

1 BEFORE THE BOARD OF COUNTY COMMISSIONERS

2 FOR MULTNOMAH COUNTY, OREGON

3 ORDINANCE NO. 855

4 Repealing Ordinance No. 778 and No. 820, and adopting a new ordinance relating  
5 to pay administration for employees not covered by collective bargaining agreement.

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 with pay and/or other appropriate forms of recognition.

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 (F) Research and experience have shown that the County should develop a more  
25 comprehensive performance management system which goes beyond the issues of annual pay  
26 and evaluation forms, to include, but not be limited to, employee orientation, coaching for  
27

1 performance, discipline procedures, recognition of employees, and career development.

2 Section II. Definitions.

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

5 (B) Classified Employee. An employee who is not exempt from the classified  
6 service pursuant to MCC 3.10.100.

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

10 (D) County. Multnomah County, Oregon.

11 (E) Current Performance Appraisal System. The system in effect on the date this  
12 Ordinance was adopted.

13 (F) Exempt Employee. An employee in a classification not covered by a collective  
14 bargaining agreement, except for any confidential employee.

15 (G) Elected Official. Chair, Commissioner, Auditor, Sheriff and District Attorney.

16 (H) Elected Officials Staff. Employees in positions which report directly to and  
17 serve at the pleasure of a County elected official and serve as such official's immediate  
18 secretary, administrative, legislative, or other immediate or first-line aide as defined in Section  
19 701(f) of the Equal Employment Opportunity Act of 1972.

20 (I) Personnel Officer. The County Chair, except as otherwise provided by State  
21 law or County ordinance.

22 (J) Promotion. Movement of an employee to a classification that has a higher  
23 maximum rate than the employee's current classification.

24 (K) Reclassification. Assignment of an employee from one classification to  
25 another classification.

1 (L) Unclassified Employee. An employee who is exempt from the classified  
2 service pursuant to MCC 3.10.100.

3 Section III. Policy.

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

10 Section IV. Scope.

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

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

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

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

21 Section V. Compensation Plan.

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

25 (B) The Personnel Officer shall be responsible for developing and presenting  
26 annual compensation plan adjustment recommendations to the Board of County  
27



Commissioners. These recommendations shall be based on periodic surveys of comparable employers, internal classification relationships, financial constraints, and/or actual or anticipated pay adjustments for non-exempt employees.

#### Section VI. Performance Appraisal Systems.

The Personnel Officer shall develop and implement performance appraisal systems for permanent exempt employees. The system to be phased out by this Ordinance shall be known as the "current performance appraisal system." The new system established by this Ordinance shall be known as the "results-oriented merit evaluation system".

#### Section VII. Current Performance Appraisal System.

(A) Until exempt employees are covered by the results-oriented merit evaluation system, they shall be covered by the current performance appraisal system.

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

#### (C) Anniversary Date Computation.

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

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

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

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

1 (D) Merit Increase.

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

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

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

11 Section VIII. Results-Oriented Merit Evaluation System.

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

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

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

24 (D) Definitions.

25 (1) "Department managers" mean the Directors of the following: Department  
26 of Community Corrections, Department of Environmental Services, Department of Community  
27

1 and Family Services, Department of Aging Services, Department of Juvenile Justice Services,  
2 Health Department, Department of Support Services, and Library.

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

6 (3) "Remaining managers and supervisors" mean employees occupying any  
7 other exempt position where the job title includes any of the following terms: "manager,"  
8 "supervisor," "administrator," "officer," or "chief." The category also includes members of the  
9 Sheriff's Office Command Staff. Remaining managers and supervisors may occupy either  
10 classified or unclassified positions.

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

14 (1) The performance of department managers, division managers and  
15 equivalent positions will be evaluated in terms of performance objectives beginning fiscal year  
16 1994-95.

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

19 (3) The performance of remaining classified managers and supervisors will  
20 be evaluated in terms of performance objectives beginning fiscal year 1996-97.

21 (4) The performance of all remaining exempt employees covered by this  
22 Ordinance will be evaluated in terms of performance objectives beginning fiscal year 1997-98.

23 (5) On his/her anniversary date during the first fiscal year for which  
24 performance objectives have been established, each exempt employee to be phased into the  
25 results oriented merit evaluation system shall be eligible to receive a merit increase as defined  
26 in Section VII Part (D). This shall be his/her final merit increase under the "current  
27  
28



performance appraisal system," as that term is defined in this Ordinance.

(F) Merit Increases.

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

(2) Effective July 1 of each year, each unclassified exempt employee covered by the results-oriented merit evaluation system may be awarded merit pay based on his/her accomplishment of the performance objectives established for the prior fiscal year.

(3) Effective July 1 of each year, each classified exempt employee covered by the results-oriented merit evaluation system may be awarded a merit increase in base pay equal to three percent (3%) or to the maximum of the range, whichever is less; provided however, that each classified exempt employee who receives a performance appraisal of less than satisfactory, in the opinion of his/her evaluator, shall receive no increase in base pay, or an amount that is less than 3% increase in base pay.

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

(F) Cost of Living Increases.

(1) Unclassified exempt employees covered by the results-oriented merit evaluation system are not eligible for cost of living increases.

(2) Classified exempt employees covered by the results-oriented merit evaluation system may be eligible for cost of living increases, as approved by the Board.

(G) Advisory Committee.

The Employee Services Manager shall chair an advisory committee of exempt

employees to monitor the phase-in of the results oriented merit evaluation system and to develop a more comprehensive performance management system. When the work plan is complete, the advisory committee shall present recommendations to the Board of County Commissioners.

Section IX. Pay Administration.

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

(B) Appointment.

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

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

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

(D) Incentive Payments. Incentive payments are an integral part of the merit pay system. Upon recommendation, an elected official may authorize an incentive payment to an individual employee or a team of employees under the official's authority. An incentive payment shall be for outstanding professional contributions to Multnomah County during the evaluation period in order to carry out Multnomah County's policy of exempt compensation



1 administration as stated in Section III of this Ordinance. Incentive payments under this section  
2 shall not be added to an exempt employee's base pay rate.

3 Section X. Explanatory Chart.

4 The explanatory chart attached to this ordinance as Exhibit A is adopted. Any conflict  
5 between the chart and the ordinance text shall be resolved in favor of the text.

6 Section XI. Repeal.

7 Ordinance No. 778 and Ordinance No. 820 are hereby repealed.

8 ADOPTED the 13th day of June, 1996, being the date of  
9 its second reading before the Board of County Commissioners of Multnomah County, Oregon.



10  
11 By Beverly Stein  
12 Beverly Stein, Chair  
13 MULTNOMAH COUNTY, OREGON  
14

15 REVIEWED:

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

19 N:\DATA\EMP\SERI\WPDATA\ISJA293  
20  
21  
22  
23  
24  
25  
26  
27  
28

# EXHIBIT A

## TIMELINE FOR EXEMPT EMPLOYEE PHASE-IN

	Date	Dept. & Division Managers	Other Unclassified Managers	Classified Managers and Supervisors	Other Exempt
Year 1 94-95	7/1/94 7/1/94 7/94-6/95 7/94-6/95 6/30/95	COLA Est. 94-95 Objectives. Collect Evaluation Data. Last 3% Anniversary Raise. End of Evaluation Year.	COLA  3% Anniversary Raise.	COLA  3% Anniversary Raise.	COLA  3% Anniversary Raise.
Year 2 95-96	7/1/95 7/1/95 7/95-6/96 7/95-6/97 8/95 9/1/95  10/1/95 6/30/96	Est. 95-96 Objectives. Collect Evaluation Data.  Evaluate 94-95. Send Evaluation & Data Form to Employee Services. Merit Increases Effective 7/1/95 for Year 1 Results. End of Evaluation Year.	COLA Est. 95-96 Objectives. Collect Evaluation Data. Last 3% Anniversary Raise.   End of Evaluation Year.	COLA  3% Anniversary Raise.	COLA  3% Anniversary Raise.
Year 3 96-97	7/1/96 7/1/96 7/96-6/97 7/96-6/97 8/96 9/1/96  10/1/96 6/30/97	Est. 96-97 Objectives. Collect Evaluation Data.  Evaluate 95-96. Send Evaluation & Data Form to Employee Services. Merit Increases Effective 7/1/96 for Year 2 Results. End of Evaluation Year.	Est. 96-97 Objectives. Collect Evaluation Data.  Evaluate 95-96. Send Evaluation & Data Form to Employee Services. Merit Increases Effective 7/1/96 for Year 2 Results. End of Evaluation Year.	COLA Est. 96-97 Objectives. Collect Evaluation Data. Last 3% Anniversary Raise.   End of Evaluation Year.	COLA  3% Anniversary Raise.
Year 4 97-98	7/1/97 7/1/97 7/97-6/98 7/97-6/98 8/97 9/1/97  10/1/97  6/30/98	Est. 97-98 Objectives. Collect Evaluation Data.  Evaluate 96-97. Send Evaluation & Data Form to Employee Services. Merit Increases Effective 7/1/97 for Year 3 Results. End of Evaluation Year.	Est. 97-98 Objectives. Collect Evaluation Data.  Evaluate 96-97. Send Evaluation & Data Form to Employee Services. Merit Increases Effective 7/1/97 for Year 3 Results. End of Evaluation Year.	COLA Est. 97-98 Objectives. Collect Evaluation Data.  Evaluate 96-97. Send Evaluation & Data Form to Employee Services. 0-3% Merit Increases Effective 7/1/97 End of Evaluation Year.	COLA Est. 97-98 Objectives. Collect Evaluation Data. Last 3% Anniversary Raise.   End of Evaluation Year.