




OREGON DEPARTMENT OF FISH AND WILDLIFE POLICY

Human Resources Division

Title:	Pay Practices	HR_420_02
Supersedes:	HR 420_02, dated August 1, 2009	
Applicability:	Management service, and executive service employees, and classified represented employees only for the purposes of pay upon initial hire and documentation requirements where not in conflict with the labor agreement	
Reference:	State Policies 20.005.05 ,20.005.10, 20.005.15, 20.005.20, OAR 105-040-0080, 240.145; 240.190; 240.235; 240.240; 240.245; 240.250; 240.395; 240.430	
Effective Date:	November 1, 2010	Approved: 

I. PURPOSE

This policy establishes standards for the equitable and consistent administration of pay throughout the department. The department's Human Resources Division Administrator in conjunction with the appropriate Deputy Director ensures that pay actions taken meet the policy standards. The department maintains documentation of pay exceptions allowable under this policy.

II. POLICY

The policy standards for administration of pay shall be the following:

- A. For information on administration of pay on classification changes, refer to HR_430_03, Effect of Position Classification Change on Incumbents.
- B. Demotion (voluntary or involuntary)

At the time of demotion the Human Resources Division Administrator:

1. Reduces the employee's pay to the top step of the new classification if the employee's current pay is above the top step of the new classification; or
2. Maintains the current pay if the employee's pay is within the range for the new classification. If the current pay is off-step within the new classification, increase at least one full step (to be on step) in the new classification at the next salary eligibility date (SED), but do not exceed the top step of the new salary range; and
3. Maintains the SED unless the employee is at the maximum of the new salary range.

C. General Wage Adjustments

1. General increase – When the Department of Administrative Services (DAS) implements a general increase (cost of living adjustment), the department retains an employee at the same step or position in the salary range. The department generally retains an employee's salary eligibility date.
2. General compensation plan adjustment – When DAS implements a general compensation plan adjustment with no accompanying general increase, the department retains the affected employee's existing salary, with no increase unless the employee's current salary rate is below the first step of the new salary range. In this case, the employee's salary rate shall be placed at the first step of the new salary range. Employees generally retain their salary eligibility date. General compensation plan adjustments may occur due to classification studies, Hay re-evaluations, selective salary adjustments, etc.

D. Lump Sum Payments

1. The department may give a lump sum payment to an employee at the time of hiring, promotion or lateral transfer in difficult recruitment situations. The department must obtain approval from the Human Resource Services Division of the Department of Administrative Services prior to making a lump sum payment.
2. Normally, lump sum payments are appropriate for higher level or specialized positions where recruitment difficulties are:
 - a. Due to a significantly below-market salary range for a specific classification, where changing the salary range on a timely basis is impossible; or
 - b. Due to a position in a generic classification (e.g., Principal/ Executive Manager) being extremely sensitive to market pay fluctuations; or
 - c. Due to the nature of the assignment (e.g., added expectations and workload for a short to medium period) which makes the position especially unattractive to potential candidates.
3. The department must retain documentation of the specifics of the payment in their recruitment and personnel files. Documentation must include prior written approval of the Human Resources Administrator, in conjunction with the appropriate deputy director and the Human Resource Services Division.
4. When a lump sum payment is issued, the lump sum payment is combined with the base pay for the calculation of the overtime rate for the month.

E. New Hire (new to State service)

1. Normal hiring rates:
 - a. The first four steps of all salary ranges, except as follows:

- 1) Steps one through five for a 10-step salary range
 - 2) The first two steps of a truncated 4-step salary range
- b. Hiring managers may authorize hiring rates up to step two of the salary range. Hiring rates above step two may be requested by using the Special Hiring Rate Approval form (Attachment A).
 - c. The Human Resources Administrator, in conjunction with the appropriate deputy director, may authorize payment above normal hiring rates when recruitment difficulties, exceptional qualifications of the applicant, or other appropriate circumstances exist. This documentation shall be retained in the employee's personnel file. The salary eligibility date is generally established as the date one year from the date of hire.

F. Exceptions to Hay Evaluated Salary

1. Because of the public policy to attempt to achieve and maintain an equitable comparability of work within the Executive Branch, exceptions to a Hay evaluated salary range shall be made only under extraordinary circumstances and are subject to approval by the Director of the Department of Administrative Services.
 - a. A payline exception to the state-assigned salary range of an employee's job classification must be related to: recruitment and/or retention problems relative to the labor market, the result of collective bargaining, or administrative or legislative priorities..
 - b. The department director shall document the specifics in a written request for approval to the Director of the Department of Administrative Services. A copy of the approved exception shall be placed in the employee's personnel file and in the department's Human Resources Personnel Records audit file of approved pay exceptions.
 - c. Exceptions granted for represented or unrepresented positions shall be funded within the current budget. All exceptions affecting represented positions shall be negotiated by the Labor Relations Unit on behalf of the State before implementation. Exceptions requiring Emergency Board review shall be presented by the Department of Administrative Services before implementation. Documentation and records of such exceptions shall be maintained by the Department of Administrative Services Human Resources Division and by the department's Human Resources Personnel Records unit.
 - d. All exceptions to individual positions shall be reviewed by the Department of Administrative Services Human Resources Division as they become vacant or the circumstances supporting the exception change to determine if continuing the exception is appropriate, and advise the Director of the Department Administrative Services.

G. Promotion

Upon promotion, the department normally gives a salary increase to the next higher step in the new higher salary range. The Human Resources Administrator, in conjunction with the

appropriate deputy director, may authorize a greater increase because of recruitment or retention problems, exceptional qualifications of the promoted employee, or other appropriate circumstances. The department retains the appointing authority's approval in the employee's personnel file. A new salary eligibility date is generally established as the date six months from the date of promotion.

H. Reemployment

1. When a person reemploys within two years of separation (pursuant to HR_440_05, Types of Appointments to Positions), whether by direct appointment (per OAR 105-040-0080 Reemployment), or by selection from an open-competitive eligible list, the Human Resources Administrator in conjunction with the appropriate Deputy Director:
 - a. May establish the salary at or below the rate paid at the time of separation; or
 - b. May authorize a higher step within that range due to recruitment difficulty, exceptional qualifications of the applicant, or other appropriate circumstances; and
 - c. Establishes the salary eligibility date no earlier than the former salary eligibility date, but no later than 12 months following reemployment.
2. An employee returning from demotion or downward reclassification to a position with a salary range equal to or lower than the position held prior to demotion of downward reclassification is a reemployment, not a promotion. The Human Resources Administrator in conjunction with the appropriate Deputy Director:
 - a. Establishes the salary at a rate within the range up to the rate the employee would have earned if the demotion or downward reclassification had not occurred; and
 - b. May authorize increases of a greater amount within the range because of recruitment or retention problems, exceptional qualifications of the employee, or other appropriate circumstances; and
 - c. Retains the former salary eligibility date unless the employee is at the maximum step of the range.
3. When an injured worker reemploys to a suitable position (see HR_480_06 Management of Injured Workers), the Human Resources Administrator shall set the salary at the closest step within the range of the new position to the salary paid in the job-at-injury.

I. Restoration

Upon restoration pursuant to HR_450_08, Restoration of Removed Management Service Employees, the employee is returned to the same step the employee would have reached, taking into account annual merit increases, had the employee not left the previous classification. The former salary eligibility date is restored.

J. Return from Layoff

When an employee returns from layoff to the same classification held prior to the layoff, the employee returns to the same step paid at the time of layoff. Upon return from layoff to a different classification, an employee normally returns to the same salary rate paid at the time of layoff, not to exceed the maximum rate in the new salary range. The former salary eligibility date is restored, and adjusted for breaks in service.

K. Transfer

1. An employee's salary rate normally stays the same upon transfer. If retaining the employee's current salary rate places the employee off-step in the new classification, the employee's salary rate increases at least one full step to a step in the new salary range on the next salary eligibility date (SED).
2. The Human Resources Administrator, in conjunction with the appropriate deputy director, may authorize a special salary adjustment to the next higher salary rate if a corresponding salary rate in the new classification's salary range does not exist. This documentation shall be retained in the employee's personnel file. The salary eligibility date is generally retained, unless the employee is at the maximum of the new salary range.
3. If the employee's salary rate in the classification held prior to transfer is greater than the maximum rate of the new classification, the employee shall be placed at the top step of the new classification.

L. Special Salary Adjustment

Salary increase for executive and management service employees are generally awarded as outlined in HR Policy 420_01 Merit Pay System, and for represented employees upon their salary eligibility date as determined by the collective bargaining agreement. In exceptional circumstances, a supervisor may request a special salary adjustment to reward high performance at a date other than the employee's eligibility date.

All of the following conditions shall be met before a special salary adjustment can be approved:

1. The employee is not at the top step of the salary range and has not received a special salary increase in the twelve (12) month period preceding the request; and
2. The employee has demonstrated exceptional individual work performance which consistently provides end results of a higher quality and/or quantity than normal job expectations and has no major areas of performance weakness, and/or the employee has made notable contributions to ODFW principles and priorities that go well beyond requirements of the position, as documented by a rating of "High Performing" on the employee's current performance evaluation; and
3. Extraordinary circumstances exist under which the employee's increase cannot be delayed until the employee's salary eligibility date; and
4. The employee has attained regular status in the current classification.

- a. The request for special salary adjustment shall document the outstanding performance and the extraordinary circumstances which prompt the request. The request shall be sent to the Human Resources Administrator, who in conjunction with the appropriate deputy director shall make a recommendation to the director. The director shall approve or deny the request. Upon approval, the request shall be forwarded to the Human Resources Analyst for processing.
- b. The employee's salary eligibility date shall not be adjusted as a result of the special salary adjustment. The employee shall be eligible for future salary increases on that salary eligibility date provided the employee's work performance merits such increase.
- c. No employee shall be informed of a request for a special salary adjustment until the request is approved, to prevent misunderstanding in the event the request is denied.

M. Trial Service Removal

Upon trial service removal, an employee who is returned to his/her former classified unrepresented or management service position shall be restored to the step in the salary range the employee would have reached taking into account annual merit increases had the employee not left the previous classification. The former salary eligibility date is restored.

N. Underfill

When the department selects an employee to fill a position in a higher level classification as an underfill, the department processes the personnel action as a demotion, new hire, promotion, transfer or other appropriate action taken (see B, E, G, K or other appropriate sections above for pay information based on the action taken). The department reclassifies the employee when the employee meets the minimum qualifications of the position classification. (HR_430_03, Effect of Position Classification Change on Incumbents).

O. Work-Out-of-Class (WOC)

1. A WOC assignment is generally for a period of 10 consecutive calendar days or more. Payment for WOC is a dollar amount paid in addition to an employee's base rate of pay.
 - a. The WOC rate of pay for temporary duties at a higher classification is either:
 - 1) Five percent of the employee's base rate of pay; or
 - 2) The difference between the employee's base rate of pay and the first step of the higher (WOC) classification's salary range, whichever is greater.
 - b. The WOC rate of pay for duties pending approval of a reclassification, upward is either:
 - 1) The difference between the employee's base rate of pay and the first step of the higher (WOC) classification's salary range; or

- 2) The difference between the employee's base rate of pay and the next higher rate of pay in the higher (WOC) classification's salary range, whichever is greater.
 - c. If the appropriate WOC pay as determined in (b) above is less than a 2.5 percent increase above the employee's base rate of pay, the department may use the next higher rate of pay in the higher classification's salary range to calculate WOC pay.
 - d. WOC differentials exceeding these standards shall be applied only in exceptional cases and the department must document the reasons for the exception.
 2. The Human Resources Administrator must affirm that assigned duties are of a higher classification prior to authorizing WOC pay.
 3. The employee should meet the minimum qualifications (MQ's) for the higher-level (WOC) classification. The Human Resources Administrator in conjunction with the appropriate deputy director may approve the payment of WOC where an employee does not meet MQ's. The department must maintain documentation in the personnel file including the approval of the Human Resources Administrator in consultation with the appropriate deputy director and supporting rationale. (Note: The employee's supervisor should advise an employee paid WOC who does not meet MQs that they may not qualify to compete for the position they are performing at the WOC level).
 4. An employee's FLSA status and eligibility for overtime compensation shall be determined by the work performed in the WOC assignment.
 5. The department maintains the following documentation to support decisions to pay WOC:
 - a. Written notice of assignment informing the employee of WOC classification title, dates of assignment, monthly differential amount and reason for the assignment (use form, per HR_450_13, Job Rotation--Attachment A); and
 - b. Position description and/or written description of WOC duties signed by the supervisor and Human Resources Administrator.
 - 1) Assignment of higher level duties for a limited period of time:
 - i. Backfilling behind an employee on leave: retain a copy of the WOC position description signed by the supervisor and Human Resources Administrator.
 - ii. Assignment of additional duties at a higher level classification: retain a current position description supporting the employee's base classification and a description of the assigned higher level duties signed by the supervisor and the Human Resources Administrator.

- 2) Employees in positions pending reclassification require a written classification analysis and an updated position description signed by the employee, supervisor and the Human Resources Administrator.
- 3) Employees in positions pending reallocation, in an underfill status or on developmental assignments do not qualify for WOC based on that situation or assignment alone.
- 4) Standards for WOC duration are:
 - i. Generally, 12 months or less.
 - ii. Generally, do not exceed the budget cycle. The duration of a WOC assignment pending reclassification of the position or resolution of budget issues is a maximum of 24 months. The department must document any WOC assignment that exceeds these standards.
 - iii. For a WOC assignment involving project work or other specific assignments with an identified ending date, the standard duration is the identified ending date. Assignments that are expected to exceed these standards should be evaluated for alternatives to WOC.

III. POLICY CLARIFICATION

- A. Generally, work-out-of-class assignments are appropriate when an employee who meets the minimum qualifications of the higher classification:
 1. Is assigned to perform the duties of a higher level position which is vacant or where the incumbent is absent on leave or performing other assigned work;
 2. Is assigned project work or other specific assignments at a higher level than the employee's current classification; or
 3. When the employee's position is pending reclassification.
- B. If an employee does not meet the minimum qualifications of the higher classification, the employee may be assigned higher level duties as a developmental assignment. The employee shall not be eligible for work-out-of-class compensation.

Attachment A Special Hiring Rate Approval



OREGON DEPARTMENT OF FISH AND WILDLIFE Special Hiring Rate Approval

Date: _____

To: Director/Deputy Director

Through: Human Resources Administrator

From: _____

Employee Name: _____

Div/Reg/Section: _____

Classification: _____

Location: _____

Position Number: _____

Current Salary: _____

Effective Date: _____

Requested Salary: _____

Justification: _____

- Approved
- Disapproved

Division	Date
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- Approved
- Disapproved

Human Resources Administrator	Date
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- Approved
- Disapproved

Director/Deputy Director	Date
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Manager/Supervisor: Obtain approval from Division before submitting requests to the Human Resources Office.

Human Resources Office will notify you of Human Resources approval/disapproval and/or Director approval/disapproval.