

Administrative Regulations Office of the Mayor

Title: PAY POLICY

A.R. Number: 5.23 Effective Date: 7/1/2023 Page: 1 of 4
Supersedes: N/A A.R.: N/A DATED: N/A

I. PURPOSE

The City of Richmond is committed to transparency in the pay process. It is important that employees in city service understand how pay is administered with respect to employee status and throughout the employee life cycle.

II. POLICY

The City of Richmond's pay plan, and its complementary document, the classification plan, includes a pay schedule, salary administration rules, and a schedule of pay ranges consisting of minimum and maximum rates of pay for all classes of positions in city service.

In accordance with the pay plan, this policy defines the application of pay plan directives to individual employee circumstances during their tenure with the city.

III. PROCEDURE

A. Payment at a listed rate

All employees covered by the pay plan shall be paid within the pay range established for their respective position classification, except those positions which are specifically exempted by City Council in the pay ordinance and those employees whose present salaries are above the established maximum rate following transition to a new pay plan. Under special circumstances the Director of Human Resources, in consultation with the Chief Administrative Officer, may consider exceptions to this clause.

B. Use of pay ranges

The use of pay ranges is governed by the pay ordinance adopted by City Council. Unless otherwise specifically provided, no increase shall be awarded which shall result in an employee's salary exceeding the maximum of the pay range applicable to their class. All salary increases are calculated on base salary, and differentials shall not be included in these calculations.

C. Pay for part-time employment

A non-exempt employee employed part-time shall be compensated for the actual number of hours worked in accordance with the city's pay ordinance. An exempt employee employed part-time shall be paid for their scheduled hours; however, if an exempt employee is paid less than the weekly amount stated under the FLSA guidelines, the employee becomes non-



Administrative Regulations Office of the Mayor

Title: PAY POLICY

A.R. Number: 5.23 Effective Date: 7/1/2023 Page: 2 of 4
Supersedes: N/A A.R.: N/A DATED: N/A

exempt for the remainder of their tenure in that position. Employees working part-time will be paid on the same schedule as all other employees.

D. Pay of reallocated employees

- 1. An employee whose position is reallocated to a class having a higher midpoint of the pay range will receive at least the minimum of the new pay range, or that level in such pay range, which affords the employee a pay increase. If the position is reallocated to a class in the same pay range, the employee's salary will remain unchanged. If the position is reallocated to a class having a lower midpoint of the pay range, the employee's salary will be reduced by at least five (5) percent or to a level within the new range not to exceed the maximum.
- 2. Reallocation of positions in different pay systems (broad bands and pay ranges), if the band encompasses the entire range, is considered a same range reallocation and the employee's salary will remain unchanged. In all other cases, if the midpoint of the new classification is higher than the midpoint of the old classification, it is considered an upward reallocation and if the midpoint of the new classification is lower than the midpoint of the old classification, it is considered a downward reallocation.

E. Effective date of pay adjustments

All pay changes or adjustments shall become effective on the first day of the respective pay period that follows the approval of the Director of Human Resources or designee of the increase or adjustment, unless otherwise specified. If the approval date and the first day of the respective pay period coincide, the adjustment shall become effective on that date.

F. Payroll deductions

Federal and State income taxes, social security taxes, deductions for United States Savings Bonds, group health, dental and life insurance premiums, deferred and flexible compensation and other deductions required by law or authorized by City Council are authorized payroll deductions. All other written requests for payroll deductions shall be evaluated by the Directors of Finance and Human Resources and approved by the Chief Administrative Officer or designee. In order for approval; (a) at least one half of the full-time tenured employees must request the deduction; or (b) the deduction shall be of such a nature as to benefit, in the opinion of the Chief Administrative Officer or designee, the city workforce; or (c) the deduction must be authorized by City Council.



Administrative Regulations Office of the Mayor

Title: PAY POLICY

A.R. Number: 5.23 Effective Date: 7/1/2023 Page: 3 of 4
Supersedes: N/A A.R.: N/A DATED: N/A

An employee who believes that their wages have been subject to improper deductions or that their pay does not accurately reflect all hours worked should immediately contact their department HR Liaison.

G. Final paychecks

All nonexempt employees, whether tenured or not, shall receive payment for all accrued compensatory time as required under FLSA. A tenured employee who separates from the city service shall receive payment for time worked plus a lump-sum payment for earned and unused vacation leave pursuant to this regulation. Vacation leave payment shall be computed on base salary. The final check may not be payable through direct deposit and will be subject to any deductions. If an employee dies while at work, his or her pay shall be for his or her normal work shift.

IV. RESPONSIBILITY

Department of Human Resources (HR) – HR is responsible for oversight and administration of this policy. HR is the central repository for all personnel files and information. HR shall make available all necessary procedures and forms to departments and employees and provide guidance when questions arise.

Employees – Employees are responsible for abiding by the requirements and processes of this policy.

V. DEFINITIONS

Words and phrases contained within this policy are interpreted by the Director of Human Resources and can be made available upon request.



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Title: PAY POLICY

A.R. Number: 5.23 Effective Date: 7/1/2023 Page: 4 of 4 Supersedes: N/A A.R.: N/A DATED: N/A

VI. REGULATION UPDATE

CHIEF ADMINISTRATIVE OFFICER

Modifications to this policy shall be the responsibility of the Department of Human Resources under the advisement of the Chief Administrative Officer.

Approval