

**Town of Needham
Rates of Compensation Policy
Personnel Administration #423**

1. PURPOSE AND SCOPE

The purpose of this policy is to set forth the manner in which rates of compensation are to be interpreted consistent with Section 20B (6) of the Town Charter.

2. APPLICABILITY

This policy applies to all non-represented General Government employees.

3. POLICY

- 3.1 No change in compensation for a position established by the compensation plan shall have the effect of reducing the compensation of incumbents occupying positions at the time of the change.
- 3.2 The rates of compensation in the Compensation Plan schedules are expressed in terms of dollars per year for full time employment, except where otherwise expressly stated. Where applicable, annual rates of pay shall be divided by 52 to produce a weekly rate and further divided by 37.5 or 40 (whichever is appropriate) to produce an hourly rate of pay.
- 3.3 Rates of pay included in the Compensation Plan represent the total remuneration to be paid to employees except for longevity, differentials, overtime, stipends, merit pay, or other pay type as may be authorized by policy, or state statute, and reimbursement of authorized expenses.
- 3.4 Employees whose service is less than full-time shall be compensated based on the ratio that such employment bears to full-time employment.
- 3.5 The Town Manager may adjust the rate of compensation for any position up to two (2) compensation grades or up to twenty percent (20%), where such adjustment is deemed necessary to recruit or retain qualified employees in accordance with prevailing market conditions.