

PAY POLICY FOR CLASSIFIED EMPLOYEES

Revised June 2011

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Purpose: Describe the general pay guidelines for classified employees at LSU. Specific questions or concerns can be directed to the Compensation Section of HRM at 578-8200 or 110 Thomas Boyd Hall.

I. Hiring Rate.

A. Civil Service Rule 6.5g permits the hiring of classified employees above the minimum of the pay range, and up to the third quartile of the pay range under certain circumstances. Offers above the minimum of the pay range require approval by Compensation and will only be considered in the following situations:

- When it is difficult to attract and retain candidates
- When the department is experiencing high turnover in a job
- When there are hiring difficulties due to market influences
- When a candidate possesses extraordinary qualifications/credentials

A corresponding pay adjustment may be utilized for other employees in the same job title with similar or better credentials to address pay disparities resulting from a hire under this provision. Resulting pay inequities within the job series, career field or immediate supervisory chain which are caused by hiring above entry may also be addressed using Optional Pay Adjustments as provided for in Section IV. C. of this policy.

B. **Re-employment without a break in service.** Employees who are re-employed on probation but who could have otherwise been promoted will retain eligibility for the promotional increase for up to one year. A determination will be made by HRM working with the department in each case as to the timing and appropriateness of the promotional increase.

II. Rate of Pay Upon Promotion/ Reallocation. The campus follows Civil Service rules in awarding pay for promotion and reallocation. The rate of pay for promotion/ reallocation for LSU is as follows:

One pay level increase = 7%

Two pay level increase = 10.5%

Three or more pay level increase = 14%

When an employee is promoted or reallocated from a job in one pay schedule to a job with a higher range maximum in another pay schedule, the employee's pay will be adjusted as follows [except that the employee's new pay cannot exceed the pay range maximum]:

- a. If the maximum of the job to which the employee is promoted/reallocated is less than 14% above the employee's current maximum, their pay increase will be 7%.
- b. If the maximum of the job to which the employee is promoted/reallocated is at least 14% but less than 21% above the employee's current maximum, their pay increase will be 10.5%.
- c. If the maximum of the job to which the employee is promoted/reallocated is at least 21% above the employee's current maximum, their pay increase will be 14%.

Adjustments to base pay cannot exceed the maximum of the pay range. Adjustments for promotion/ reallocation must increase the incumbent's pay at least to the minimum of the pay schedule level. There are no exceptions to this policy at LSU. However, should a promotion/ reallocation result in pay inequities between the employee promoted and their direct supervisor within a department, an Optional Pay Adjustment may be considered as provided for in Section IV. C of this policy. Additionally, should an employee be promoted and salary disparities remain with comparable positions, then an additional

adjustment may be considered under Optional Pay Adjustments, as provided for in Section IV. C., given no additional departmental inequities are created.

III. Rate of Pay Upon Demotion. The campus follows the reverse of promotional rules for pay on involuntary demotion:

One pay level decrease = 7%

Two pay level decrease = 10.5%

Three or more pay level decrease = 14%

Typically, voluntary demotions require a 7% pay reduction. Exceptions to the voluntary pay reduction upon demotion will be considered on a case by case basis by Compensation in accordance with Rule 6.10 (d). The exception must be clearly documented and may include conditions to offset future pay increases associated with promotions within a six month period. Factors such as length of service, past job performance, nature of circumstances relating to the demotion, class/pay pattern in the department, whether the action is in LSU's best interest, and other factors may be considered. The pay for demotion cannot exceed the maximum of the pay level to which the employee is demoting.

IV. Optional Pay Adjustments. Civil Service permits agencies to adopt a policy which provides for Optional Pay Adjustments to address special pay problems for permanent classified employees. An Optional Pay Adjustment may either be a one-time lump sum, a temporary base pay adjustment or a permanent base pay adjustment. The adjustment is limited to 10% of the employee's base salary within a fiscal year, or 7% in the case of duty based optional pay. Compensation must be consulted on all Optional Pay Adjustment recommendations prior to submission to HRM. Compensation may recommend an Optional Pay Adjustment, however it is at the department's discretion to implement based on the availability of funds, business needs, etc. Requests are generally made on a prospective basis and should be made/approved within 30 days from the action resulting in the pay concern. Requests will be considered on a case by case basis, however no employee at range maximum is eligible for an optional pay adjustment. Among the factors to consider will be the job performance of the employee, salary pattern in the department, any inequities and/or impact on other employees, and the importance of the incumbent/ position to the overall operation of the department. LSU has adopted a policy to provide for Optional Pay Adjustments in the following situations:

- A. **Retention.** Provides for the retention of a valued employee seeking a job outside of state employment. Permanent pay adjustments will be given in such cases. The department must provide documentation relating to the potential loss of the employee and only those situations in which the incumbent has special competencies or the market influences the filling of vacancies will be considered. Also, a copy of the written offer or verification of the offer must be included. This provision should not be used if other inequities are created within the department. Employees at the range maximum may be considered for a one time lump sum payment. An Optional Pay Adjustment for Retention may be utilized when:
- The employee's expertise is critical to the institution's mission;
 - The employee's performance is judged to be exemplary, and
 - There is a significant risk, which must be verified and documented in writing based upon first-hand knowledge, that the employee will leave the institution as a result of a concrete offer of the high probability of a concrete offer of employment elsewhere.
- B. **Recruiting Difficulties.** Provides for attracting permanent state employees into jobs for which there is difficulty in recruiting. Such jobs may include part-time jobs, highly technical jobs, jobs in heavy demand/ short supply in the market, jobs with special requirements/ competencies. The policy may be used to consider attracting employees to LSU from other agencies (e.g. lateral move requires significant re-training) based on the above factors and/or the unique competencies of the incumbent. This may also include details to special duty. When this job is used to attract a probational hire, any optional pay adjustment must be delayed until the employee attains permanent status. An Optional Pay Adjustment for Recruiting Difficulties may be utilized when:

- There is a history of difficulty recruiting or retaining personnel
- The employee possesses knowledge, skills and abilities which are clearly defined as difficult to recruit
- The employee's expertise is in an area which is documented as having a critical labor market shortage, and
- Local labor market conditions support such an adjustment

C. **Equity Adjustments.** Provides a means to consider pay inequities within a department for employees with similar levels of responsibility, work experience, qualifications and work performance with significant salary disparities. Such inequities may have been created due to:

- A Promotion/ reallocation of an employee that results in their salary remaining inequitable with comparable positions
- Hiring salaries associated with Rule 6.5g adjustments or Rule 6.5b Special Entrance Rates (SERs) for department employees in the same job series
- An offer, corresponding adjustment, promotion or reallocation, that results in a subordinate's pay either exceeding that of his/her supervisor or remaining within 7% of his/her supervisor's pay.
- Other instances due to a structure adjustment or similar circumstance on a case by case basis.

D. **Additional Duties.** Departments may request a pay adjustment up to 7% for employees that take on additional duties that cannot be recognized by reallocation as a one- time lump sum, a temporary base pay adjustment or a permanent base pay adjustment. Optional pay adjustments for temporary duties will be reviewed at least annually and will generally not extend beyond one year. A one-time lump sum payment can be considered for employees at the salary range maximum. An Optional Pay Adjustment for Additional Duties may be utilized when:

- There are factually- established increased job responsibilities
- Additional duties involve new and/or higher level tasks apart from the incumbent's current normal duties or natural job evolution.
- Duties are related to significant special projects
- Duties cannot be assigned a higher job title through detail or reallocation

Requests for the use of optional pay adjustments must be addressed through the Dean/ Department Head to the Compensation Section of HRM.

All Optional Payments for additional duties made under delegated authority will be reported to Civil Service according to current DSCS Guidelines on the Optional Pay Review Form, and, in the case of permanent additional duties, be accompanied by an SF-3 detailing those new duties.

An annual report must submit by July 31 to Civil Service detailing all payments made to employees under this policy.

This policy shall be posted in the Office of HRM, 304 Thomas Boyd Hall. A listing of all employees who receive increases in accordance with this rule shall be posted in the same manner.

V. Pay for Special Job Situations. LSU recognizes the need to use shift pay, on call pay, premium pay, and special entrance rates to address special job situations at LSU.

A. **Shift Pay.** "Shift pay" may be considered when the job involves working regular evening and/or late night hours, and weekends although shift pay is not required. Departments adopting shift pay must have a department policy approved by Compensation. Shift pay may be paid for:

- Evening shifts (beginning at noon or after and ending before midnight)
- Late night shifts (shift that includes midnight)

- Employees involved in rotating shifts that include evening and/or late night shifts
- Shifts that regularly include weekends and/or holidays.

Shift differentials will be paid for actual hours worked Department funding is required for shift pay. Generally, shift differential rates cannot exceed 10% of the midpoint of the supervisor's hourly pay for the evening shift or 15% of the midpoint of the supervisor's hourly pay for the late night shift.

B. **On Call Pay.** Similarly, employees can be placed "on call" subject to call back to work. On call pay may be utilized in the following situations:

- When the worker is available for call back to his/her duty station
- When the worker is expected to remain work-ready
- When the worker is available for call back to his/her duty station within a specified period of time

Employees may receive payment for on call time but it is not normally required and not all employees will receive on call pay. Department funding is required for on call pay. Individual requests should be justified in writing to Compensation for approval. Department wide on call requests should be submitted in policy format to Compensation for approval.

C. **Premium Pay.** LSU departments may also consider "premium pay" for some situations such as hazardous duty or highly unusual working conditions or requirements. Requests must be submitted through administrative channels to Compensation for approval. Civil Service approval is also required, and the department must identify funding for premium pay. Again, LSU does not require payment of premium pay even when duties are hazardous or demanding and requests are evaluated on a case by case basis.

D. **Special Entrance Rates (SERs).** LSU Departments may also consider the use of special entrance rates (SERs) in filling classified jobs. Consideration for the establishment of SERs will only be given in such cases as market demands, high turnover or difficulty in recruiting exceed the third quartile of the pay range and the authority established within Rule 6.5g in Section I.A. of this policy. The impact on other similar jobs must be considered and the request for the higher starting pay must be submitted through administrative channels to Compensation, as well as Civil Service's Director and Commission for approval. Also, if the conditions change that created the need for the special pay or if funding is no longer available, it may be necessary to discontinue the special pay.

VI. Rewards and Recognition Program. Departments may develop award programs including one-time cash awards for Classified staff. The award amount is limited to 10% of the employee's base pay per fiscal year. Such policies must receive advanced approval from the Office of HRM and the Civil Service Commission. For details, contact HRM Employment.

Additional requests above and beyond LSU's delegated authority as stated within this policy may require advanced approvals from the Department of State Civil Service.