Effective 3/20/09

Pay Practices for Classified Employees

	Pay Practice	Application	Same Position # or to Different Position #	Competitive or Non-Competitive	Pay Guidelines	Funding Practices	Authority
Employee Initiated	**Starting Pay**	❑ New employee ❑ Rehires	Different Position #	Competitive	Negotiable from minimum of pay band up to 15% above current salary not to exceed pay band maximum (Exceptions higher than 15% may be granted for cases that significantly exceed normal criteria and are supported by a pay factor analysis. Approved at agency level.)	Dept/VP funds. Any turnover surplus remains in department/VP area.	❑ **Shared accountability**
Employee Initiated	**Promotion**	❑ Movement to a different Role in a higher pay band	Different Position #	Competitive	Negotiable from minimum of new pay band up to 15% above current salary, or up to the hiring range minimum if it is higher. (Exceptions higher than 15% and the hiring range minimum may be granted for cases that significantly exceed normal criteria and are supported by a pay factor analysis. Approved at agency level with supporting documentation provided to DHRM.)	Dept/VP funds. Any turnover surplus remains in department/VP area.	❑ **Shared accountability**
Employee Initiated	**Voluntary Transfer**	❑ Movement within same Role or to different Role in the same pay band	Different Position #	Competitive	Negotiable from minimum of pay band up to 15% above current salary not to exceed pay band maximum. May be circumstances where negotiated salary is the same or less than employee's current salary.	Dept/VP funds. Any turnover surplus remains in department/VP area.	❑ **Shared accountability**
			Different Position #	Non- Competitive	Negotiable from minimum of pay band up to 10% above current salary not to exceed pay band maximum. May be circumstances where negotiated salary is the same or less than employee's current salary.	Dept/VP funds. Any turnover surplus remains in department/VP area.	
Employee Initiated	**Voluntary Demotion**	❑ Movement to a different Role in a lower pay band	Different Position #	Competitive or Non-Competitive	Negotiable from minimum of pay band up to employee's current salary. (Agency option to freeze salary above pay band maximum for 6 months,)	Dept/VP funds. Any turnover surplus remains in department/VP area.	❑ **Shared accountability**
Management Initiated	**Temporary Pay** (Assuming new duties and responsibilities on a temporary basis)	❑ Different Role in a higher pay band	Same position #	Non-Competitive	0-15% above current salary not to exceed pay band maximum	Dept/VP funds.	❑ **Shared accountability**
		❑ Temporary pay for same or different Role in the same pay band	Same position #	Non-Competitive	0-10% increase not to exceed pay band maximum	Dept/VP funds.	❑ **Shared accountability**
Management Initiated	**Disciplinary or Performance-related Salary Action**	❑ Same or lower pay band	Same or Different Position #	Non-Competitive	Minimum 5% decrease or to lower pay band	Turnover surplus remains in department/VP area.	❑ **Shared accountability**
Management Initiated	**Competitive Salary Offer**	❑ Outside offer (including other state agencies)	Same position #	Non-Competitive	Match outside offer not to exceed maximum of pay band	Dept/VP funds.	❑ **Shared accountability**
Management Initiated	**Role Change**	❑ Upward: movement to a different Role in a higher pay band	Same position #	Non-Competitive	0-10% increase or to minimum of higher pay band	Dept/VP funds.	❑ **Shared accountability**
		❑ Downward: Movement to a different Role in a lower pay band	Same position #	Non-Competitive	No change in salary unless above maximum of the lower pay band, reduce after six months	Turnover surplus remains in department/VP area.	
		❑ Lateral: Movement to a different Role in the same pay band	Same position #	Non-Competitive	May result in 0-10% salary increase	Dept/VP funds.	
Management Initiated	**In-Band Adjustment**	No change in Role title ❑ Change in duties ❑ Application of new knowledge/skills/abilities from education, certification, licensure, etc. ❑ Retention ❑ Internal alignment	Same position #	Non-Competitive	0-10% increase not to exceed pay band maximum, maximum 10% per fiscal year for In-Band Adjustments (to include any increase for Lateral Role Change) (Exceptions may be requested for cases that significantly exceed normal criteria and are supported by a pay factor analysis. Exceptions must receive prior approval from DHRM). (Note: 10% limit does not include upward role changes nor recognition cash awards) In band adjustment bonus	Dept/VP funds.	❑ **Shared accountability**

All salary actions require the consideration of the following pay factors:

- Agency Business Need
- Duties & Responsibilities
- Performance
- Work Experience & Education
- Knowledge, Skills, Abilities, & Competencies
- Training, Certification, License, etc.
- Internal Salary Alignment
- Market Availability
- Salary Reference Data
- Total Compensation
- Budget Implications
- Long Term Impact
- Current Salary

****Note: Agency must reduce the duties of the employee in order to reduce the pay.**