

**MEMORANDUM OF AGREEMENT
BETWEEN
THE CITY OF SAINT PAUL
AND
CLASSIFIED CONFIDENTIAL EMPLOYEES ASSOCIATION**

This Memorandum of Agreement (hereinafter "MOA"), is entered into by the City of Saint Paul (hereinafter "City") and the Classified Confidential Employees Association (hereinafter "Union") for the purposes of establishing a performance pay process. The Employer and the Association agree to the following terms:

Performance pay means an annual lump-sum payment which does not increase the employee's base salary. The Director of the employee's department, with the approval of the Director of Human Resources, based upon such performance measures as they deem appropriate, may award to an eligible employee performance pay of up to five (5) percent of the employee's base annual salary.

Performance pay may be awarded as recognition for exceptional performance, significant contributions, and substantial accomplishments well beyond normal or regular work responsibilities. Performance pay does not increase the base salary nor serve as a means to give a larger annual increase. Performance pay is given at the discretion of management. Examples of situations where performance pay may be given include significant contribution and/or substantial accomplishment associated with:

- Major projects or initiatives (e.g., system implementation, new program implementation, and audits by certifying agencies, funding agencies, or government agencies)
- Significant cost saving or cost avoidance realized beyond normally expected or established standards
- Extraordinary effort during times of critical department need (e.g., meeting critical deadline that could otherwise have an adverse impact on critical business operations or major project)
- Contribution that clearly and significantly impacts the accomplishment of important and critical business operational goals, deliverables and/or timelines.

Performance pay is not appropriate for:

- Outstanding or excellent performance of ongoing, normal or regular job duties and responsibilities as well as achievements that may be reasonably expected from a staff member. These should be recognized as part of the annual performance and salary review process
- Staff effort or work time that has no significant impact on a major project or initiative, or critical business need
- Recognizing a staff member's long-term service, loyalty or commitment
- Accomplishment of personal and career goals, skills and competencies, professional degree, certification, and registration

Documentation that supports the decision to award performance pay is required and must be maintained in the employee's personnel file. The documentation must demonstrate how the employee's performance is aligned with the criteria above. The Department and Human Resources Directors' decisions are not subject to the Article 6 – Employee Rights - Grievance Procedure.

The terms of this MOA shall run concurrently with the 2023-2025 collective bargaining agreement and shall renew annually thereafter unless one party provides written notice of the desire to end the MOA prior to its renewal for a subsequent year.

FOR THE CITY



Jason Schmidt

Labor Relations Manager

12/11/23

Date

FOR THE UNION



Kate Moen, President

Classified Confidential Employees Association

12/11/2023

Date