
**A RESOLUTION AUTHORIZING THE CITY MANAGER PRO TEM TO
IMPLEMENT AN EMPLOYEE SUGGESTION AWARDS PROGRAM**

RECITALS:

1. **History** – Mayor Bob Andrews has had a strong interest in the implementation of an employee incentive awards program for several years. Several discussions between the mayor and former city manager have transpired, and there was not only an agreement but also a need seen from within the organization for such a program.
2. **Ethics** – The human resources manager has checked with the Oregon Government Ethics Commission (“OGEC”) to ensure that there are no ethical issues associated with this incentive program. The OGEC’s response is as follows:

“The jurisdiction of the Oregon Government Ethics Commission is limited to the provisions in ORS Chapter 244 which regulates the conduct of public officials not the governing bodies in which they serve. As such the following guidance will be provided to address how the provisions in ORS Chapter 244 apply to “public officials.”

Public officials must know that they are held personally responsible for complying with the provisions in Oregon Government Ethics law. This means that each public official must make a personal judgment in deciding such matters as the use of official position for financial gain. There are provisions of law that do prohibit a public official from using their position or office held for financial gain. ORS 244.040(1) prohibits every public official from using or attempting to use the position held as a public official to obtain a financial benefit, if the opportunity for the financial benefit would not otherwise be available if not for the position held by the public official. The financial benefit prohibited can be either an opportunity for gain or to avoid an expense.

There are circumstances however, in which a public official may use their position to accept financial benefits that would not otherwise be available if not for holding the position as a public official. Official compensation, public officials may accept any financial benefit that is identified by the City served by the public official as part of the “official compensation package” of the public official. If the City identifies such benefits as salary or other various paid allowances in the employment agreement or contract of a public official, those financial benefits are part of the “official compensation package” ORS 244.040(2)(a). To provide additional guidance OAR 199-005-0035(3) provides a definition of “official compensation package.”

An “official compensation package” means the wages and **other benefits** provided to the public official. To be part of the public official’s “official compensation package”, the wages and benefits must have been specifically approved by the public body in a formal manner, such as through a union contract, an employment contract, or other adopted personnel policies that apply generally to employees or other public officials. “Official compensation package” also includes the direct payment of a public official’s expenses by the public body,

in accordance with the public body's policies.”

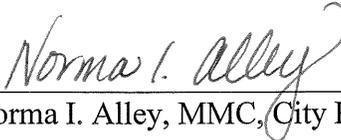
3. **Budget** – The City will need to budget for this awards program and there are maximum awards to be received by department, employee, and/or fiscal year in order to remain within the budget and ensure equitability throughout the organization.
4. **Procedure** – The procedure is described as follows:
5. **Statement of Policy** – It is in the public interest to provide a program to encourage and reward employees who submit suggestions that will improve efficiency and effectiveness in government agencies and programs.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Council hereby adopts the employee incentive awards program attached as Exhibit “A”, which by this reference is incorporated.
2. The City Council hereby adopts the Employee Suggestion Program Application Form attached as Exhibit “B”, which by this reference is incorporated.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: October 22, 2013.

ADOPTED by the City Council of the City of Newberg, Oregon, this 21st day of October, 2013.



Norma I. Alley, MMC, City Recorder

ATTEST by the Mayor this 24th day of October, 2013.



Bob Andrews, Mayor



Employee Suggestion Awards Program

Policies and Procedures - Summarized

§ I. Adoption of the Suggestion Program

A. Purpose

On October 7, 2013, the City of Newberg Council adopted an Employees' Suggestion Award Program (Program). The Program is intended to encourage employee participation in improving the efficiency and effectiveness of their job and City operations in general. It is also intended to motivate employees toward problem identification and to stimulate creativity in problem-solving. The program provides a means to communicate to the employee the high value City management places on constructive ideas through recognition and reward.

B. Procedures

Administration of the Employee Suggestion Award Program of the City of Newberg will be governed by the procedures contained in these Policies and Procedures.

§ II. Management's Role

- A. Management will support the Suggestion Award Program concept by being open to new ideas submitted by employees.
- B. Management will be responsible for the timely completion and return of suggestion evaluation form(s).

§ III. Definitions

Whenever in these regulations the following terms are used, they will have the meaning respectively ascribed to them in this section unless otherwise noted.

Adoption: A suggestion will be considered to have been adopted when the new or revised procedures and/or methods it proposes are implemented by the Department Head, City Manager, or City Council.

Award: Either monetary or certificate, or other acknowledgment

that is given to an employee in recognition for a suggestion deemed valuable to the City of Newberg.

Certificate of Award: A document that accompanies a monetary award commending an employee for submitting a suggestion that results in a tangible cost reduction, improved public service and/or limits the City's liability exposure, and that has been adopted and placed in operation.

Committee: The Employee Suggestion Awards Committee.

Coordinator: The City Manager is responsible for the administration of the Program. The City Manager may assign one of his or her subordinates to be the principal staff for this Program.

Forms: When the terms "Suggestion Form," "Evaluation Form," or any similar reference is used in these regulations, it will refer to such document or documents as may from time to time be authorized and approved by the Suggestion Awards Committee.

Intangible Savings: Those savings which improve efficiency, provide a greater level of service to the public, save space, simplify procedures, reduce or eliminate safety hazards, lower the City's liability exposure, or in some other way improve City government, but which have no measurable savings.

Joint Suggestion: A suggestion that is submitted over the signatures of two or more employees. Awards for joint suggestions will be divided equally among the employees submitting such suggestions.

Letter of Appreciation: A written letter that acknowledges the suggestion submitted by an employee and informs the employee that the suggestion does not qualify for a cash award, yet does represent a contribution to the City.

Net Savings: The estimated first-year net cost reduction resulting

from the adoption and implementation of a suggestion, determined by the affected department and approved by the Committee. This may also include recovery of revenue which would otherwise be lost to the City if the suggestion had not been adopted, providing that this does not apply to increases in revenue resulting from increased fees. In computing net cost reduction, the cost of placing the suggestion into effect may be amortized over the expected life of the suggestion as determined by the Committee.

Significant Budgetary

Savings:

Those savings that reduce or eliminate expenditures in the budget, increase revenue to the City or, in general, result in reasonable savings that can be comprehended.

Suggestion:

A written proposal by an employee that contains both the identification of a problem and the basis for an acceptable solution or indicates to the Committee a way to do any job, system or procedure better, more quickly, more easily, more safely and/or at less cost; or to handle additional workload with the same staff and/or equipment; or to produce a more efficient operation with better control.

§ IV. Suggestions Awards Committee

A. Membership of the Committee

The Committee will be composed of five members to specifically include the following titles:

1. Mayor (or designated city councilor)
2. City Manager
3. City staff person designated by city manager
4. Finance Director
5. A citizen member of the Budget Committee

B. Function and Responsibility of the Committee

The Committee will be responsible directly to the City Council. It will exercise general direction over the Program. It will meet as necessary for the operation of the Program.

The Committee will:

1. Review all suggestions and evaluations brought before it in a fair and impartial manner.
2. Recommend the amount of each award, if applicable, to the City Council.
3. Assure that each suggestion is thoroughly and fairly investigated and reported on.
4. Request further information and investigation deemed appropriate.
5. Encourage employees to make suggestions, encourage departments to promote the Program among their employees, and to explain the Program to departments upon request.
6. Make necessary changes in procedures in the interest of fairness and equity, with the exception of the rules governing the amount of the award.
7. To determine the eligibility of suggestions for awards if necessary.
8. Periodically review and update regulations as necessary.
9. Call upon any City officer or employee for information on the evaluation or implementation of a suggestion.
10. Appoint an individual to keep minutes of each meeting, and to supply each committee member and/or an alternate with copies of the minutes, the agenda, and the suggestions.

§ V. Eligibility

A. Eligibility for Submission of Suggestions

1. Every employee of the City of Newberg is eligible to submit suggestions under the Suggestion Program.

2. Every terminated or retired employee is eligible for an award provided that his or her suggestion was received prior to the termination or retirement date, and provided that he or she meets other eligibility conditions.
3. The following employees will not be eligible for a cash award under the Program:
 - a. Members of the City Council.
 - b. Members of the Suggestion Awards Committee.
 - c. Department Directors/Heads
 - d. Administrative management or supervisory personnel whose primary job responsibility is problem identification, analysis and solution, are ineligible for monetary awards for suggestions involving their own job assignments.
 - e. Consultants employed by the City.

§ VI. Eligibility of Suggestions

A. Eligible Suggestions

To be eligible for an award, a suggestion must be adopted in whole or part, and result in significant benefits involving the following:

1. Saving of time, labor, space, materials or supplies.
2. Improvement of methods, procedures, or equipment resulting in increased output and/or efficiency.
3. Elimination of unnecessary procedures, records, and forms.
4. Improvement of service, safety conditions, and/or City liability.
5. Elimination of bottlenecks, accidents, delays, duplication, waste or spoilage.
6. Improvement of revenue to the City except as limited by Section VI (B) (13).

B. Ineligible Suggestions

Suggestions that fall into the following categories will not be eligible for awards:

1. Those that call attention to a problem, but do not suggest an acceptable solution.
2. Those that contain an idea already under active consideration by the City. This must be documented by the department(s) and reviewed by the Awards Committee.
3. Those calling for enforcement of existing rules, policies and procedures.
4. Those that are duplications of suggestions submitted within the last 24-month period.
5. Those dealing with normal maintenance unless such suggestion contributes to the solution of a maintenance problem.
6. Those proposing adjustments in salaries, job classification, or terms and conditions of employment that is subject to negotiation with recognized employee organizations.
7. Those proposals for budgeting or staff changes for which other specific channels are prescribed for submittal.
8. Those that are within the scope of the normal job responsibility of the suggester.
9. Those where the evaluation by the department and/or Awards Committee show that the potential benefits would not offset the cost of implementation.
10. Suggestions that cannot or will not be implemented by the City because they are not practical or there are insufficient funds to implement suggestion.
11. Those submitted for reconsideration more than ninety days after implementation of the suggestion.
12. Those that were previously adopted and implemented.
13. Those that propose an increase in existing fees to be charged for current City services.

The decision by the Suggestion Awards Committee as to whether a proposal constitutes an eligible suggestion under these regulations will be final.

§ VII. Suggestion Procedure

A. Basic Regulations

The following criteria must be complied with before a suggestion is accepted for evaluation:

1. A suggestion must be submitted in writing to the City Manager’s Office on the suggestion forms designated for that purpose.
2. The suggester will set forth on the designated suggestion form in writing the following:
 - a. A description of the present method or problem that the suggestion seeks to correct or improve.
 - b. A description of the suggested solution and the procedure to accomplish the improvement.
 - c. A description of the results anticipated from adoption of the suggestion.
 - d. Any sketches, drawings, maps, photographs or other descriptive material necessary to describe the suggestion fully and clearly.
 - e. An estimate of the amount of money the City may be expected to save (annualized from the date of implementation) if the suggestion is adopted and put into operation.
 - f. The name and signature of the employee submitting the suggestion. If it is a joint suggestion, the signature of all employees joining in the suggestion will appear.
 - g. A return mailing address to which replies should be addressed, and the telephone number of the suggester.

B. Anonymity

At the request of the suggester, the Coordinator may remove there-from the name and address of the suggester, together with any other marks or information that might reveal the suggester’s name, and thereafter the suggestion will be known only by its identification number. The Coordinator will not reveal the name of the suggester until the suggestion is adopted.

C. Identical Suggestions

If at any time during the course of processing a suggestion it is found that a suggestion submitted previously presents the same proposal, only the suggestion received first will be eligible for any award or certificate, and the employee submitting the duplicate suggestion will be so informed by the committee. This regulation will apply only where the second suggestion is received within two years of the date of the last entry, relative to the first suggestion in the committee’s official records. Otherwise, the second suggestion will be deemed an original suggestion and processed accordingly.

§ VIII. Suggestion Process

A. Submission

1. All suggestions will be transmitted to the City Manager’s Office. If a suggestion is received in any manner other than that prescribed by these regulations, it will be returned to the suggester together with a suggestion form and an explanation of how to proceed in the prescribed manner.
2. Upon receipt of a suggestion as defined in these regulations, the Coordinator will place upon it the date and time it was received and will assign an identification number to it.
3. Upon receipt of a suggestion, the Coordinator will transmit a letter to the suggester acknowledging its receipt and informing the suggester of the identification number.
4. If the suggestion coordinator is in doubt as to whether the suggestion is eligible or the suggester is eligible for a monetary award, he or she will submit the matter to the Committee for a final decision.
5. The suggestion coordinator will maintain a permanent file of all matters pertaining to each suggestion and log showing the current status or final disposition of each suggestion.
6. Suggestions will be reviewed quarterly. If a suggestion is received after the due date, it will be reviewed in the following quarter.

7. Suggestions will ordinarily be processed in the order received. However, if the judgment of the coordinator, a suggestion involves a matter of immediate importance and application, it may be advanced in the processing.
8. The Committee will make its recommendation to the City Council on all acceptable suggestions within 90 calendar days of the date of return from the department, on a quarterly basis.

B. Evaluation

1. The suggestion coordinator will refer clearly eligible suggestions to the appropriate City department(s) for investigation and recommendation. Within 45 calendar days after receiving a suggestion, each department will report to the Coordinator its findings and its recommendations as to acceptance or rejection of the suggestion. The department's report will include the following information.
 - a. An estimate of the annualized savings in time, labor, material, space, hazard, inconvenience and/or other factors.
 - b. An estimate of the cost of implementation and a recommendation on the amortization of the cost of adoption of the suggestion.
 - c. The estimate of the period of time over which the saving occurs.
 - d. A recommendation as to adoption or rejection of the suggestion. If the suggestion is recommended for rejection the complete reasons for the rejection will be stated. The department head will review and sign the evaluation form.
 - e. A statement as to whether consideration of the suggestion has led or is likely to lead to an alternate or modified solution of the problem the suggestion modifies.
 - f. A statement as to whether the suggestion proposes something which is already or has been under active consideration by management with clear, written documentation if that this is the case.
2. The suggestion coordinator will periodically review the records to see whether any evaluations by departments are overdue, and in such case will send follow-up notices to departments asking the reason for the delay. If the department

requires more time to complete its investigating it will so notify the Coordinator, indicating when the investigation will be complete. The Coordinator will notify the suggester of the delay.

3. A suggestion relating to safety will be sent to Risk Management for evaluation.
4. A suggestion relating to the purchase of an unusual piece of equipment will be sent to the Purchasing Agent for review.
5. The Coordinator will review the department evaluation and submit the recommendation to the Awards Committee.

C. Awards Committee Review

1. The Committee will review the suggestion and the departmental analysis and recommendation before its monthly meeting.
2. The Committee will determine whether the suggester and the suggestion are eligible for a cash award or non-monetary award and will recommend to the Council as to the amount of the award, if any, in accordance with these Regulations.
3. The suggester is notified of the department recommendation and the Committee's recommendation.
4. The City Council will make the final determination whether to approve an award. Once a suggestion has been placed into actual beneficial use, the Council will present a certificate of Award and a monetary award to the suggester for money suggestions, or a Certificate of Award and a token of appreciation for non-monetary suggestions. A copy of the certificate will be placed in the suggestor's personnel file.
5. If the award is rejected, a letter will be sent to the suggester by the Committee, which states the specific reason(s) for rejection.
6. Suggesters will be encouraged to discuss their suggestions with their supervisors. The supervisor will maintain the confidentiality of both the suggester and the suggestion. Suggesters may solicit supervisors' comments for their initial applications. In cases where the assistance of job experience has been significant

in framing the suggestions upon recommendation of the suggestion’s department of the Committee, a letter of appreciation will be sent to the supervisor and a copy placed in the supervisor’s personnel file.

§ IX. Awards

A. Monetary Awards

1. The award for measurable savings to the City for the first calendar year’s projected net savings will be ten percent (10%) of the savings up to a maximum award of \$5,000, except that no award will be less than \$100.
2. Upon finding that a net savings will accrue to the City by adopting and placing the suggestion into operation and also finding that there is unusual difficulty in computing such net savings, the Committee may recommend to the Council that the suggester be paid a preliminary award of \$100 and that the suggestion be re-evaluated after it has been in operation for twelve months. If, after re-evaluation of the operation and re-estimating the first year’s net saving, the Committee finds that on the basis of the re-estimate of net saving of the first year’s operations, a larger award than the preliminary award should be paid to the suggester, the Committee will recommend that the suggester be paid an additional award equal to 10% of the re-estimated first year’s net savings less the \$100, provided in no event will the total monetary award exceed the aggregate total of \$5,000 for any one suggestion.
3. Upon finding that a net saving and/or improved public service or reduced liability will accrue to the City through analyzing and placing a suggestion in operation, and that it is impractical or uneconomical to estimate the amount of such savings, the Committee may recommend to the Council that the suggester be paid a monetary award of \$100 for any one suggestion.
4. Upon finding that the suggestion cannot be adopted or placed in operation, but the suggestion has led directly to the adoption of improving or changes that result in a savings and/or improved public services or reduced liability to the City, the Committee may recommend to the Council that the suggester be paid a monetary award of \$100 for any one suggestion.
5. The committee will recommend the awarding of a Certificate of Award to the originator of an adopted suggestion, which will be presented to the suggester

along with the monetary award in an appropriate ceremony. A copy of the suggestion and the Certificate of Award will become a permanent part of the employee's personnel file.

B. Non-Monetary Awards

The Committee will give a Certificate of Award and a token of appreciation to an employee whose suggestions do not qualify for a monetary award, but which represents a contribution to the City.

C. Payment of Awards

Awards will be paid by the department(s) that receives the benefit of the suggestion. If more than one department benefits from a suggestion, payment will be split proportional to the benefit each department receives.

§ X. Ownership of Suggestions

- A. All suggestions that are adopted will become the property of the City of Newberg. The suggestion form will include a waiver of ownership of the suggestion and of any future claims upon the City based upon the suggestion.
- B. By submission of a suggestion, the suggester thereby waives any claim for compensation for each suggestion, other than as herein provided, and each suggestion from submitted by a suggester will contain such a waiver.
- C. The City Council's decisions regarding the awards are final.



Employee Suggestion Award Program Application Form

<i>City of Newberg</i> Employee Suggestion Program "Good Ideas Pay You Money" APPLICATION		FOR OFFICIAL USE ONLY SUGGESTION NUMBER
*NAME	*TITLE	DATE RECEIVED
*DEPARTMENT/DIVISION	*MY NAME MAY BE DISCLOSED IN PROCESSING THIS SUGGESTION	
*SUPERVISOR'S NAME		WORK PHONE #
*SUGGESTER'S SIGNATURE		<input type="radio"/> YES <input type="radio"/> NO
*REQUIRED ALL SUGGESTIONS BECOME THE PROPERTY OF THE CITY OF NEWBERG		
SUGGESTION TITLE OR SUBJECT		
EXISTING CONDITION (if more space is needed, please summarize and attach additional sheet/s)		
SUGGESTION IMPROVEMENT (if more space is needed, please summarize and attach additional sheet/s)		
BENEFITS (Cash savings, revenue, labor, space, safety, service, morale) (if more space is needed, please summarize and attach additional sheet/s)		
<p>My suggestion set forth above is submitted for consideration under the terms and conditions of the City of Newberg Employees' Suggestion Award Program Regulations. I understand and agree that the City of Newberg will have the right to make full use of my suggestion, and I hereby waive any claim for compensation other than provided in said regulations.</p> <p align="center">ATTACH ADDITIONAL SHEETS OR SKETCHES IF NECESSARY</p>		

REGULATIONS AND GUIDELINES FOR THE SUGGESTER

WHAT KIND OF SUGGESTION MERITS RECOGNITION?

A valid suggestion must save the City time and/or money, or eliminate waste, duplication of effort and extra steps, or improve service. The suggestion must provide a basis for a solution as well as identify the problem. Suggestions on salary and other labor related issues, classification suggestions, or classification, or normal maintenance cannot be considered by the program.

WHO IS ELIGIBLE FOR RECOGNITION?

Every City employee is eligible to participate in the Suggestion Program. Suggestions must be outside the scope of the employee's normal duties.

WHAT MAY I WIN?

The maximum award for tangible savings is \$5,000 and the minimum award is \$100. If more than one employee is named on the suggestion submittal form, the award is divided among the eligible suggesters. Certificates of Award accompany cash award. Letters of Appreciation are awarded when a cash award is not applicable.

HOW DO I SUBMIT MY IDEA?

Fill out the submittal form completely. No suggestion will be considered without submittal of this form. Be sure to check the "Yes" or "No" box to indicate whether your name may be used during the evaluation process. If neither box is checked, it will be considered as a "Yes."

In addition to the obvious benefits such as cash savings and additional revenue, be sure to list side benefits such as morale, service safety, etc.

Submit your suggestions to the city manager. Keep a copy of your suggestion for your records.

WHAT HAPPENS NEXT?

Your suggestion will be sent to one or more departments for evaluation. When it is returned to the suggestion coordinator, it is schedule for a review by the Employee Suggestion Awards Committee. If no further investigation is indicated, you will be notified of the results.

GENERAL FACTS:

1. All suggestions become the property of the City of Newberg.
2. Awards are considered salary, and will be recorded on your W-2.

**DO NOT WAIT UNTIL YOU KNOW THE RESULTS OF OUR FIRST SUGGESTION
TO SUBMIT YOUR NEXT ONE.
SHARE YOUR IDEAS – EARN CASH AND RECOGNITION
SAVE TAXPAYER DOLLARS!**

SUGGEST TODAY!