



THE UNIVERSITY of
NEW ORLEANS

ADMINISTERED BY: Office of Vice
President for Business Affairs

Policy No: AP-BA-06.2
TITLE: Optional Pay (Civil Service)
EFFECTIVE DATE: September 4, 2013*
(*Policy Revised, see below)
CANCELLATION:
REVIEW DATE: Spring 2020

PURPOSE

To establish the policy and procedure through which the University of New Orleans would consider granting optional pay adjustments for full-time permanent classified Civil Service employees.

AUTHORITY

Civil Service Rule 6.16.2 Optional Pay Adjustments

GENERAL POLICY

Provided that funding is available, and subject to the provisions of Rule 6.16.2, the Appointing Authority the University of New Orleans will consider granting either base pay or lump sum adjustments to employees in the following circumstances:

I. **MATCHING A JOB OFFER:**

To provide for the retention of employees deemed essential to the agency.

An employee deemed by the President or his/her designee (Delegated Appointed Authority) to be essential to the agency may receive a base pay increase of up to 10% of the employee's annual 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 who are leaving the University to accept another state classified position are not eligible.

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

II. **COMPRESSION PAY:**

To adjust pay differentials between comparable employees.

The President or his/her designee may grant a base pay increase of up to 10% to an employee 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 seven 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 give 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 differences 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 pay hasn't 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 in to consideration and only employees at your agency should be compared.

If the university is planning to pay a large group of employees, give compression to the same employee in multiple fiscal years, or would like to address something the university feels is compression specifically not listed above, Human Resource Management will contact the university's compensation consultant prior to making payment. When entering compression payments in PeopleSoft, the university should maintain text about the employee, the comparable employee(s), reason for the payment, and any merit factors used to determine that the compression payment is justified. The University should keep this information on file.

III. RECRUITMENT:

To recruit employees into difficult to recruit jobs.

The President or his/her designee may grant a base pay increase of up to 10%, in addition to any other compensation granted under State Civil Service Rule 6.7, to recruit employees into a position for which recruiting is difficult.

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

IV. ADDITIONAL DUTIES:

To provide compensation for employees who perform additional duties.

A. Permanent Additional Duties

The President or his/her designee may grant 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 an official position description 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 increase for additional duties within three (3) consecutive years.

B. Temporary Additional Duties

The President or his/her designee may grant 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 year. If the duration of the assignment exceeds one year, a request for payment must be resubmitted to the President or his/her designee for approval.

Employees at range maximum who are assigned permanent or temporary additional duties shall only be eligible for a lump sum payment under this provision. However, employees who are at range maximum cannot receive lump sum payments in consecutive years, even if the reason for the adjustment are different.

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.

An annual report shall be submitted 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.

All requests for application of this rule must be submitted to the President or his/her designee with a memorandum of justification. No employee shall receive more than the maximum amount approved by Civil Service within a fiscal year. This policy shall be posted the University of New Orleans' website. A listing of all employees who receive increases according to this Rule shall also be posted in the Office of Human Resource Management at the University of New Orleans.



John W. Nicklow
President
University of New Orleans

**Policy updates:
Revisions: 4/2/2017
7/1/2018*