

1 BEFORE THE BOARD OF COUNTY COMMISSIONERS

2 FOR MULTNOMAH COUNTY, OREGON

3 ORDINANCE NO. 778

4 An ordinance relating to pay administration for employees not covered by collective
5 bargaining agreement and repealing Ordinance Nos. 764 and No. 742.

6 MULTNOMAH COUNTY ORDAINS AS FOLLOWS:

7 Section I. Findings and Purpose.

8 (A) Multnomah County, Oregon employs a variety of individuals in classifications
9 not covered by any collective bargaining agreement.

10 (B) It is the desire of the Board of County Commissioners (hereinafter "Board")
11 to adopt administrative policies and procedures governing pay administration for exempt
12 employees.

13 (C) The Board finds that adoption of a consistent pay policy which is not
14 interrupted by pay freezes or furloughs will enhance the level of mutual trust between the
15 Board and exempt employees.

16 (D) The Board finds that the public's demand for greater accountability makes it
17 reasonable for managers to describe the results they achieve, and for the Board to reward
18 those results.

19 (E) Employees are the most vital resource of Multnomah County. As a result, the
20 effectiveness of employee performance is crucial to the delivery of public services in an era
21 of increasing service needs and constricted funding. Therefore, this evaluation system for
22 measuring the performance of exempt employees should become a model for other public
23 employees, both within and outside Multnomah County.

24 Section II. Definitions.

25 (A) Current Performance Appraisal System. The system in effect on the date this
26 Ordinance was adopted.

1 (B) Exempt Employee. An employee in a classification not covered by a collective
2 bargaining agreement, except for any confidential employee.

3 (C) Appointing Manager. A County manager to whom authority has been
4 delegated to make appointments to positions.

5 (D) Confidential Employee. An employee who is exempt from collective
6 bargaining solely because of the confidential nature of the work pertaining to collective
7 bargaining performed by his/her position.

8 (E) County. Multnomah County, Oregon.

9 (F) Elected Official. Chair, Commissioner, Auditor, Sheriff and District Attorney.

10 (G) Elected Officials Staff. Employees in positions which report directly to and
11 serve at the pleasure of a County elected official and serve as such official's immediate
12 secretary, administrative, legislative, or other immediate or first-line aide as defined in Section
13 701(f) of the Equal Employment Opportunity Act of 1972.

14 (H) Personnel Officer. The County Chair, except as otherwise provided by State
15 law or County ordinance.

16 (I) Promotion. Movement of an employee to a classification that has a higher
17 maximum rate than the employee's current classification.

18 (J) Reclassification. Assignment of an employee from one classification to
19 another classification.

20 Section III. Policy.

21 It is the policy of Multnomah County to establish an exempt compensation plan that
22 provides such pay as necessary for the County to recruit, select, and retain qualified
23 management, supervisory, administrative, and professional employees; that recognizes
24 employee performance, growth, and development; that maintains an appropriate internal
25 relationship among classifications and employees based on job responsibilities, qualifications,
26 and authority; and that maintains parity between equivalent exempt and non-exempt positions.

1 Section IV. Scope.

2 This policy covers all County employees who are in a classification not covered by
3 a collective bargaining agreement, with the following exceptions:

4 (A) Any confidential employee shall be governed by the provisions governing
5 employees in his/her equivalent classification in the applicable collective bargaining agreement.

6 (B) Elected Officials Staff shall be excluded from the provisions of this Ordinance.
7 The pay rates, performance appraisal system, and pay administration policies for Elected
8 Officials Staff shall be determined by the respective elected officials, within the limits set by
9 funds allotted for the various positions in this category.

10 (C) Exempt employees who are regularly scheduled to work less than 20 hours
11 per week shall not be governed by this Ordinance.

12 Section V. Compensation Plan.

13 (A) The compensation plan for exempt employees shall include a pay range
14 consisting of a minimum and a maximum base rate for each exempt classification. The ranges
15 and any changes thereto shall be approved by the Board of County Commissioners.

16 (B) The Personnel Officer shall be responsible for developing and presenting
17 annual compensation plan adjustment recommendations to the Board of County
18 Commissioners. These recommendations shall be based on periodic surveys of comparable
19 employers, internal classification relationships, financial constraints, and/or actual or anticipated
20 pay adjustments for non-exempt employees.

21 Section VI. Performance Appraisal Systems.

22 The Personnel Officer shall develop and implement performance appraisal systems
23 for permanent exempt employees. The system to be phased out by this Ordinance shall be
24 known as the "current performance appraisal system." The new system established by this
25 Ordinance shall be known as the "results-oriented merit evaluation system".
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1 Section VII. Current Performance Appraisal System.

2 (A) Until exempt employees are covered by the results-oriented merit evaluation
3 system, they shall be covered by the current performance appraisal system. Due to the
4 phase-in provisions of Section VIII of this Ordinance, no employee shall receive a merit
5 increase under the current performance appraisal system effective later than June 30, 1997.

6 (B) Performance Appraisal Schedule. Appraisals shall be made at the first six
7 months of service within a classification, at the first twelve months of service within a
8 classification, and at each succeeding twelve months of service within a classification. Each
9 employee who receives a performance appraisal of "Needs Improvement" shall be reappraised
10 in writing three months later.

11 (C) Anniversary Date Computation.

12 (1) An exempt employee under the current performance appraisal system
13 may be eligible for a merit increase under Section VII Part D of this Ordinance on his/her
14 anniversary date as determined under Executive Order No. 195 Personnel Rules.

15 (2) The anniversary date as determined under the Personnel Rules will be
16 adjusted as follows:

17 (a) If the anniversary date of an exempt employee falls between the
18 1st and 15th of the month, it shall be treated as though it fell on the 1st of the month.

19 (b) If the anniversary date of an exempt employee falls between the
20 16th and the end of the month, it shall be treated as though it fell on the 16th of the month.

21 (D) Merit Increase.

22 (1) A merit increase is an increase in base pay equal to three percent (3%)
23 or to the maximum of the range, whichever is lesser.

24 (2) Each exempt employee who receives a performance appraisal other than
25 "Needs Improvement" shall receive a merit increase, effective on that employee's anniversary
26 date.

1 (3) No exempt employee who receives an appraisal of "Needs Improvement"
2 shall receive a merit increase. If the second appraisal after a "Needs Improvement" appraisal,
3 as required above, results in a rating other than "Needs Improvement", the employee shall
4 receive a merit increase, effective three months after that employee's anniversary date.

5 Section VIII. Results-Oriented Merit Evaluation System.

6 (A) Description. Performance objectives and measurements for each covered
7 employee shall be established prior to the beginning of each fiscal year. Performance
8 objectives and measurements will be mutually agreed upon by the employee and his/her
9 supervisor. Department managers excepted, if the evaluator and the evaluatee are unable to
10 agree on the evaluatee's performance objectives or degree of achievement, the next manager
11 to whom they report will facilitate an agreement.

12 (B) Implementation Rules. The Personnel Officer shall be responsible for
13 establishing rules and procedures to implement the results oriented merit evaluation system.

14 (C) Evaluation Schedule. Each employee will be evaluated at the end of the fiscal
15 year based on the results achieved toward meeting the established performance objectives.
16 Evaluations shall be completed by October 1 following the end of the fiscal year for which the
17 performance objectives were established.

18 (D) Definitions.

19 (1) "Department managers" mean the Directors of the following: Department
20 of Community Corrections, Department of Environmental Services, Department of Social
21 Services, Health Department, and Library.

22 (2) "Division managers and equivalent positions" mean those positions so
23 designated by a department manager, the Sheriff, the District Attorney, and the County Chair
24 within his/her area of authority.

25 (3) "Remaining managers and supervisors" mean employees occupying any
26 other exempt classification which has a title including the term "manager," "supervisor,"
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1 "administrator," "officer," or "chief," and members of the Sheriff's Office Command Staff as
2 designated by the Sheriff.

3 (D) Phase-In Plan. The results-oriented merit evaluation system shall cover all
4 exempt employees within the scope of this Ordinance and shall be phased in using the
5 following schedule:

6 (1) The performance of department managers, division managers and
7 equivalent positions will be evaluated in terms of performance objectives beginning fiscal year
8 1994-95.

9 (2) The performance of remaining managers and supervisors will be
10 evaluated in terms of performance objectives beginning fiscal year 1995-96.

11 (3) The performance of all remaining exempt employees covered by this
12 Ordinance will be evaluated in terms of performance objectives beginning fiscal year 1996-97.

13 (4) On his/her anniversary date during the first fiscal year for which
14 performance objectives have been established, each exempt employee to be phased into the
15 results oriented merit evaluation system shall be eligible to receive a merit increase as defined
16 in Section VII Part (D). This shall be his/her final merit increase under the "current
17 performance appraisal system," as that term is defined in this Ordinance.

18 (E) Merit Increases.

19 (1) The Personnel Officer shall be responsible for developing and presenting
20 an annual recommendation to the Board of County Commissioners regarding the allocation of
21 money to be used for merit pay for employees covered by the results-oriented merit evaluation
22 system. The allocation of money adopted by the Board shall be no less than the sums that
23 would have gone toward cost of living increases plus merit increases under the "current
24 performance appraisal system," as that term is defined in this Ordinance.

25 (2) No later than October 1 of each year, retroactive to July 1, each exempt
26 employee covered by the results-oriented merit evaluation system shall be awarded merit pay
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1 based on his/her accomplishment of the performance objectives established for the prior fiscal
2 year.

3 (3) In addition, incentive payments as defined in Section IX Part F are an
4 integral part of the merit pay system.

5 (F) Advisory Committee.

6 The Employee Services Manager shall chair an advisory committee of exempt
7 employees to monitor the phase-in of the results oriented merit evaluation system.

8 Section IX. Pay Administration.

9 (A) No exempt employee shall be paid at a base rate which is less than the
10 minimum or more than the maximum base rate for the employee's classification.

11 (B) Appointment.

12 (1) All new hires, promotions, and reclassifications to exempt positions may
13 be made at a base rate up to the midpoint of the employee's range, at the discretion of the
14 appointing manager. New hires, promotions, and reclassifications at a base rate above the
15 midpoint may be made with the approval of the appropriate elected official.

16 (2) When a new hire or promotion to an exempt vacancy is made at a base
17 rate which is less than the mid-point of the appropriate salary range, the appointing manager
18 may, based on performance of the appointee during a trial service period, provide a pay
19 adjustment to the appointee. Such adjustment shall not raise the base rate above the mid-
20 point of the appropriate pay range and must occur within one year of the appointment date.
21 This adjustment shall not affect the anniversary date.

22 (C) Range Adjustments. Whenever the Board of County Commissioners adopts
23 changes in the compensation plan for an exempt classification, the implementing Ordinance
24 shall specify the effect upon employees in that classification.

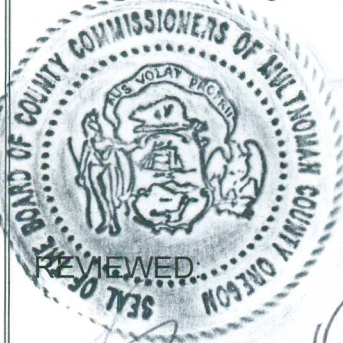
25 (D) Incentive Payments. Incentive payments are an integral part of the merit pay
26 system. Upon recommendation, an elected official may authorize an incentive payment to an
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1 individual employee or a team of employees under the official's authority. An incentive
2 payment shall be for outstanding professional contributions to Multnomah County during the
3 evaluation period in order to carry out Multnomah County's policy of exempt compensation
4 administration as stated in Section III of this Ordinance. Incentive payments under this section
5 shall not be added to an exempt employee's base pay rate.

6 Section X. Repeal.

7 Sections I through VIII of Ordinance No. 742 and the entirety of Ordinance 764 are
8 hereby repealed.

9 ADOPTED the 9th day of December, 1993, being the date of
10 its second reading before the Board of County Commissioners of Multnomah County, Oregon.



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12 By Beverly Stein
13 Beverly Stein, Chair
14 MULTNOMAH COUNTY, OREGON

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17 Laurence Kressel, County Counsel
18 of Multnomah County, Oregon

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