

CITY OF BARABOO	POLICY TITLE: EMPLOYEE PERFORMANCE APPRAISAL PROCESS & PAY PLAN IMPLEMENTATION POLICY	
TARGET AUDIENCE: City Employees	POLICY SOURCE: Administration	POLICY LOCATION: City Administrator; City Clerk
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SECTION I - INTRODUCTION

- 1.01 The Employee Performance Appraisal Process.** The City's appraisal process identifies the categories and sets the benchmarks that must be attained by a City employee in order for the employee to secure a particular job performance rating. It is a means to measure performance, set goals, and identify the levels of proficiency the employee has or should attain in the job. Of particular importance is the review of past goals and achievements coupled with the setting of new realistic goals to be realized during the upcoming review period. The appraisal process can and should act as an educational tool and as a springboard for open, honest verbal exchange between an employee and management. Its impact will only be as far reaching as the effort both parties demonstrate by providing candid, truthful appraisal information.
- 1.02 History & Policy Intent.** In 2002, 2012, 2014 (pay expansion) and 2017 the City created and conducted studies to maintain the Pay and Classification Study described in this policy. The purpose of a Pay and Classification Study is twofold. First, it establishes the internal equity among employees. Second, it strives to ensure external/competitiveness by compensating employees using market data. It is intended that this Policy support the Pay and Classification Study and serve as a reference tool that will assist in conducting employee appraisals. It should also be viewed as a supplement to performance appraisal training opportunities, and as a document that should be used in concert with other payroll and personnel information that is designed to handle personnel appraisal and wage issues.
- 1.03 Definitions.** As used in this Policy, the following words and terms will have the following meanings:
- a. **"Appraiser"** means the person(s) completing the Employee's Performance Appraisal Form and conducting the in-person employee interview. The Appraiser should be the employee's immediate supervisor or the immediate supervisor working in conjunction with the employee's Department Head.
 - b. **"CBA"** means the Collective Bargaining Agreement entered into by the City and Represented Employees.
 - c. **"Department Head"** means the City Administrator, CDA Executive Director, DPW Department Director, Finance Department Director, Fire Chief, Library Director, Parks, Recreation & Forestry Department Director and Police Chief.
 - d. **"Employee"** means all employees of the City of Baraboo that are subject to the Pay and Classification Study.
 - e. **"Pay and Classification Study"** means the study provided to the City by Voorhees in 2002, and updated periodically upon approval by the Common Council.
 - f. **"Payroll"** means the City Clerk or designee.
 - g. **"Policy"** means this Employee Performance Appraisal Process and Implementation Policy.
 - h. **"Special Governing Bodies"** means the Library Board, which is tasked with providing the Library Director's performance evaluation, and the CDA Board, which is tasked with providing the CDA Executive Director's performance evaluation.
 - i. **"Regression"** means moving backwards.
 - j. **"Represented Employee"** means a City employee that is represented by a collective bargaining association (currently limited to certain Police Department employees only).
- 1.04 Policy Modifications.** This Policy is a living document that will continue to undergo change and revision. As such, it has been set up in a fashion that will allow for easy replacement of specific sections without the need to replace the entire document. Modifications to this Policy may be made by the City Administrator unless it is a modification

involving financial aspect of the Policy.

SECTION II - PARTICIPANTS IN THE PROCESS & THE ROLES THEY PLAY

2.01 Role of the Common Council. Ratify recommendations from the Finance/Personnel Committee on all employee related matters that require Council authorization.

2.02 Role of Special Governing Bodies. Special Governing Bodies are responsible for carrying out those duties related to performance appraisal as relegated by statutory or code requirements. As such, elements of this Policy may not strictly apply to the Library Director or CDA Executive Director. A Special Governing Body may seek input from and/or work with the City Administrator or the Finance/Personnel Committee to appraise the performance of those positions under their authority.

2.03 Role of the Finance/Personnel Committee. Review and recommend to Council:

- a. Pay plan adjustment (“Cost of Living Adjustment” or “COLA”) level each year for the upcoming year. If possible, this recommendation should coincide with the City's budgeting process.
- b. The creation of new City positions.
- c. New hires for Department Head and Statutory Officer positions (see Ch. 62, Wis. Stats.).
- d. Employee and position classifications and reclassifications.
- e. Modifications to this Policy.

2.04 Role of the Employee.

- a. Work to achieve goals set through the annual appraisal process and work to meet performance expectations.
- b. If duties and responsibilities change, a reclassification might be a possibility. An employee who believes they should be reclassified should speak to their supervisor, who shall work with the City Administrator to determine if a reclassification or a new position may be necessary. See also Section IV, below.

2.05 Role of the Department Head or Designee.

- a. Monitor performance and accomplishments of departmental staff throughout the year and meet with the City Administrator as necessary to discuss any concerns regarding an employee's performance.
- b. Appraise both in writing and in-person the performance of departmental staff at least once each year. This appraisal should be completed prior to the employee's annual anniversary of the date of hire or the date of promotion. The appraisal should consist of:
 - i. Developing goals for the employee and incorporate the goals into the performance appraisal. Goals as established in the City Council Strategic Planning process should be utilized wherever possible as part of this process.
 - ii. Forward the fully signed Employee Performance Appraisal Form and proposed Change Notice Form to the Department Head (if Appraiser is not the Department Head) and then the City Administrator for approval.
 - iii. Provide follow through with the employee to help them attain their goals, i.e., education, performance improvements, development of improved skills, etc.
- c. When duties and responsibilities change, consider reclassification or promotion for the employee. Work with City Administrator to complete the Job Description Questionnaire to accomplish this process. See also Section IV, below.

2.06 Role of the City Administrator:

- a. Act as liaison for the City with consultant who developed the Pay and Classification Study, or any new consultant hired at the direction of the Common Council.
- b. Bring issues before the Finance & Personnel Committee and the Common Council as needed.
- c. Monitor performance and accomplishments of the Department Heads and City Attorney (except Library Director and CDA Executive Director, who are appraised by the Library Board and CDA Board, respectively), and conduct the following:
 - i. Appraise, in writing, the employee's performance at least once each year – either on the employee's anniversary of the date of hire or date of last promotion, as applicable. Use of the standard Employee Performance Appraisal Form is permitted.
 - ii. Develop goals as part of the performance appraisal process and incorporate into the performance appraisal format utilizing, as part of that process, the Council's Goal Setting or Strategic Plan, as applicable.
 - iii. In conjunction with the written appraisal, conduct an individual face-to-face appraisal session.
 - iv. Provide follow through to help the employee achieve their goals, i.e. education, performance improvements, development of improved skills, etc.
 - v. Prepare and process salary/wage paperwork (Change Notice Form) and submit to Payroll to effect salary/wage change.
 - vi. Retain signed appraisal form in a locked personnel file or secured electronically.
 - vii. Provide the employee with a copy of the completed and signed appraisal form so the employee has a document in their possession that lists their goals for the upcoming appraisal period.
- d. Duties Related to Employees who Report to Department Heads (Subordinate Staff):
 - i. Send notices to Department Heads to alert them as to the timing of appraisals for their subordinate staff approximately 60 days in advance of the effective date – either the employee's anniversary of the date of hire or date of last promotion, as applicable.
 - ii. At the request of the Department Head or Appraiser, if different from the Department Head, review all subordinate staff Performance Appraisal Forms and the proposed Change Notice Form with the Department Head or Appraiser prior to the Department Head or Appraiser conducting the face-to-face session with the employee.
 - a. After session held with employee, the Department Head will send the signed Performance Appraisal Form and the Change Notice Form to the City Administrator.
 - b. After review and approval of the Performance Appraisal Form and Change Notice Form, City Administrator is to submit the Change Notice Form to Payroll and shall keep the signed forms in a locked personnel file. The City Administrator will provide a copy of approved the Performance Appraisal Form to the Department Head, and the Department Head will provide a copy to the employee.
 - iii. If a reclassification is requested by either the employee or the employee's supervisor, review and process as deemed appropriate. See also Section IV, below.

SECTION III - THE EMPLOYEE PERFORMANCE APPRAISAL

3.01 Timing.

- a. All employees, union and non-union, must have, at a minimum, an appraisal conducted once each year. The timing is controlled by one of two dates:
 - 1. If an employee has undergone a reclassification during the course of his/her employment with the City, the HIRE DATE shall be the annual anniversary date for the appraisal.

2. If an employee has had a promotion or promotions, the DATE OF THE MOST RECENT PROMOTION shall be the annual anniversary date for the appraisal.
 - NOTE: The City of Baraboo Pay Plan states that each employee's annual appraisal date shall be calculated as either the hire date (where no promotions have occurred) or the most recent promotion date. If a date is in dispute, contact the City Administrator immediately.
- b. All required paperwork (Performance Appraisal Form and Change Notice) shall be completed, the review with the City Administrator conducted, the face-to-face session with the employee held, all signatures on all paperwork secured, and the Change Notice in Payroll's hands in time to meet the payroll closest to, or next following, the date reflected in either 1 or 2 above.
- c. A notice will be sent by the City Administrator or designee to the Department Head or Special Governing Body at least 60 days in advance of the annual appraisal date so that the Department Head or Special Governing Body has ample time to do all that is required to insure that changes in an employee's wages, as dictated by the appraisal, will be reflected on the payroll closest to, or next following, the date determined as the annual appraisal date for that employee.

3.02 Performance Appraisal Form.

- a. The Performance Appraisal Form is the employee and Appraisers tool to measure performance as it relates to the employee's job performance per their job description. A typical appraisal process will require that both the employee and the Appraiser complete the specified sections of the Performance Appraisal Form. The employee's appraisal comments are very important and will help contribute to the development of overall goals that will be set with the Appraiser. An employee's personal appraisal of his/herself often serves as an insightful tool in developing a thorough analysis in each of the categories that are being assessed.
- b. The Performance Appraisal Form not meant to be a time for surprises.
 - i. If there are problem areas occurring throughout the appraisal period, the Appraiser should use the Performance Appraisal Form as a vehicle to document and discuss with the employee the performance areas of concern.
 - ii. In fairness to the employee and to management, every attempt should be made to work out performance areas that do not meet an acceptable level by setting up a plan of action to remedy performance areas that are problematic.

3.03 In-Person Appraisal. Once the employee and the Appraiser have completed the Performance Appraisal Form, an individual face-to-face appraisal session must be conducted. This is a constructive process during which the participants openly and honestly address the contents of the appraisal document. This may also be viewed as an appropriate time for the Appraiser to mention any plans for the Department, noting especially the role the employee may have in those plans. The City Council's Strategic Plan should also be incorporated into this discussion as it applies to the individual being appraised.

3.04 Disagreements. It is possible that there may be instances where there will be disagreement about the appraisal received by the employee. The employee and Appraiser comments section allows for the documentation of areas of disagreement. An employee may disagree with any element of the appraisal. If required, the next level of management and/or the City Administrator may be asked by the Appraiser or the employee to participate more directly in the employee's appraisal process. The employee's signature on the Appraisal Review Form does not mean the employee agrees with the appraisal.

- 3.05 Change Notice Form.** The Appraiser is required to submit a Change Notice Form to the Department Head and/or City Administrator, as applicable, for approval. Special Governing Bodies, signed by their governing body, are to provide the Change Notice Form directly to Payroll. Any salary change on the Change Notice Form will be subject to budget availability.

SECTION IV - THE EMPLOYEE RECLASSIFICATION PROCESS

- 4.01 Reclassifications v. Promotions.** Reclassifications are not promotions. Please refer to these definitions to help understand the difference:

What is a promotion?

- An employee moves to newly created position that had not previously existed and is at a higher pay grade than the employee's current position, OR
- An employee changes to another existing position in the organization that is at a higher pay grade than the employee's current position.
- An employee is in an existing position that the City significantly restructures that results in it being moved to a higher pay grade and if the existing employee remains in that restructured position.

What is a reclassification?

- An employee stays in the same position, but the duties of the position change over time resulting in the position, with the employee in it, being reclassified (may include a title change, a grade change, or both) using the City's official reclassification policy.

4.02 Position Evaluation Form.

- a. The Position Evaluation Form is a critical element in the reclassification process, and is available from the City Administrator. It must accompany the job description when the City considers a reclassification of a position, and should be completed by the employee requesting or undergoing a reclassification.
- b. After completion of the Position Evaluation Form by the employee, the employee's immediate supervisor should review the contents of the form and provide comments on the last page. The supervisor should not alter any of the employee's statements, but may comment on them in the Supervisor Review section of the Form. The supervisor must then forward the Form the City Administrator, who shall process the form in accordance with the Pay & Classification Study.
- c. Though the employee's job description is an important element in a reclassification consideration, it is advantageous for the employee to know that the other managers, the Common Council and an outside consulting firm analyzing the position will also thoroughly review the Position Evaluation Form in order to familiarize themselves with the duties and responsibilities of the position from the perspective of the person doing the work.

SECTION V - PAY PLAN & STEP ADJUSTMENTS

- 5.01 Pay Plan.** One of the primary purposes of establishing a pay plan is to be internally equitable and externally competitive and set the minimum and maximum "worth" of a position to the organization. This helps the City predict and control payroll expenses and creates realistic compensation expectations for the employee. It is important to know where an employee fits in, in terms of grade and step levels to insure that timely and appropriate movement within a grade occurs based on the performance of the employee.

5.02 Pay and Classification Study Pay Scale - Updates. At minimum, every five years the Common Council will update the Pay & Classification Study and the corresponding annual Pay Scale, as recommended by the City Administrator or outside consultant. Payroll will be responsible for updating the Pay Scale each year, based on the Cost of Living Adjustment as approved by Council. Payroll will provide Department Heads and Special Governing Bodies with a current Pay Scale on an annual basis.

5.03 Pay Steps.

- a. Step Adjustment - Materials. A “step adjustment” is the City’s method to compensate an employee for their job performance and a way to keep pace with the marketplace for a particular position. All Department Heads and Special Governing Bodies are recipients of the Pay Scale and have received education from the City Administrator on how to accomplish the directives of the Pay and Classification Study. New Department Heads will be given a copy of the document (or have a copy made available to them), and trained in how to use the plan. As part of the materials needed to complete the appraisal of each employee, Department Heads and Special Governing Bodies will also be given a listing containing the wage information for each employee within their Department.
- b. City’s Steps. There are multiple steps for City employees, as designated by the Pay Scale.
- c. Step Adjustment - Guidelines.
 - i. Step adjustments may occur on an annual basis in conjunction with the Performance Appraisal process. The employee may be increased a full or half-step based on the annual performance evaluation and with the concurrence of the City Administrator. To be eligible for a step adjustment, the employee must meet “Achieves Expectations” on their Performance Evaluation Form.
 - ii. Rarely, an exception may warrant a step adjustment, or a temporary step adjustment, that is not timed to the employee’s annual review. An example is if an employee temporarily takes over the responsibilities of an employee in a higher pay step (e.g., such as the Assistant Library Director temporarily taking on the duties of the Library Director due to the absence of the Library Director). Any exception or variation must have sufficient justification and approval from the City Administration or Special Governing Body, as applicable.
- d. Poor Performance. Employees failing to meet expectations as part of their annual performance evaluation may be placed on a Performance Improvement Plan (“PIP”) and/or may have a regression in their Pay Step, subject to approval by the City Administrator. A regression in their Pay Step shall not occur without a corresponding PIP. PIPs may also be issued at any time subject to the performance by an employee.

SECTION VI - ANNUAL LUMP SUM MERIT PAYMENT FOR ELIGIBLE EMPLOYEES

6.01 Annual Lump Sum Merit Payment. As productive employees advance through the pay steps, they will eventually get to the end of the steps (to the maximum amount) and no longer be eligible for annual pay increases. When this happens, these employees will not receive an annual pay increase until the market moves beyond where the employee is currently being paid. In order to provide for some economic incentive for these employees, the City provides eligible employees with up to a 2% annual lump sum merit payment.

6.02 Eligibility. An employee will be eligible to earn an annual lump sum merit Payment if:

- a. The employee has reached the end of their steps for their classification, and
- b. The employee receives an “Exceeds Expectations” performance rating on their annual Performance Appraisal Form.

6.03 **Conditions.** The annual lump sum merit payment shall be awarded to eligible employees as a dollar amount in the form of a lump sum payment, *but not added to their base pay*. Additionally, employees have to "re-earn" the merit payment every year, based on eligibility.

6.04 **Amount.** Employees eligible for an annual lump sum merit payment will be given up to a 2% lump sum payment subject to the terms in this Section and the availability of money in a prescribed merit pool that is set by the City Administrator as part of the annual budget. All City employees eligible for the payment in a given year shall receive the same percentage.

SECTION VII - REPRESENTED EMPLOYEES (POLICE DEPARTMENT)

7.01 **Represented Employees.** Represented Employees are subject to this Policy except as otherwise stated in and differentiated by this Section or in the current CBA. In the event there is a conflict between this Policy and the current CBA, the CBA shall take precedence.

7.02 **Pay Plan.** Represented Employees are subject to the pay provisions as listed in the current CBA with the City. Progression in the plan shall be strictly governed by the CBA.

7.03 **Reclassifications and Promotions.** Represented Employees are eligible for reclassifications and promotions as provided for in the CBA.

7.04 **Annual Performance Evaluation.**

- a. Represented Employees are subject to yearly evaluations as defined in 3.02 of this Policy, however all evaluations will be completed in December of each year.
- b. The Appraiser for the Represented Employee shall be the employee's most current supervisor, although if the employee worked with other supervisors during the course of the preceding year, the Appraiser will confer with the other supervisor(s) when completing the evaluation.
- c. A Represented Employee who disagrees with an evaluation may take their disagreement up the chain of command, terminating with the Chief of Police. The Chief shall take into consideration the employee's concerns, along with any other relevant factors as determined by the Chief, in making the final determination on the employee's performance evaluation.
- d. Represented employees who score below expectations as defined in Section 5.03(d) of this policy may be subject to a Performance Improvement Plan, although the determination to place the employee on a Performance Improvement Plan will not be based solely on the score received by the employee on his/her annual evaluation.
- e. Any Grievance as defined in the CBA shall be handled in the approved manner with the appropriate timelines as defined in the current CBA.