

DEPARTMENT OF NATURAL RESOURCES

HUMAN RESOURCES POLICY NO: 13

EFFECTIVE DATE: JULY 1, 2018

SUBJECT: OPTIONAL PAY ADJUSTMENTS

AUTHORIZATION: THOMAS F. HARRIS, SECRETARY

I. POLICY

In accordance with State Civil Service Rule 6.16.2, it is the policy of the Department of Natural Resources (DNR) to consider granting optional pay adjustments for the recruitment and retention of employees.

II. APPLICABILITY

This policy is applicable to full-time, classified employees serving DNR with permanent status.

III. IMPLEMENTATION

This policy becomes effective upon the date approved by the State Civil Service Commission. Subsequent revisions shall become effective on the date revisions are approved by the State Civil Service Commission.

IV. PROVISIONS

Optional pay adjustments cannot exceed ten (10%) percent in a fiscal year even if the employee transfers between departments, agencies or offices.

Provided funding is available, DNR may consider granting optional pay adjustments under the following circumstances:

A. MATCHING A JOB OFFER

An Appointing Authority may recommend to the Secretary that an employee deemed essential to the agency be approved for a base pay increase of up to 10% of the employee's base salary to match a written and verified job offer from a private employer, for an unclassified position at another state agency, or a position at a non-state governmental entity.

Employees at range maximum shall not be eligible for a payment under this provision.

B. COMPRESSION PAY

An Appointing Authority may recommend to the Secretary that an employee be approved for a base pay increase of up to ten (10%) percent to reduce pay compression.

Employees at range maximum shall not be eligible for a payment under this provision.

Salary compression may occur when managers/supervisors are paid at a rate lower than those that they supervise. Please remember that it is perfectly logical that a 20-year employee in a staff level position will have a higher salary than a supervisor with just 7 years of service/experience. However, if the supervisor has 20 years of service/experience and makes less than the subordinate with 7 years of service, an agency may want to consider an increase to the supervisor.

Salary compression may also be caused when there is only an insignificant difference in pay between employees in the same job series, despite significant different in merit factors such as:

- Length of Total State Service;
- Time in Current Job Series;
- Skills and Experience;
- Education/Credentials;
- Performance

This often happens when the current employee's pay has not kept up with increases in the market pay rate resulting in a situation in which new hires are hired at levels similar to employees who have been with the state for many years. Merit factors should always be taken into consideration and only employees in the same DNR Office may be compared when doing so.

The Human Resources Division shall:

- Consult with DNR's assigned Compensation Consultant at State Civil Service prior to approval of compression payments for a large group of employees, to the same employee in multiple fiscal years, and/or to address compression not specifically listed above.
- Maintain text when entering compression payments in the LaGov HCM system, including the employee's name, the comparable employee(s), reason for the payment, and any merit factors used to determine that the compression payment is justified.

C. RECRUITMENT

An Appointing Authority may recommend to the Secretary that an employee be approved for a base pay increase of up to ten (10%) percent, in addition to any other compensation granted under State Civil Service Rule 6.7, to recruit employees into positions for which recruiting is difficult.

Employees at range maximum shall not be eligible for a payment under this provision.

D. ADDITIONAL DUTIES

An Appointing Authority may recommend to the Secretary that an employee be approved for compensation for performing additional duties in accordance with the below provisions:

1. Permanent Additional Duties

A base pay increase or lump-sum payment of up to 5% to an employee who is assigned additional duties on a permanent basis. Such permanent duties shall be documented on the official position description (SF-3) and processed by State Civil Service within 30 days prior to granting the adjustment.

An employee may not receive more than 10% in base pay increases for additional duties within three (3) consecutive years.

2. Temporary Additional Duties

A lump-sum payment of up to 5% to an employee who is assigned additional duties on a temporary basis. Payment of such a lump-sum may be made in one payment at the end of the duration of the duties or may be spread among pay periods for the duration of the assignment not to exceed one (1) year. If the duration of the assignment exceeds one (1) year, a request for payment must be resubmitted to the Secretary for approval.

Lump sum payments for temporary additional duties must be calculated using the employee's base pay at the time the duties were assigned. If additional duties extend beyond one year and new approval is obtained for payments to continue, the continuing optional pay will be calculated using the employee's base pay at the time of renewal.

Employees at range maximum who are assigned additional duties shall only be eligible for a lump-sum payment under this provision.

An employee shall not be eligible for either a lump-sum or base pay increase for additional duties if he/she has already been compensated according to another State Civil Service Rule.

Employees who are at range maximum cannot receive lump-sum payments in consecutive years, even if the reasons for the payments are different.

V. PROCEDURE

- A. All requests for optional pay adjustments must be submitted to the Secretary, through the Human Resources Director and Undersecretary, by the Appointing Authority with a memorandum of justification. Depending on the basis for the request, appropriate documentation must be included in or attached to the memorandum as follows:
1. Matching a Job Offer: A completed Employee Separation Notice signed and dated by the employee indicating his/her resignation from DNR and the effective date; and, a copy of the written job offer from a private employer, for an unclassified position at another state agency, or a position at a non-state governmental entity.
 2. Compression: Identification of the employees involved in the pay compression issue, including names, job titles, salaries, organizational proximity to one another, etc.
 3. Recruitment: Certificate of eligibles evidencing an insufficient applicant pool (i.e., less than five); and/or, applicant names and salaries of declined job offers related to any recently unsuccessful attempts to fill the position(s).
 4. Additional Duties: An Optional Pay for Additional Duties Questionnaire; and, an updated position description (SF-3) reflecting the additional duties if the request is for a base pay increase.
- B. Upon receipt, the Human Resources Director shall review and recommend approval/denial of the request, based on compliance with Civil Service Rules and guidelines as follows:
1. Matching a Job Offer: Verifying the job offer is valid and from an eligible employer/position. Should the Human Resources Director be unable to secure verification of the job offer, the employee's resignation shall be accepted by the Appointing Authority, as evidenced by his/her signature on the Employee Separation Notice, and processed accordingly.

- 2. Compression: Researching the pay differential between employees to determine whether it may be appropriate considering each employee's length of service, hiring considerations, etc.
 - 3. Recruitment: Evaluating the circumstances of the recruiting difficulty to determine possible options (i.e., optional pay, special entrance rates, non-monetary alternatives, etc.).
 - 4. Additional Duties: Ensuring receipt of the optional pay questionnaire and processing of an updated position description (SF-3), if the request is for a base pay increase, prior to forwarding the request for further approval.
- C. Upon receipt, the Undersecretary shall review and recommend approval/denial of the request, inclusive of budgetary considerations.
 - D. Upon receipt, the Secretary shall evaluate the merits of the request and approve or deny same. If denied for purposes of matching a job offer, the employee's resignation shall be accepted by the Appointing Authority, as evidenced by his/her signature on the Employee Separation Notice, and processed accordingly.

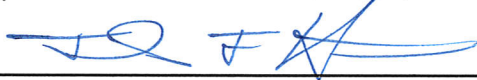
VI. POSTING/REPORTING REQUIREMENTS

The Human Resources Division shall:

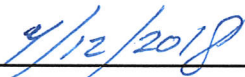
- A. Post this policy to assure availability to all employees;
- B. Post a list of all employees receiving optional pay under Rule 6.16.2;
- C. Submit an annual report to the Department of State Civil Service by July 31 detailing payments made to employees under State Civil Service Rule 6.16.2 during the previous fiscal year ending June 30th.

VII. QUESTIONS

Questions regarding this policy should be directed to Human Resources.



THOMAS F. HARRIS, SECRETARY



DATE

INITIAL ISSUE DATE: 05/00

REVISION DATES: 04/01; 09/01; 09/02; 07/04; 12/10; 10/15; 7/18