

COUNCIL ACTION FORM

SUBJECT: REVISIONS TO EMPLOYEE RECOGNITION PROGRAMS POLICY

BACKGROUND:

On October 13, 2020, the City Council approve a collection of revised policies for City employees. These policies became effective October 19, 2020. One of the revised policies was the Employee Recognition Programs Policy. This policy provides for five City-wide employee awards for exceptional service, years of service awards, and retirement gifts.

After the adoption of the revised policy, the Employee Council noted that the new policy's section regarding years of service awards did not provide for continuing some long-standing practices. In addition, the new policy did not clarify two areas that have historically been confusing and inconsistently administered.

To remedy these issues, staff has drafted changes to the Employee Service Awards section of the policy (attached, with new language in red text). These changes will accomplish the following:

1. Provide for recognition of long-time temporary employees who return to the City year after year (e.g., lifeguards, community safety officers, fitness class instructors). Currently, these employees are ineligible for service awards.
2. Memorialize the practice that the award consists of \$5 for each year of service, which is only given every five years (5th anniversary, 10th anniversary, 15th anniversary, etc.)
3. Clarify that if an employee reaches a service milestone and is eligible for an award, but leaves City service before the awards luncheon, their award is to be added to their last paycheck.

City staff has analyzed these revisions and believes they will have a negligible fiscal impact. Of the changes, the most significant from a cost standpoint is to allow temporary employees to be eligible for years of service awards. There are currently 517 active temporary employees in the payroll system. Of these, 87 (17%) have been returning employees for five years or longer. City staff estimates the payment of recognition awards to cost approximately \$1,000 per year, spread amongst various funds.

ALTERNATIVES:

1. Approve the revised Employee Recognition Program Policy.
2. Do not approve changes to this policy.
3. Refer this item to staff for further information.

CITY MANAGER'S RECOMMENDED ACTION:

The proposed changes codify long-time practices related to the Employee Service Awards and clarify how these awards should work for temporary employees who return to work for the City year after year.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.

Employee Recognition Programs

Date Established: October 19, 2020

Date Last Updated: January 26, 2021

Purpose

The purpose of the City-wide awards program is to encourage and recognize employees who bring to life the Excellence Through People values.

Policy Statement

In addition to recognition programs that may be provided by individual City departments, there are five categories of City-wide Employee Awards:

Employee Customer Service Award

The Employee Customer Service Award is designed to honor City employees who provide exceptional direct customer service to the citizens of Ames. Nominations can be made by a co-worker, supervisor or Ames resident. Nominations should describe the service provided by the employee and indicate the significance of the service to the resident. The award will be given for a contribution associated with the employee's work for the City, but the act should reflect a contribution beyond the scope of normal responsibilities. The employee will receive a framed letter from the City Manager congratulating them for their contributions and a cash award of \$50. A copy of this letter will also be placed in their personnel files.

Suggestion Award

The Suggestion Award recognizes City employees for achievements, accomplishments, contributions and/or suggestions that: are a cost savings in City operations, improve quality of City services, improve public relations, or improve employee morale. Employees who make suggestions which are implemented will be recognized as follows:

1. If the suggestion falls within the employee's assigned job responsibilities or established policy, or if the suggestion does not reduce costs, the employee(s) will receive a cash award of \$100, a Suggestion Award containing the Suggestion Program logo, as well as a letter from the City Manager congratulating them for their achievements, accomplishments or contributions. A copy of this letter will be placed in the employee's personnel file.
2. For suggestions which reduce costs, the employee(s) will receive up to 25 percent of the actual documented cost savings within a twelve-month period up to a maximum of a \$1,000 cash award. The employee(s) will also receive a Suggestion Award as well as a letter from the City Manager. A copy of this letter will be placed in the employee's personnel file.

The cash award will be made as soon as it has been documented that the savings have actually occurred. If the savings are of an on-going nature, the cash award will be

based on the actual savings realized over the first twelve months of the suggestion's implementation. A cash award will not be made if the cost savings proposed results in a City service level reduction. The cash award will be made from the departmental budget where the savings occurred.

Certificate of Commendation

This award is designed to honor City employees who have clearly "gone above and beyond their expected duty in an emergency situation" in service to the citizens of Ames. Such contributions could be associated with an employee's work for the City, although service rendered outside of an employee's normal responsibilities will also be considered. This award category may also be considered for the Humanitarian Service Award. The recipients will receive a Certificate of Commendation commemorating the award and a cash award of \$50.

Humanitarian Service Award

This award is designed to honor City employees who have clearly "gone the extra mile" in service to the citizens of Ames. Such contributions could be associated with an employee's work for the City; service rendered outside of an employee's normal responsibilities would receive a higher consideration. The recipients will receive their own decorative award commemorating their act of service. In addition, the recipients' names and contributions will be designated on a plaque permanently displayed in City Hall.

Sprenkel Achievement Award

The Sprenkel Achievement Award is designed to honor a City employee(s) who has exhibited the initiative to make a significant contribution to the City organization through actions above and beyond the scope of the employee's job responsibilities.

The Sprenkel Achievement Award must be for a contribution which has already been achieved or implemented. Preference will be given to the impact and duration of accomplishment. No extra compensation other than a suggestion award payment can have been received. The recipients will receive their own plaque commemorating the award and a \$100 cash award. In addition, the recipients' names and contributions will be designated on a plaque to be permanently displayed in City Hall.

Presentation of Awards

Cash awards will be distributed to recipients as soon as the award is approved. Recognition letters, plaques, etc. will be presented to the recipient at the annual Employee Awards Luncheon.

Eligibility and Procedures

1. Employee Eligibility

All City of Ames employees are eligible with the following exceptions:

- a. For the Suggestion Award, Employee Customer Service Award, Sprenkel Achievement Award and Certificate of Commendation: Department heads, the City Manager and the Assistant City Managers are not eligible.
 - b. For all awards, members of the Employee Council Awards Committee are eligible if they recuse themselves from deliberation and voting on that award.
2. Topics Not Eligible
- a. Pay
 - b. Benefits
 - c. Union bargaining
3. For an Idea to Be Eligible, It Must
- a. Be original to the City. If the idea is a duplicate of one already received, the idea received first will be the one considered.
 - b. If the suggestion has not yet been implemented, it must recommend a specific action.
 - c. If already implemented, it must have been within the period of eighteen months prior to the date that the application is received by the City Manager's Office.
4. Due to Federal regulations, cash awards will be treated as wages for tax purposes; and are, therefore, subject to State and Federal withholding.
5. If two or more employees are determined to be jointly responsible for a suggestion which is implemented, any cash award will be divided equally among them or as specified by the department head.

Employee Service Awards

The City recognizes employees who have contributed to the service of the City and to the citizens of Ames for a period of years. Each **regular and part time <20 hours** employee who has completed five total years of service (or an increment of five years of service), including any previous temporary service, by April 1 of that year is recognized at the annual Employee Service Award luncheon. **Temporary employees who have returned to City service year after year (e.g., summer help, lifeguards) are also eligible for recognition. The award consists of \$5 for each year of service completed (e.g., \$25 for 5 years, \$50 for 10 years, etc.).**

If an employee leaves employment before the Award luncheon but has reached a five-year-increment milestone before leaving employment, the award will be added to the employee's final paycheck. The employee will be invited to attend the next luncheon as if they were a continuing employee. Funds for these awards are paid by the department in

which the honored individual is currently employed. Beginning with awards issued after July 1, 2020, years of service are counted cumulatively for each employee, and do not restart when there is a break in service.

Employee Retirement Gifts

A gift of tangible personal property may be given to an employee who retires from City employment with at least five completed years of continuous service, excluding temporary service. Employees with a break in service are entitled to the appropriate gift at the time of each departure. A monetary gift is prohibited. The department shall determine the type of gift to be given. The gift shall be given for the express purpose of recognizing the employee's service to the City of Ames. The value of the gift shall be \$10 for each year worked, beginning with five completed years of continuous service.

Employee Retirement and Farewell Receptions

Department heads may authorize the use of City funds for refreshments and supplies for a reception or celebration honoring a departing employee. The expenses for such a reception should be commensurate with the length of service, but in most cases should not exceed \$300.

Contact Information

City Manager's Office

515-239-5101

Employee Council Awards Committee

515-239-5101