

**Washington Metropolitan Area Transportation Authority
Board Action/Information Summary** Action
 Information

MEAD Number:

Resolution:
 Yes No**PURPOSE**

To request approval of revisions to the Personnel Policies and Procedures Manual to delegate to the General Manager the authority to recruit, appoint and remove Executive Management employees (officers), excluding the Board Secretary and the Inspector General, and to determine their compensation, including salaries, based on market considerations and consistent with the approved budget.

DESCRIPTION

In today's competitive labor market, the General Manager needs the latitude to move swiftly and decisively to recruit and hire Executive Management employees who are always in high demand nationwide. Currently, the Board of Directors approves the appointment and removal of all WMATA officers, including establishing their compensation packages. This restricts the General Manager's ability to move quickly to secure highly-qualified Executive staff, as such individuals often choose more certain offers that are generally also available to them, resulting in a loss to WMATA. The WMATA Compact, Article III, Section 9(a) provides that the Board of Directors may delegate to the General Manager the authority to appoint and remove officers. Such delegation would give the General Manager more latitude in recruiting highly-qualified executives who are critically needed. Therefore, in order to make WMATA competitive in attracting talent, Staff proposes amending the Personnel Policies and Procedures Manual to authorize the General Manager to: (1) recruit, appoint and remove Executive Management employees, excluding the Board Secretary and the Inspector General; and (2) determine such Executives' compensation packages, including salaries, based on market considerations and consistent with the approved budget.

FUNDING IMPACT

None.

RECOMMENDATION

That the WMATA Board of Directors adopts the attached Resolution that authorizes the General Manager to recruit, hire, and remove Executive Management employees, excluding the Board Secretary and the Inspector General, and to set their compensation packages, including salaries, based on market consideration and consistent with the approved budget; adopts the revisions to the Personnel Policies and Procedural Manual to effect these changes; and authorizes the General Manager to make any other revisions to WMATA's policies and procedures that are necessary to effect such changes.

PRESENTED AND ADOPTED:

SUBJECT: REVISIONS TO THE PERSONNEL POLICIES AND PROCEDURES MANUAL

PROPOSED
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, The WMATA Compact provides that the General Manager is responsible for all activities of the Authority, subject to the Board of Director's policy direction; and

WHEREAS, The Board of Directors holds the General Manager fully accountable for the successful operation of the Authority, and recognizes that the General Manager requires the flexibility to recruit, appoint, and remove Executive Management employees to accomplish the policy directives established by the Board of Directors and his own initiatives; and

WHEREAS, In order to obtain highly-qualified executives, the General Manager must be able to act swiftly and decisively in a competitive labor market; and

WHEREAS, Consistent with the WMATA Compact, the Board of Directors would like to give the General Manager the flexibility to recruit, appoint and remove Executive Management employees (WMATA Officers), excluding the Board Secretary and the Inspector General, and the latitude to determine the compensation packages for such Executive Management employees, including salaries, based on market considerations and consistent with the approved budget; and

WHEREAS, The Personnel Policies and Procedures Manual (PPPM) requires amendment to provide the General Manager with the appropriate latitude; now, therefore be it

RESOLVED, That PPPM Policy No. 4.1 is revised, as shown in Exhibit A, to authorize the General Manager to (1) recruit, appoint and remove Executive Management employees, excluding the Board Secretary and the Inspector General, and (2) determine the terms and conditions of the compensation packages for such Executive Management positions, including salaries, based on market considerations and consistent with the approved budget; and be it further

RESOLVED, That the General Manager is authorized to make any further changes to WMATA's policies and procedures that are necessary to effect this Resolution; and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Approved as to form and legal sufficiency,



Carol B. O'Keeffe
General Counsel

PROPOSED

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I. POLICY

The Authority has established various categories of employment to assure that the work of the Authority is performed in the most effective and cost efficient manner and in accordance with all applicable laws and regulations. The purpose of this policy is to define the employment categories and the Fair Labor Standards Act (FLSA) exemption status of Authority employees. The Board of Directors' changes to any Personnel Policy that affect employment categories and/or employment conditions shall supercede the provisions of this and all other WMATA Personnel Policies, which may address employment categories and/or employment conditions.

A. Employment Groups

An employee is any person hired by the Authority and on its payroll on a salaried or a wage basis, who is not a consultant or contractor for the Authority. There are two (2) employment groups at the Authority:

1. Represented Employee - any employee who is within a unit of employees represented by an exclusive bargaining representative and whose terms and conditions of employment are set forth in their respective collective bargaining agreements.
2. Non-represented Employee - any employee who is not within a unit of employees represented by an exclusive bargaining representative.

Pursuant to the FLSA, employees are classified as exempt or non-exempt.

3. The exempt group includes any executive, administrative, outside sales or professional employee as defined under the FLSA. These employees are not required to be paid overtime for work performed in excess of forty (40) hours in a work week.
4. The non-exempt group includes any employee who does not qualify as an executive, administrative, outside sales, or professional employee as defined under the FLSA. These employees are required to be paid overtime at the rate of one and one-half times their regular rate of pay for all hours worked beyond forty (40) hours in the work week, in accordance with federal wage and hour laws.

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B. Employment Categories

1. Regular Employees - employees hired by the Authority to work on a regular basis for no specific duration and entitled to certain Authority benefits as indicated below. Employees in this category are subject to all Authority Personnel Policies and Procedures. The types of regular employees are as follows:
 - a. Full-time Regular Employee - an employee hired to work a regular bi-weekly work scheduled of 75 hours or 80 hours, and who receives benefits and accrues leave. Each regular weekly work schedule in the biweekly period shall not exceed 40 hours. Full-time regular employees, in some circumstances, may have a bi-weekly work schedule of less than 75/80 hours, but not less than 60 hours. The regular bi-weekly work schedule, if less than 75/80 hours for positions filled by employees in this category, shall be approved by the Director, Officer of Human Resource Management Services (HRMS). Employees in this category may work in either FLSA exempt or non-exempt positions as defined above.
 - b. Part-time Regular Employee - an employee hired to work up to 29 hours per week on a regular basis, who is paid on an hourly basis, and receives only those benefits prescribed by law and prorated leave accruals. An employee hired to work less than 20 hours per work week is not entitled to prorated leave accruals. A part-time regular employee is not eligible to participate in the WMATA Retirement Plan; however, this type of employee is eligible to participate in the WMATA Defined Contribution Retirement Plan and the Authority's Deferred Compensation Program.
 - c. Executive Management Employee - a regular employee subject to certain special employment polices, employment policies, procedures and conditions as defined in Section C.
 - d. Senior Management Employee - a regular employee subject to certain special employment policies, procedures and conditions as defined in Section C.

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2. Temporary Employees - any person hired by the Authority to work for a specified or unspecified period of time with other than a full-time or part-time regular status who is entitled to limited or none of the employee benefits provided to regular employees, as indicated below. Employees in this category are subject to all Authority Personnel Policies and Procedures, except as indicated in Section C. The types of temporary employees are:
 - a. Full-time Temporary of Long-term Duration - an employee hired to work a regular bi-weekly work schedule of 75 hours or 80 hours, but not less than 60 hours, without regular status, for an undefined period of time but not less than a 12 month/365 day duration, unless funding designated for the employee's position becomes unavailable or is otherwise terminated. The employee is entitled to all statutory and Authority benefits provided for full-time regular employees except severance and participation in the WMATA Retirement Plan. This employee is eligible to participate in the WMATA Defined Contribution Retirement Plan and the Authority's Deferred Compensation Program.
 - b. Full-time Temporary of Limited Duration - an employee hired to work full-time, as described above, for a specified maximum period of 365 calendar days or less to carry out a specific assignment or project. This employee is entitled to statutory benefits and leave accruals.
 - c. Part-time Temporary of Limited Duration - an employee hired to work up to 29 hours per work week for a specified maximum period not to exceed 12 months to carry out a specific assignment or project. This employee is entitled to statutory benefits.
3. Intern - a high school or college student working at the Authority on a work-study or other formal program for credit, experience and/or pay for a limited period of time. Rate of pay is based on educational level. When the intern is paid by the Authority, the intern will be treated as a temporary employee for benefit purposes. The Director, HRMS is responsible for determining which temporary category will apply to a particular type of intern. As noted above, the length and type of assignment will determine benefit entitlement.

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C. Employment Conditions

Non-represented employees have the right to resign at any time. Likewise the Authority is not obligated to guarantee continued employment under any circumstance. A non-represented employee's job performance and/or conduct is expected to be fully satisfactory. The employment conditions and polices applicable to the various employment categories are:

1. Regular Employees - may be dismissed only for cause (except for Executive and Senior Management employees). Cause for dismissal includes, but not limited to, job performance and/or conduct by an employee, which is less than fully satisfactory. A long, but not all-inclusive list of examples of actions, inactions, behavior, conduct and performance which can constitute cause for disciplinary action, up to and including dismissal, is found in Personnel Policy No. 1.6, Disciplinary Actions.

For employment conditions for Executive Management Employees and Senior Management Employees, reference C.2.

The first year of employment for a new employee in a full-time or part-time regular position is a probationary period. Current full-time regular and current part-time regular employees who move to a different position because of a voluntary promotion, transfer, demotion or because of a disciplinary demotion are subject to a probationary period of one year

Successful completion of the one-year, new employee probationary period or of the designated probationary period for an employee who changes positions, is attained when a performance evaluation indicating that the employee's performance evaluation is fully satisfactory or better, as defined by whatever performance evaluation system is in force and applies to that employee, is received by the Office of HRMS. Successful completion of probation is not automatically achieved at the end of an employee's probationary period. If the supervisor is unable to assess performance at the end of a probationary period, the supervisor may request that the probationary period be extended for a period not to exceed 90 calendar days. The request for extension must be in writing with the concurrence of the Office Director and must be approved or disapproved by the Director, ODEV, who will inform the Director, HRMS of

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the decision. The reason for the extension must be a valid, job-related concern including, but not limited to, remediation, extended sick leave, or other circumstances when it is in the best interests of the Authority. Requests for exceptions to the 90-day maximum extension period must be directed to the Assistant General Manager, Department of Workforce Development (AGM, WFDA) by the appropriate Officer/Department Head. Exceptions may be approved by the AGM, WFDA.

A newly hired probationary employee may be separated from the Authority at any time without cause and has no eligibility under Personnel Policy No. 1.7, Employee Dispute Resolution. Separation must be recommended by the Office Director, with the concurrence of the Director, HRMS.

A current employee who is probationary because of a voluntary move to a different position or because of a disciplinary demotion has no recourse under Personnel Policy No. 1.7, Employee Dispute Resolution, for matters pertaining to performance during the probationary period unless the employee is terminated by the Authority. The employee is subject to Personnel Policy No. 1.6, Disciplinary Actions, and has rights under Personnel Policy No. 1.7, Employee Dispute Resolution, for non-performance related matters during the probationary period.

2. Executive and Senior Management Employees - are special categories of Regular employees subject to special conditions and requirements.
 - a. Executive Management Employees - are the officers of the Authority. Executive management employees serve in positions that are designated as Executive Management positions by the Compact, the Board of Directors and/or the General Manager (GMGR). Incumbents of these positions serve at the pleasure of the GMGR and may be separated/terminated at any time, with or without cause. Executive Management employees are subject to WMATA Personnel Policies except as noted in C.2.c.

The GMGR may recommend Executive Management Positions to the Board of Directors. All such positions must be approved by the Board of Directors. The GMGR is authorized to recruit, appoint and remove Executive Management employees, and with the exception of the Board Secretary and the Inspector General, determine the terms and conditions

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of the compensation packages for such Executive Management Positions, including salaries, based on market considerations and consistent with the approved budget. Executive Management positions approved by the Board of Directors are listed in Addendum 1 to this policy.

- b. Senior Management Employees – employees in positions that have been designated “Senior Management” by the GMGR because the nature of the position demands extreme confidentiality, and/or the position is tasked with carrying out policy directives, and/or the position has an indirect reporting relationship to the incumbents of these positions may be separated/terminated at any time, with or without cause. Senior Management employees are subject to WMATA Personnel Policies except as noted in C.2.c.

Senior Management positions designated by the GMGR are listed in Addendum 1 to this policy.

- c. Special Conditions and Requirements - Both Executive Management and Senior Management positions/employees are entitled to the benefits and working conditions provided to regular employees and are subject to WMATA Personnel Policies, unless otherwise directed by the Board of Directors, with the following exceptions:
 - 1) Internal job posting for the recruitment of candidates is not required;
 - 2) Incumbents receive 27 annual leave days every January 1st and shall initially receive a prorated number of annual leave days during the first calendar year of service in the Executive or Senior Management category based on the date of hire, or the date of promotion/transfer, into the category. Incumbents may accumulate and carry over not more than 45 days from one calendar year to the next; and
 - 3) Incumbents do not have access or rights to the provisions of Policy No. 1.7, Employee Dispute Resolution.

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- 4) The GMGR is authorized to establish the compensation packages for Executive Management employees, including salaries, based on market considerations and the approved budget and to establish the separation conditions and benefits for Executive and Senior Management employees, as well as for employees of other categories, who are separated from the Authority.

Terms of any employment contract approved by the Board of Directors for Executive and Senior Management employees, as well as for employees, supercede this policy.

The AGM, WFDA shall maintain a current list of all Board approved "Executive Management" positions and positions designated "Senior Management" by the GMGR. The Board of Directors shall be provided a copy of the current list of Executive Management and Senior Management positions at least annually.

If an existing regular position with an incumbent is designated an "Executive Management" or "Senior Management" position, the incumbent shall be notified of the change in the position status. If the incumbent is offered and accepts the newly designated executive management or senior management position, the employee is subject to employment conditions for an "Executive Management" or "Senior Management" employee as outlined herein. If the incumbent declines the newly designated executive management or senior management position, the affected employee shall vacate the position and may be placed in a vacant position for which he or she is qualified on non-competitive basis. In the event the affected employee is unable to find a position for which he or she is qualified within three (3) months of the designation, the employee will be separated from the Authority under provisions of Personnel Policy No. 4.6, Reduction-In-Force.

3. Temporary Employees - employees who are hired and work, on an other than regular basis, at the convenience of the Authority and subject to the following conditions based on type of employee within the category.

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- a. Full-time Temporary of Long-term Duration - is not covered by Personnel Polices No. 1.6, Disciplinary Actions, and No. 1.7, Employee Dispute Resolution, but is subject to other WMATA Personnel Policies and Procedures, except for the benefit limitations previously noted in B.2. This employee is not entitled to severance or separation benefits and is subject to termination without cause or notice. In accordance with Personnel Policy 4.5, *Termination From Employment*.
 - b. Full-time Temporary of Limited Duration - is not covered by Personnel Polices No. 1.6 Disciplinary Actions, and No. 1.7, Employee Dispute Resolution, but is subject to other WMATA Personnel Polices and Procedures. This employee is not entitled to WMATA employee benefits, except for leave accrual, and is entitled only to statutory benefits. This employee is not entitled to severance or separation benefits and subject to termination with or without cause or notice in accordance with Personnel Policy 4.5, *Termination From Employment*.
 - c. Part-time Temporary of Limited Duration - is entitled only to statutory benefits and is subject to the same conditions described in 3.b, above, except that no leave accrual is allowed. Individuals on assignment from temporary agencies are the employees of the agencies and are not Authority employees.
4. A retiree in the WMATA Retirement Plan or a retiree in the WMATA Defined Contribution Retirement Plan is not eligible for rehire by the Authority in any employment category. In the event it becomes necessary to retain the services of a retiree to perform a specific or unique scope of work for a specified duration, such services will be retained through a procurement action in accordance with the Authority Procurement Regulations for professional and technical consultant contracts. Reference The WMATA Procurement Manual.

D. Consultants and Contractors

Consultants and contractors, whose responsibilities are covered by letter agreement or contract, are not employees of the Authority and receive no benefits.

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II. RESPONSIBILITY

The AGM, WFDA is responsible for general administration of this policy.

III. AFFECTED EMPLOYEES

All non-represented employees.

CATEGORY	DEFINITIONS & SPECIAL CONDITIONS	DURATION	BENEFITS
Full-Time Regular	Works full-time: 75 - 80 hours per two-week period in an approved position. Subject to one-year probationary period.	Unlimited	All statutory and WMATA benefits, in force during time of employment. Covered by Personnel Policies & Procedures (Policy Manual).
Part-Time Regular, 20-29 hours per week	Works less than full time, between 20 and 29 hours per week in an approved position. Subject to one-year probationary period.	Unlimited	Entitled to pro-rated annual and sick leave. Receives other statutory benefits (e.g., Social Security) only as required by law.
Part-Time Regular, less than 20 hours per week	Works less than 20 hours a week in an approved position. Subject to one-year probationary period.	Unlimited	Covered only by statutory benefits such as Social Security.

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<p>Full-Time Temporary, Long-Term Duration</p>	<p>Works full-time for an undefined period of time in a position authorized for long-term temporary appointment.</p> <p>Duration may be governed by available funding of the specific position or work to be performed. Subject to termination with or without cause or notice.</p>	<p>Normally at least 366 calendar days & indefinite further duration, unless funding ceases in less than 366 days, or employee is otherwise terminated.</p>	<p>All statutory and WMATA benefits, except severance pay or participation in WMATA Retirement Plan. Participation in Defined Contribution Retirement Plan. No eligibility under Personnel Policy 1.7 or others as specified in Policy Manual.</p>
<p>Full-Time Temporary, Limited Duration</p>	<p>Works for 365 calendar days or less in a full-time position authorized for limited-duration temporary appointment. Subject to termination with or without cause or notice.</p>	<p>365 days or less, or until otherwise terminated.</p>	<p>Entitled only to statutory benefits; annual and sick leave.</p>
<p>Part-Time Temporary (less than 37.5 hours per week)</p>	<p>Works less than full time on a particular project for a period not to exceed 12 months.</p>	<p>365 days or less, or until otherwise terminated.</p>	<p>Entitled only to statutory benefits.</p>
<p>Intern</p>	<p>Must be a high school, college, or graduate student whose work at WMATA forms a recognized part of his/her academic program.</p>	<p>Duration of Academic Program.</p>	<p>If paid by the Authority, same as temporary employee. To be determined by Director, HRMS.</p>

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<p>Executive Management</p>	<p>The GMGR is an Executive Management employee selected by the Board and serves at the Board's pleasure. An incumbent will tender a resignation when requested by the Board. Executive Management positions are approved by the Board. Incumbents are selected by the General Manager (GMGR) and are approved by the Board. All serve at the pleasure of the GMGR and the incumbents may be separated/terminated by the GMGR with or without cause. Terms of any employment contract approved by the Board supersede this policy.</p>	<p>Unlimited</p>	<p>Entitled to all statutory and WMATA benefits, but incumbents (other than GMGR) serve at the pleasure of the GMGR. No eligibility under Personnel Policy 1.7 herein. 27 days annual leave credited on January 1st of each year while employed here. Prorated 27 days credited for 1st calendar year on date of hire/promotion/transfer to this category.</p>
<p>Senior Management</p>	<p>Positions designated Senior Management by the General Manager because of the extreme confidential nature of positions. Reports to GMGR or Officer. Can be separated/terminated with or without cause.</p>	<p>Unlimited</p>	<p>Entitled to all statutory and WMATA benefits. Incumbents can be separated/terminated with or without cause. No eligibility under Personnel Policy 1.7 herein. 27 days annual leave credited as above.</p>

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ADDENDUM 1

Executive & Senior Management Positions

1.0 Purpose

To provide a list of positions designated as executive and senior management.

2.0 Executive Management Positions

General Manager
Chief of Staff
General Counsel
Assistant General Manager, Chief Engineer/Project Management
Assistant General Manager, Customer and Media Communications
Assistant General Manager, Finance/Chief Financial Officer*
Assistant General Manager, Planning and Joint Development
Assistant General Manager, System Safety & Risk Management
Assistant General Manager, Workforce Development & Administration
Board Secretary
Chief Information Officer
Chief, Metro Transit Police Department
Chief Operating Officer, Bus Service
Chief Operating Officer, Community Transportation Services
Chief Operating Officer, Operations Support
Chief Operating Officer, Rail Service
Inspector General

3.0 Senior Management Positions

Auditor General
Chief Engineer, Facilities
Chief Engineer, Systems
Chief Engineer, Vehicles
Chief, Operations Liaison
Comptroller
Deputy Chief Technology Officer
Deputy General Counsel
Director, ADA Programs

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3.0 Senior Management Positions *(continued)*

Director, Administration (CEPM)
Director, Administrative Programs and Services
Director, Business Planning and Project Development
Director, Blue and Orange Line Service
Director, Civil Rights
Director, Compensation and Benefits
Director, Construction
Director, Customer Communications
Director, Customer Service
Director, Elevator and Escalator Maintenance
Director, Employee and Labor Relations
Director, Human Resource Management Services
Director, Infrastructure Renewal Program
Director, Intergovernmental Relations
Director, Joint Development and Management
Director, Management & Budget Services
Director, Marketing and Advertising
Director, Metro Access Service
Director, Operations Control Center
Director, Operations Planning and Administrative Support
Director, Organizational Development
Director, Passenger, Vehicle, Fire/Life Safety and Emergency Management
Director, Plant Maintenance
Director, Public Affairs
Director, Quality Assurance
Director, Rail Reliability and Technical Services
Director, Red Line
Director, Yellow and Green Line Service
General Superintendent, Bus Maintenance
General Superintendent, Bus Transportation
General Superintendent, Car Maintenance
General Superintendent, Track Structure and System Maintenance
Managing Director, Procurement and Materials
Principal Deputy General Counsel
Treasurer
Executive Secretary to the General Manager
Principal Deputy General Counsel

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4.0 RESPONSIBILITY

The Assistant General Manager, Workforce Development and Administration, or his/her designee, is responsible for maintaining and issuing a current list of executive and senior management positions.

- * Designated as both Comptroller and Treasurer for Compact purposes. These functional responsibilities are delegated within the Department of Finance.

PROPOSED