

# Salary Step Administration

*updated 10/18/17*



# Salary Step Administration

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*Salary Step Administration*

# Salary Step Placement Upon Appointment



# Default

- *As a default, employees are appointed to Step 1. However, there are many situations when appointment at Step 2 or higher may be appropriate.*

# Promotive Appointment

- What is a promotive appointment?
  - *When an employee is appointed to a job classification whose base salary range is higher than in his/her underlying appointment*
- When must it be used?
  - Always

# Promotive Appointment

- Most of these provisions provide an adjustment “closest to” 7.5% or 10%.
  - *For example, if in trying to provide an adjustment closest to 10%, one’s options are a step at 8% or 13%, one would provide the 8% even though less than 10% as it is closer to 10% than is 13%.*
- In applying a promotive appointment provision, please note that the provision from the MOU for the promotive class should be used when an employee is changing bargaining units.

# Non-Promotive Appointment

- When an employee accepts an appointment in a class having the same or lower salary grade, the employee shall be placed at the step nearest to, but not less than their current salary, not to exceed the maximum of the salary grade.

# Appointment Above Entrance

- While an MOU's promotive appointment provision should typically provide an appropriate salary placement, there may be instances that a higher salary placement is warranted.
- When is it used?
  - Discretionary
- Criteria
  - Loss of Compensation
    - verifiable (W-2, pay stub)
    - current
    - regularly earned (e.g., not a one-time bonus)
  - Recruitment / Retention
    - evidence: recruitment strategy, # of applicants, # that were qualified, # interviewed, # of offers extended, length of vacancy
  - Former Permanent City Employee
  - Special Skills (skills, qualifications, education)



# Appointment Above Entrance

- Upon Appointment v. Post-Appointment – the appointment above entrance provision can be used at any time.
- Please note that neither the promotive or appointment above provision can be used to gain access to MCCP's Ranges B & C nor Local 21's Extended Ranges. However, if an employee is in either of those in his/her underlying position it may be appropriate to adjust the employee's compensation in the promotive based upon those, but it is not mandatory or necessarily appropriate. In these instances, central DHR approval is required.

# Salary History

- In setting the salary for a new hire to the City, one should *never* ask for an employee's salary history. Accordingly, the salary history information fields have been removed from the City's job applications.
- However, if a prospective employee voluntarily provides his or her salary history, one may review and evaluate such information. Additionally, one may always evaluate the compensation of incumbent employees and are generally required to under MOU promotive appointment provisions that guarantee specific wage increases.

# Internal Equity

- When appointing employees above the entrance rate, departments must evaluate the compensation of other employees in the same classification who do the same work. Such employees should **only be paid differently** if justified by one or more of the following business related reasons:
    - Performance / Merit
    - Education / Training
    - Experience
    - Seniority
- *While an employee raising a loss in compensation concern may be the origin of an appointment above entrance evaluation, the utilization of this provision must ultimately be validated by one or more of the preceding business related reasons.*

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# Step Advancement



# 1/6<sup>th</sup> Rule

- An employee shall not receive a salary adjustment based upon service as herein provided if he/she has been absent by reason of suspension or on any type of leave without pay (excluding a military, educational, or industrial accident leave) for more than one-sixth of the required service in the anniversary year, provided that such employee shall receive a salary increment when the aggregate time worked since his/her previous increment equals or exceeds the service required for the increment, and such increment date shall be his/her new anniversary date; provided that time spent on approved military leave or in an appointive or promotive position shall be counted as actual service when calculating salary increment due dates.

# Unsatisfactory Service

- Per most of the City's MOUs, an employee's scheduled step increase may be denied if the Appointing Officer or designee determines that the employee's performance has been unsatisfactory. This typically will be through the performance appraisal process.

# Ineligibles

- Temporary, As-Neededs – Do not receive until work at least 1040 hours (e.g., SEIU 1021 Misc.), but generally will not advance past step 2 unless take on a regularly scheduled, 20+ hour week position.
- 9910s – Never receive step adjustments unless affirmative action taken by Appointing Officer to provide something that is of the equivalent.

# Performance Steps

- Examples:
  - MCCP – Ranges B & C
  - Local 21 – Extended Ranges
- Placement and advancement only upon the discretion of the Appointing Officer and other authorizing parties.