PAY PLAN POLICY

Effective July 1, 2017

SUMMARY OF AMENDMENTS

The following is a summary of amendments to the Pay Plan Policy. This summary does not include technical amendments which merely correct errors in spelling, grammar, punctuation, and/or other such corrections. Reference is made to the sections of the Rule which have been amended. The reference number reflects the current proposed number, unless otherwise specified.

| REFERENCE | SUMMARY |
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| II.G. | Added language to the definition of "Class" to be consistent with the Administrative Rule. |
| II.Q. | Added the definition of "Exempt Employees." |
| II.T. | Added the definition of "Nonexempt Employees." |
| II.W. | Added the definition of "Personnel Terms." |
| III.A.1. | Added language to clarify that the minimum would be the special hiring rate, if applicable. |
| III.A.2.a. | Added language to clarify that the recruitment difficulties apply to the classification rather than an individual position. |
| III.A.3. | Added language to clarify how reemployment within 120 days should be handled to comply with this subsection of the Policy. |
| III.A.3.a. | Added language to address reemployment pay when the new position is a promotion or demotion. |
| III.A.3.b. | Added language to address pay when an employee returns to a classification in the same compensation range. |
| III.B. | This section was changed from "Salary Advancements" to "Promotion/Reallocation/Demotion." |
| III.B.1. | Added "Upon promotion or reallocation" to clarify the intent of this subsection of the Policy. |
| III.B.2. | Removed the language limiting increases to 25% for employees with qualifications exceeding the minimum required for the classification. |
| III.B.3. | Added language clarifying that the provision also applies to downward reallocations. |
| III.C. | Inserted the Salary Advancement language previously found in subsection III.B. |
| Former III.B.3. | Removed the language providing that the request for a salary advancement had to be submitted within six (6) months of the conclusion of the EPA rating period. |

- III.C.3. Added language clarifying that recruitment incentives approved by the State Personnel Board and discretionary in-range salary adjustments provided in the policy do not count toward the 10% maximum increase for salary advancements.
- III.D. Moved "Recruitment and Retention Incentive" to this section.
- III.E. Added language clarifying that the total maximum for discretionary pay differentials is 10% in any 12-month period. Changed language regarding the EPA-3 for consistency throughout the Policy.
- III.E.1. Added language clarifying that an employee must have been in this classification for at least 12 months. Added language clarifying that a Position Description Form (PDF) must have been reviewed prior to the submission under this subsection. Added language clarifying the Request for Approval form must be submitted.
- III.E.1.a. Changed language to read "the latest" revision of the Policy.
- III.E.1.f.1. Added language requiring that the documentation include the date the duties commenced.
- III.E.2. This section was changed from "Retention Incentive" to "Internal Equity." Added language to clarify all eligible employees whose salaries are at least 20% less shall be submitted under this subsection. Added language that the Request for Approval form must be submitted. Throughout the policy, the term "increase" was replaced with "in-range salary adjustment" for consistency.
- III.E.2.a.4. Added language clarifying that an employee making 20% less with more education would be considered under this subsection.
- III.E.2.a.5. Added language clarifying that an employee making 20% less with more training would be considered under this subsection.
- III.E.2.a.6. Added language clarifying experience to mean public and/or private sector. Added language to state that an employee being paid 20% less with more public and/or private sector experience would be considered under this policy.
- III.E.2.a.8. Changed language regarding the EPA-3 for consistency throughout the Policy.

Added language to clarify what constitutes comparable performance levels for the purposes of this policy.

- III.E.2.c.1. Changed the language so that employees with ten (10) years of classified service may be compared to other employees with up to 20 years. Removed the language allowing those with ten (10) years of experience to be compared to those with 20 or more years.
- III.E.2.c.3. Removed language permitting the Director of Personnel to make exceptions.
- III.E.2.d. Removed this subsection limiting discretionary pay differentials to every three (3) years.

| III.E.2.d. | Added language to clarify that employees used for comparison cannot have received a discretionary increase in the last 12 months that caused the inequity. |
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| | Added language to clarify the employee must have been in the classification for a minimum of twelve (12) months. |
| III.E.2.e. | Added language clarifying all eligible employees should be submitted for pay equity increase. |
| III.E.2.f. | Removed language requiring the submission of a completed DOP PPP III.D.3 form. |
| III.E.3. | Added language that the Request for Approval form must be submitted. Removed the requirement of filing form DOP PPP III.D.4. Clarified that all "eligible" permanent employees who complete formal training, education, certification, or licensure shall be submitted for increase. |
| III.E.3.a. | Added language clarifying the appointing authority must request prior approval of the professional skills/competencies, formal training/education certification, or licensure. |
| III.E.3.b. | Added language clarifying that upon approval of the professional skills/competencies, formal training/education, certification, or licensure, the appointing authority may recommend a discretionary pay differential not to exceed the amount approved by the Director. Added language stating that all eligible employees who receive the formal training, education, certification, or licensure within a one (1) year time period be submitted, and that the appointing agency recommend the same percentage increase for all employees. |
| III.E.4. | Added language that the Request for Approval form shall be submitted. |
| III.E.4.c. | Added language that the bona fide offer submitted must be on the perspective employer's letterhead. |
| III.E.4.d. | Removed this subsection based on comments from the Human Resources Advisory Committee (HRAC). |
| III.E.4.d. | Added language that clarifies the employees must be comparable as provided in subsection III.E.2 of this policy. This change was the result of comments submitted from the HRAC. |
| III.E.5. | Changed "Recruitment Incentives" to "Appointment Incentive" Throughout the section. Added language clarifying that the Request for Approval form shall be submitted. |
| III.E.5.e. | Removed this subsection as the language was unnecessary. |
| III.E.6. | Added language that the Request for Approval form shall be submitted. |
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III.F. Added this section allowing agencies to request an overtime adjustment for an

eligible employee not to exceed 10% in a twelve (12) month period as needed to meet the federal Fair Labor Standards Act (FLSA) salary threshold for overtime

exemption.

III.H. Added language clarifying the subsections eto which the maximum increase

stated in this subsection apply.

III.I. Added this section to clarify that the Division of Highways employees who are in

the Transportation Worker series are assigned to a specific hourly pay schedule and are ineligible for salary advancement and/or discretionary pay differentials. Further added language establishing how those in the Transportation Worker class series shall be handled when being promoted or demoted into classifications

specific to the Division of Highways with respect to this Policy.

III.K.2. Added language clarifying that retroactive wages pertaining to discretionary

increases will not be granted under this policy.

IV.D. Added the Fair Labor Standards Act of 1938 as a reference.

VI. Added July 1, 2016 as a revision date.

Appendix A. Added Appendix A as the Division of Personnel Glossary of Terms.