

SUBJECT: PERFORMANCE EVALUATIONS/MERIT INCREASES

I. PURPOSE

The purpose of this procedure is to establish a uniform policy and procedure with respect to the administration of the performance evaluation program for employees in the City of Lompoc competitive service in accordance with Personnel Ordinance No. 848.

II. SCOPE

This procedure is applicable to all employees in the competitive service. Where any section, subsection, sentence, clause, or phrase of these procedures is found inconsistent with an approved memorandum of understanding enacted between the City and a recognized employee organization, the current memorandum of understanding shall prevail. Exceptions to this procedure shall only be allowed when approved by the City Administrator.

III. AMENDMENTS

The City Administrator may amend this procedure as required.

IV. GUIDELINES

A. Merit Increases

Merit increases are not automatic. They are part of the competitive service and are additional compensation given to an employee because of meritorious performance on the job. The system is designed to reward performance by recognizing and rewarding the achievement of specific end results.

B. Evaluation Methods and Reports

All evaluations will be completed on the City of Lompoc Report of Performance Evaluation form (see Attachment 1). Instructions for completing the form are found on the back of the document. The City has also prepared a separate manual with instructions on completing an evaluation form, titled "Supervisors Guide to Performance Evaluation". Copies can be obtained from the Human Resources Office.

C. Merit Eligibility Dates

All employees in the competitive service are eligible for a merit increase following successful completion of six months employment, and annually thereafter. Employees appointed above A step are also eligible for a step increase subsequent to six months' employment.

MERIT INCREASE SCHEDULE

Appointment A Step  
6 months after hire B Step  
18 months after hire C Step  
30 months after hire D Step  
42 months after hire E Step

Performance evaluation reviews are minimally required at the midpoint of the probationary period, prior to the end of the probationary period, and annually thereafter. Employees who have reached top step of the salary range continue to be subject to an annual performance review. Employees are subject to a six month probationary period, with the exception of Management, Supervisory and Confidential Employees and designated Public Safety employees who are subject to a one year probationary period.

Merit eligibility dates may be established by human resource action under the following conditions:

1. New Hires: The merit eligibility date is computed from the date of hire.
2. Merit Increases Withheld: When a merit raise is withheld, the date on which it is subsequently granted becomes the date from which the new merit eligibility date will be computed.

It is the responsibility of each department director to maintain such records as are necessary to assure consideration of merit increases at the appropriate time.

3. Reclassification: A reclassification to a classification with the same salary range does not affect the merit eligibility date. When a reclassification results in an upgrading, a new merit eligibility date is assigned. If a reclassification results in a downgrading, the former merit eligibility date is retained.
4. Meritorious Increases: Meritorious increases in advance of the normal date are granted only upon approval of the City Administrator. Unless specifically addressed by the City Administrator a meritorious increase establishes a new merit eligibility date effective on the date of increase.
5. Promotions: A promotion results in a new merit eligibility date effective on the date of increase.
6. Demotion: A demotion to another classification for disciplinary reasons results in a new merit eligibility date. A merit eligibility date is retained when a permanent employee request a voluntary demotion or is demoted for reasons other than unsatisfactory performance. If an employee sustains a decrease in salary at the same classification as a result of a demotion, their merit eligibility date will be retained.
7. Reinstatement: Employees reinstated within two years of their resignation shall receive a new merit eligibility day. If an employee is reinstated by administrative or legal action, the merit eligibility date is governed and determined by the decision rendered.
8. Transfers: When an employee transfers within or between departments, they retain their original merit eligibility date.
9. Salary Range Adjustment: A salary range adjustment does not change an employee's merit eligibility date.

## V. PROCEDURES

### A. Rating Period

There should be an evaluation of each employee's performance at the following intervals:

1. At the midway point and end of the probationary period of all new employees and all permanent employees who have been promoted to a higher classification. Performance evaluation reports shall be completed annually thereafter for all full time permanent employees.

In the event an employee receives an overall rating of either "Unsatisfactory" or "Below Standard" on their evaluation, that employee must be re-evaluated no later than three (3) months from the date of the last evaluation. If the employee shows no improvement, the department head shall comment in writing to the employee on any action to be taken, i.e., disciplinary action, demotion, termination, etc. Copies of any correspondence shall be placed in the employee's human resource file. A performance evaluation is not to be used as a substitute for a written reprimand or notice of disciplinary action. Please consult the Human Resources Department if there are any questions.

### B. Forms

Copies of the Report of Performance Evaluation form will be sent to a department thirty (30) days before the end of the rating period. The forms shall be completed and returned to the Human Resources Department at least ten (10) days before the end of the rating period. If an evaluation form is not sent to a department prior to the evaluation date of an employee, the department shall contact the Human Resources Department.

The evaluation shall be reviewed and signed in the order that the signatures appear on the form; i.e. by the rater, department head and employee. The rater will normally be the employee's direct supervisor.

### C. Eligibility and Merit Increases

Employees who receive at least an overall Standard evaluation shall be eligible for merit salary increases consistent with the following guidelines. No merit increase may be granted which would place an employee above the maximum salary for their classification. An employee who receives a rating of "Below Standard" or "Unsatisfactory" shall not receive a merit raise.

### D. Merit Increase Withheld

When an employee receives a "Below Standard" or "Unsatisfactory" evaluation, a merit increase will be withheld. Only if the employee later receives a "Standard" or higher evaluation can the merit increase be granted effective on the date that the employee receives the "Standard" or higher evaluation.

### E. Supplemental Evaluations

As frequently as seems necessary to the supervisor, an employee supplemental evaluation may be conducted between the supervisor and the employee. The evaluation is an effort to encourage the supervisor to communicate forthrightly to a subordinate their reactions to the employee's performance and to offer positive assistance in correcting any deficiency. This informal

evaluation/conference can be in any form the supervisor chooses. A copy of any written evaluation, regardless of the form it takes, must be sent to the Human Resources Department for inclusion in the employee's personnel file.

#### F. Appeal of Evaluation

1. Department Duties: Within fifteen (15) calendar days after the performance evaluation report has been reviewed the employee may file a written request with the department head for reconsideration. The request for reconsideration should include the following:
  - a. Identify the evaluation by stating the date of the evaluation, the name of the rater, and the date that the evaluation was received.
  - b. Specify the ratings or comments which they believe should not be made on the report.
  - c. State the ratings or comments they believe should be made on the report and were not.
  - d. Give facts substantiating each change requested.
  - e. Keep a copy of the written request and send the original to the department director.

Upon receiving the request, the department director shall have fifteen (15) calendar days to meet with the employee and shall either approve the rating as originally prepared or direct a new rating to be prepared. The department director shall notify the employee of the decision in writing. A copy of all correspondence and/or evaluations shall be sent to the Human Resources Director for placement in the employee's personnel file.

2. Appeal to Human Resources Officer: If no change in the rating has been made by the end of the fifteen (15) day period or should the employee consider the response of the department director to be unsatisfactory, the employee may, within fifteen (15) calendar days file a request for reconsideration of the overall rating with the Human Resources Officer. The decision of the Human Resources Officer is not appealable.

3. Waiver of Timelines: Timelines may be waived by mutual consent of the employee and the department director.

#### VI. INTERPRETATION AND IMPLEMENTATION

Any questions relative to the intent or application of this procedure shall be made to the Human Resources Director who has the authority to interpret and implement this procedure.

Authorized:  
City Administrator Effective Date