.*