

CORPORATE POLICY AND PROCEDURE



POLICY	CAO EMPLOYMENT POLICY
CATEGORY	Corporate
AUTHORITY	City Council
RELATED POLICIES	Procedure for Hiring the CAO, Delegation of CAO duties, City Purchasing Policy
APPROVED BY	City Council
REVISION DATE	Beginning of New Term of Council

POLICY STATEMENT

As part of administrative governance for the City of Guelph, Council acknowledges the requirement for a policy outlining all aspects of employment of a Chief Administrative Officer.

PURPOSE

The purpose of this policy is to establish criteria for the recruitment, selection/offer of employment, terms and conditions of employment, performance development, compensation and termination of employment.

PROCEDURE

Recruitment

At such time the CAO position becomes vacant, the Mayor shall notify the Executive Director, Corporate and Human Resources to commence the recruitment process to fill the vacancy as per the Procedure for Hiring a CAO.

Options:

1) (Future) Succession Management- Where the City of Guelph has demonstrated a 'robust' succession management program (i.e. where available 'high' potential candidates have been identified within the City, a well-established program exists where candidate skills/competencies are measured against those required for the CAO position, and where development plans are in place, regular reviews are conducted and assessments are made to determine a candidate's readiness for the CAO position), Council may opt to limit the CAO vacancy internally amongst only those identified 'high' potential candidates.

2) Executive Search Firm – Where Council has determined that there are no internal candidates through a succession management program that are deemed to be 'ready' to assume the CAO role OR at any time should Council wish to evaluate internal candidates to the external job market, they may decide that the position may be filled utilizing the services of an external executive search firm. The firm would be selected following an RFP process. The successful firm would be selected on the basis of 'lowest

acceptable bid' – reference Purchasing Policy. The position would be available to both internal and external candidates.

Selection

As per the Procedure for Hiring the CAO, the Search Committee shall be comprised of the Mayor and four Chairs of the Standing Committees, or delegates, to a maximum of 6 individuals (i.e. the Mayor, Chairs of four Standing Committees and optional community member). Due to the importance of this position to the City of Guelph, consultation with the Executive Team, City staff, and community stakeholders may be initiated and incorporated into the recruitment and selection process.

Hiring/Offer of Employment

The following categories will be included in a CAO Employment Contract – Effective Date and Term of Agreement, Duties, City Policies (i.e. adherence to), Remuneration inclusive of salary, car allowance, parking, applicable moving allowance, professional memberships, Confidentiality, Vacation/Overtime, Termination (see below), Voluntary Resignation, Return of Property, Severability, Release and Acknowledgement, Assignment of Rights, Notices, Applicable Law, and Independent Legal Advice.

Tenure of Employment

During the tenure of the CAO, the duties and responsibilities will be governed by a CAO By-Law and a Position.

Performance Development and Appraisal

On an annual basis, performance goals and objectives will be set for the CAO that are aligned to Council's Strategic Plan. The performance of CAO will be reviewed by the Mayor and Chairs of the Standing Committees at least once annually and will include a development plan for the preceding year. Areas of evaluation will include, but are not limited to: leadership, management, communication, and technical functions. It is recommended that the performance review period commence in January of each year and end no later than March (i.e. a three month process).

The Performance Appraisal portion of the review shall be inclusive and evaluative of work results expected versus achieved as well as an evaluation of how the CAO has modelled and lived the Corporate Values (i.e. what and how work has been accomplished). The development plan referenced above should include areas for development, including but not limited to – strategic planning, relationship management, team leadership, and communication.

A process of 360 degree feedback shall also form part of the development plan, subject to participants having received appropriate training on the process. The 360 degree process shall be a separate process from the performance review (i.e. to commence after the performance review period). It should be structured in such a way as to provide feedback for personal, professional and leadership development to augment development that had been identified through the performance review period. Results of the 360 feedback shall be shared only with the CAO. The CAO shall provide a summary of the feedback to the Mayor. Results may alter the development plan established during the performance review, and will be confirmed by the Mayor and Chairs of the Standing Committees. Typically, the 360 degree feedback process is managed through an external Human Resources Consultant with expertise in this area.

Compensation

Compensation for the CAO is based on an annual review to ensure that the range remains competitive at the Council approved competitive position (i.e. currently at the 55th percentile of the Council approved municipal comparator group).

Governing factors that determine the comparator group are:

1. Size of municipality
2. Organization Structure and scope of services (Tier)
3. Average family income for residents within the municipality
4. Number of Employees working for the municipality
5. Operating Budget size
6. Geographic location/employment market/labour pool/market competition within 60KM of Guelph

Pay for Performance

Where Council has approved a pay for performance compensation approach for the CAO position, movement through the salary range shall be in accordance with the approved policy. Where the CAO is at job rate i.e. top of the range, pay for performance shall be in the form of a re-earnable lump sum. In the absence of a pay for performance system, movement through the range, subject to satisfactory performance, shall be in accordance with the current Human Resource policy for Non Union employees i.e. movement from one step in the range to the next. Movement of more than one step shall not occur.

Acting/Interim/Assistant CAO

The CAO may appoint an Assistant CAO in accordance with the Council approved policy where temporary administrative responsibilities are given to a member of the Executive Team for a specified period of time to enable the CAO to engage in corporate business opportunities, sabbaticals/leaves of absence and/or mentoring for members of the [ET](#).

The CAO may also appoint an Acting CAO in accordance with the policy for a period of less than 1 month due to the absence of the CAO.

Authority to appoint an Interim CAO for a specified period of time, due to a vacancy in the CAO position, rests with City Council.

Termination of Employment

Resignation

In the event the CAO resigns his/her position from the City, the CAO would be required to provide a minimum of eight weeks written notice. The City may waive or reduce this requirement, by Council resolution at any point within the eight weeks notice period. The CAO would receive any unpaid salary and vacation accrual up to the date of resignation.

With Cause

In cases of termination with cause, no severance payments are provided. The CAO would receive any unpaid salary earned to the date of termination and any unused vacation accrual.

Without Cause

Council may opt to negotiate separate terms and conditions for termination without cause within the employment contract contingent on the length of the contract. Typically, for tenure less than 2 years, common law principles would dictate severance provisions for up to 10 months. For contract duration that extend beyond 2 years, severance provisions for termination without cause provide for:

- 1) Payment of 12 months salary plus 1 month for each completed year of service to a maximum of 20 months, in the form of salary continuation.
- 2) Benefit continuation with the exception of short and long term disability.
- 3) OMERS pension contributions
- 4) Car allowance and vacation accrual for the Employment Standards notice period only
- 5) Reimbursement of moving expenses if termination occurs within the first year of employment
- 6) Career Outplacement services for up to six months
- 7) Mitigation of employment – in the event the departing CAO secures alternate employment during the severance period, the City would pay, in the form of a lump sum, one half of the balance of the remaining severance payments owing.

DEFINITIONS

CHIEF ADMINISTRATIVE OFFICER – LONG TERM CONTRACTUAL POSITION REPORTING DIRECTLY TO COUNCIL AS PER THE MUNICIPAL ACT, 2000

ASSISTANT CAO – MEMBER OF EXECUTIVE TEAM APPOINTED BY CAO FOR A SPECIFIED PERIOD TO ALLOW THE CAO TO ENGAGE IN CORPORATE BUSINESS OPPORTUNITIES, SABBATICALS/LEAVES OF ABSENCE, AND/OR MENTORING OF MEMBERS OF ET.

ACTING CAO - MEMBER OF EXECUTIVE TEAM APPOINTED BY CAO FOR A PERIOD OF UP TO 1 MONTH DUE TO ABSENCE OF THE CAO

INTERIM CAO – APPOINTMENT BY COUNCIL OF A CAO ON A TEMPORARY BASIS, FOR A SPECIFIED TIME PERIOD DUE TO A VACANCY IN THE CAO POSITION.

RECRUITMENT – THE PROCESS OF ADVERTISING A POSITION VACANCY TO ATTRACT QUALIFIED CANDIDATES.

SUCCESSION MANAGEMENT – A PROGRAM TO DEVELOP HIGH POTENTIAL TALENT IN AN ORGANIZATION TO FILL KEY LEADERSHIP ROLES.

SELECTION – THE PROCESS OF CHOOSING THE MOST QUALIFIED APPLICANT FROM A POOL OF APPLICANTS FOR AN ADVERTISED VACANCY.

CAO BY-LAW – NOT PRESCRIBED BY THE MUNICIPAL ACT, 2001. OPTIONAL TO DESCRIBE THE GENERAL DUTIES AND RESPONSIBILITIES OF THE CAO.

POSITION DESCRIPTION/PROFILE/MANDATE – AN OFFICIAL INTERNAL DOCUMENT THAT PROVIDES DETAILED DESCRIPTION OF A POSITION'S ROLES, RESPONSIBILITIES AND QUALIFICATIONS.

PERFORMANCE DEVELOPMENT/APPRAISAL – AN ANNUAL PROCESS WHEREBY A POSITIONS' DIRECT REPORT ASSESSES AND EVALUATES THE PRECEEDING TERM ACCOMPLISHMENTS AND PROGRESS REGARDING PRE-DETERMINED GOALS AND OBJECTIVES FOR THE REVIEW PERIOD.

360 DEGREE FEEDBACK – A PROCESS WHEREIN A POSITION'S DIRECT REPORTS, PEERS AND SUB-ORDINATES PROVIDE FEEDBACK TO AN INCUMBENT ON DEVELOPMENT OPPORTUNITIES.

PAY FOR PERFORMANCE – A PRACTICE WHEREBY AN EMPLOYEE IS PROVIDED VARIABLE REMUNERATION (EITHER THROUGH MOVEMENT WITHIN A SALARY RANGE OR IN ADDITION TO BASE SALARY) BASED ON AN ASSESSMENT OF DEGREE OF ACHIEVEMENT ACCOMPLISHMENTS AND PROGRESS TOWARD PRE-