

**808.9 SUBJECT: CONTRACT POSITIONS**

:1 OBJECTIVE:

To provide pay and compensation policy and procedures for contract positions, and for employees transferring from contract positions to permanent positions.

:2 AUTHORITY:

This procedure approved by City Council September 15, 2003; amended City Council April 27, 2009.

:3 DIRECTION:

Human Resources Division Manager, as an appointed official, serves at the pleasure of the Mayor, and receives direction through the Chief Administrative Officer or designees.

:4 METHOD OF OPERATION:

A. Definitions

1. **Contract Position** - A position that is considered temporary in nature and is designated for a specific project and/or time frame, not to normally exceed two (2) years, without reassessment.
2. **Contract Employee** - An employee who is working under a specified employment contract, which is subject to City Council approval.
3. **Merit Increase** - An annual increase in salary based on individual job performance. (See Policy & Procedure 808.22 for further explanation of merit and bonus programs).
4. **Seasonal Employee** - An employee who is hired to work in another than permanent position on an as needed basis. Such employees are not eligible for any City benefits. A temporary employment contract must be signed according to the City's established procedures.
5. **Temporary Employee** - An employee who is hired to work in an other than permanent position on a regular basis for a specified length of time, not to exceed one (1) year, without reassessment of need. Such employees are not eligible for any City benefits. A temporary employment contract must be signed according to the City's established procedures.

B. Policy

1. Employment contracts for Temporary and Seasonal employees do not require City Council approval and may be signed by the Human Resources Division Manager or designee.
2. The Chief Administrative Officer (CAO), Chief Financial Officer (CFO), Chief of Staff (COS), City Attorney, their designees and the Budget Review Committee will determine need for and authorize all other contract positions (excluding Temporary/Seasonal). The following provisions apply:
  - a) The duration of contract positions should not normally exceed two (2) years without reassessment of need.

- b) The Human Resources Division is responsible for analyzing and evaluating contract positions and determining the proper grade and title for placement within the City's Classification Plan (see P&P 808.7, Classification Plan).
- c) Individual contracts are subject to review by the City Attorney's Office and the Human Resources Division and approval by City Council.  
***Contract must be signed and approved by City Council PRIOR to employment.***

C. Compensation and Benefits (Excludes Seasonal/Temporary)

1. Pay Issues

- a) ***Starting Rate*** - Normally, the starting rate will be established as the minimum salary for the assigned pay grade. With sufficient justification (i.e., exceptional applicant qualifications, the need for specific skills), Department Directors may request a starting rate that is higher than the established minimum.
- b) ***Merit Increase*** - General merit increases may be awarded once a year, normally at the beginning of the pay period following the anniversary date.

See Policy and Procedure 808.22, Performance Appraisal and Merit Increase Program, for further explanation of programs.

The salary ranges are normally adjusted annually in October. If contract employees' pay falls below the minimum of their assigned pay grade, their salary will be adjusted to the minimum of the grade. **However, upon completion of the annual review period, if a merit increase is to be awarded, employees will receive the difference between the recommended merit amount and the range adjustment amount received.**

Completed Performance Appraisal forms must be submitted to the Human Resources Division for review *PRIOR* to submission to City Council for approval.

- c) ***Change in Status*** - When it is determined that a contract position will be converted to a permanent position, the employee will retain his/her current salary.

When a contract employee applies for and is hired into a permanent position, the salary will be determined in accordance with Policy and Procedure 808.5

City Council approves the establishment and continued existence of contracted positions. Salary changes awarded according to existing policies, such as merit increases, outstanding performance increases, bonuses awarded through the performance bonus program, and career progressions, do not require additional city council approval.

2. Benefits

- a) ***Sick Leave*** - Sick leave will no longer accrue. Existing balances will be governed in accordance with Policy & Procedure 808.16.

- b) **Personal Leave** - Personal leave benefits will be provided in accordance with Policy & Procedure 808.15
- Accruals will be calculated from the date of participation in the City's Pension Plan. (Contract employees became eligible to participate in the City's pension plan on October 30, 1989.)
- c) **Longevity Pay** - Contract employees are eligible to receive an annual longevity payment based on length of service. Service time will be calculated from the date of participation in the City's pension plan. (Contract employees became eligible to participate in the City's pension plan on October 30, 1989.) See Policy & Procedure 808.5.D.13 for payment schedule.
- d) **Service Awards** - Contract employees are eligible to receive recognition for years of service to the City in the form of service pins and certificates. These awards are distributed near the anniversary date, in five (5) year increments, of their tenure with the City. Service time will be calculated from the date of participation in the City's pension plan. (Contract employees became eligible to participate in the City's pension plan on October 30, 1989.)
- e) **Other Benefits** - See applicable Policy and Procedures for determination of inclusion in programs.

D. Transfer/Rehire into Permanent Position (Excludes Seasonal/Temporary)

When a contract employee transfers into a permanent position, all service time while a participant in the City's pension plan (on or after October 30, 1989) will be counted toward "permanent" service.

Former contract employees rehired into permanent positions will have their length of service calculated in accordance with Policy and Procedure 808.37-Employee Rights upon Reemployment/Reinstatement.

:5 FORMS:

None.

:6 COMMITTEE RESPONSIBILITIES:

None.

:7 REFERENCE:

Procedure adopted by City Council, January 25, 1992, Item 3 KK; June 21, 1993, Item 2-P; amended March 11, 1996, Item 3 KK; amended October 21, 1996, Item 8-YY; amended May 22, 2000, Item 8-ZZ; amended September 15, 2003; re-formatted only April 2004; amended April 27, 2009, Item A-9.

:8 EFFECTIVE DATE:

This procedure effective, April 27, 2009.