ARTICLE 14 - COMPENSATION ADJUSTMENTS

A. General Provisions.

1. For the purpose of clarification, the provisions of this Article shall not be applicable where an employee moves from one governmental jurisdiction to another, except as specifically provided herein.

2. For purposes of this Article, "basic rate of pay" means the rate of pay assigned to the pay range and step an employee is receiving as compensation. For an employee whose position is not assigned to a pay range, "basic rate of pay" shall mean the actual rate of compensation the employee is receiving as a remuneration for services performed in a particular position, not including any differentials.

3. When the effective dates of more than one personnel action coincide, pay adjustments shall be made in the following order:

   a. Step movement;
   b. Negotiated wage increase;
   c. Changeover to a new pay schedule;
   d. Repricing;
   e. Promotion;
   f. Reallocation;
   g. Other personnel actions.

4. A leave of absence without pay shall end on the day before the day an employee reports for duty, provided that if a paid leave or a holiday immediately precedes the Employee’s return to duty, the leave of absence without pay shall end upon the day before such paid leave or holiday.
5. An employee who leaves the service without having worked on all scheduled working days for that month shall be compensated pursuant to the following formula:

Employee's monthly basic rate of pay plus TD, CD, SD, RD or SAD as applicable X (number of days worked/number of working days in a month, including holidays).

6. An employee who suffers a disabling personal injury arising out of and in the course of employment, except for an injury caused by the employee's negligence, willful intention to injure the employee or others, or by the employee's intoxication or because of the influence of a non-prescribed controlled substance, shall be credited for a full day's work on the day of the injury regardless of the time the employee is injured.

7. An employee who initially was properly compensated following a promotion, the adoption of a new pay schedule, a temporary assignment, pricing or repricing, or any other personnel action affecting pay, shall not be required to make reimbursement when it is found subsequently that an overpayment in salary occurred due to the retroactive feature of a position classification action. However, the proper pay adjustment shall be made as of the first pay period following the date of notice of action by the director.

8. Employees who are receiving a shortage differential shall have their compensation adjusted by provisions contained in a separate supplemental agreement.

B. Compensation Adjustment Upon Promotion.

1. As used in this paragraph, "promotion" means the movement of a regular employee from the position in which the employee last held a permanent appointment to a vacant civil service position:

   a. which is assigned to a class with a higher pay range in the same salary schedule; or
b. which is assigned to a class with a higher maximum rate of
compensation in a different salary schedule and the dollar difference between the
two maximum rates is more than the dollar difference between the first and second
step of the former pay range.

2. A regular employee who is promoted shall be compensated at the step in
the higher pay range which corresponds to the Employee’s existing step (i.e., the
movement shall be from Step A to Step A, or Step B to Step B).

3. Regular employees who return to their permanent positions after a
promotion on a temporary appointment basis or are released from a new probationary
appointment following a promotion shall be compensated as though they had remained in
their permanent positions continuously.

C. Compensation Adjustment Upon Demotion.

1. The following definitions shall be applicable to this paragraph:

a. "Demotion" means the movement of a regular employee from the
position in which the employee last held a permanent appointment to a vacant civil
service position:

1) which is assigned to a class with a lower pay range in the
same salary schedule; or

2) which is assigned to a class with a lower maximum rate of
compensation in a different salary schedule and the dollar difference
between the two maximum rates is more than the dollar difference between
the minimum and second step of the former pay range.

b. "Demotion due to a reorganization" means a demotion of an
employee as a result of a reorganization action.
c. "Demotion to avoid layoff" means a demotion accepted by an employee to avoid being laid off.

d. "Disciplinary demotion" means a demotion action taken by the appointing authority for disciplinary reasons.

e. "Involuntary demotion" means a demotion action taken by the appointing authority due to the employee's inability to perform the duties and responsibilities of the employee's position, or due to the employee's failure to meet qualification requirements for the position.

f. "Non-service connected disability demotion" means the movement of an employee to a vacant civil service position assigned to a class with a lower pay range in the salary schedule, due to a disability sustained by the employee other than while performing the duties and responsibilities of the employee's position.

g. "Service connected disability demotion" means the movement of a regular employee or an employee serving an initial probationary period to a vacant civil service position assigned to a class with a lower pay range in the salary schedule, due to a disability sustained by the employee while performing the duties and responsibilities of the employee's position.

h. "Voluntary demotion" means a demotion requested by an employee and granted by the appointing authority.

2. Disciplinary or Involuntary Demotion.

a. A regular employee who is involuntarily demoted or who is demoted for disciplinary reasons shall be compensated at the corresponding step in the lower salary range or any lower step in the lower salary range.
b. Upon release from a disciplinary demotion given on a temporary basis, a regular employee shall be compensated as though the employee had remained in the former position continuously.

3. Demotion to Avoid Layoff; Demotion Due to Reorganization; Service Connected Disability Demotion.

An employee who accepts a demotion to avoid layoff; or is demoted due to a reorganization; or who receives a service connected disability demotion, shall retain the employee's basic rate of pay; provided:

a. If the employee's basic rate of pay falls between two steps in the lower pay range, the employee shall be compensated at the lower step in the lower pay range whose rate is immediately below the employee's basic rate of pay and shall be entitled to a temporary differential.

b. If the employee's basic rate of pay falls above the maximum step in the lower pay range, the employee shall be compensated at the maximum step and shall be entitled to a temporary differential.


An employee who receives a non-service connected disability demotion shall be compensated as provided below:

a. A regular employee who has fifteen or more years of continuous service in the civil service of the employee's governmental jurisdiction shall retain the employee's basic rate of pay; provided that:
1) If the employee's basic rate of pay falls between two steps in the lower pay range, the employee shall be compensated at the lower step in the lower pay range whose rate of pay is immediately below the employee's basic rate of pay and shall be entitled to a temporary differential.

2) If the employee's basic rate of pay falls above the maximum step in the lower pay range, the employee shall be compensated at the maximum step and shall be entitled to a temporary differential.

b. A regular employee with at least five years but less than fifteen years of continuous service in the civil service of the employee's governmental jurisdiction shall retain the employee's basic rate of pay for a period beyond the effective date of the demotion as follows:

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1) If the employee's basic rate of pay falls between two steps in the lower pay range, the employee shall be compensated at the lower step in the lower pay range whose rate of pay is immediately below the employee's basic rate of pay and shall be entitled to a temporary differential.
2) If the employee's basic rate of pay falls above the maximum step in the lower pay range, the employee shall be compensated at the maximum step and shall be entitled to a temporary differential.

c. The basic rate of pay of a regular employee with less than five years of continuous service in the civil service of the employee's governmental jurisdiction, or a regular employee whose retention period as prescribed in clause b., has expired, shall be adjusted in the manner of adjustments for service connected disability demotion, provided the employee shall not be entitled to temporary differential.

5. Voluntary Demotion.

a. A regular employee who accepts a voluntary demotion shall be compensated at the highest step in the lower pay range which rate is not greater than ninety-five percent of the employee's basic rate of pay. If there is no step in the lower pay range which rate is not greater than ninety-five percent of the employee's basic rate of pay, the employee shall be compensated at the minimum step.

b. Upon return to the position in which an employee last held a permanent appointment, a regular employee who is demoted on a temporary appointment basis or who is released from a new probationary appointment following a demotion shall be compensated as though the employee had remained in the former position continuously.

D. Compensation Adjustment Upon Transfer.

1. "Transfer" means the movement of a regular employee from the position in which the employee last held a permanent appointment to a vacant civil service position which is assigned to a class:
a. with the same maximum rate of compensation; or

b. in a different salary schedule with a higher maximum rate of compensation, and the dollar difference between the two maximum rates is less than or equal to the dollar difference between the minimum and second step of the former pay range; or

c. in a different salary schedule with a lower maximum rate of compensation and the dollar difference between the two maximum rates is less than or equal to the dollar difference between the minimum and second step of the former pay range.

2. A regular employee who is transferred shall continue at the same basic rate of pay.

E. Compensation Adjustment Upon Reallocation.

1. The following definitions shall be applicable to this paragraph:

a. "Reallocation Downward" means the reallocation of a position to a class assigned to a lower pay range in the salary schedule.

b. "Reallocation Upward" means the reallocation of a position to a class assigned to a higher pay range in the salary schedule.

2. Compensation following reallocation upwards shall be adjusted in the manner as adjustments for promotion.

3. Compensation adjustment for a reallocation downwards shall be in the manner prescribed in paragraph C.3. However, when downward reallocations are due to disciplinary, involuntary, or voluntary reasons, the employee's basic rate of pay shall be
adjusted in the manner as adjustments for disciplinary, involuntary, or voluntary
demotions, as applicable.

4. Compensation following reallocation of a position in a class to the same pay
range shall be adjusted in the manner of adjustments for transfer.

5. Upon return to the original classification of the employee’s position after a
temporary reallocation upward, the employee shall be compensated at the rate the
employee would have received were it not for the temporary reallocation.

F. Compensation Adjustment Upon Repricing.

1. The basic rate of pay of an employee whose position is in a class which is
repreciod to a higher pay range shall be adjusted in the manner as adjustments for
promotion.

2. The basic rate of pay of an employee whose position is in a class which is
repreciod to a lower pay range shall be adjusted in the manner as adjustments are
prescribed in paragraph C.3.

G. Compensation of Employees Selected From an Open Competitive List
Resulting From a Recruitment Above the Minimum.

Notwithstanding any paragraph in this Article, employees selected through an open
competitive recruitment which permits hiring above the first step of the pay range may be
compensated at a rate determined by the Employer upon their appointment from the open
competitive list; provided that the amounts the employees will receive are not less than the
amounts the employees would have received if the employees were compensated in
accordance with the applicable paragraph.

H. Compensation For Temporary Assignment Performed.

Compensation for temporary assignment shall be as follows:
1. Except as provided in subparagraph 6, the basic rate of an employee who performs temporary assignment involving a position assigned to a class in a higher pay range in the salary schedule shall be adjusted in the manner as adjustments for promotion except that any temporary differential which the employee was receiving shall not be added to the basic rate of pay but shall be retained by the employee while performing the temporary assignment. [Any employee who performs temporary assignment involving a position for which an adjusted entry rate has been prescribed by the Employer, and whose rate of pay, when adjusted hereunder is below the adjusted entry rate, shall be entitled to an additional amount of compensation which shall be the difference between the employee's adjusted rate of pay and the adjusted entry rate prescribed by the Employer. This difference, to be referred to as a temporary assignment differential, (TAD) shall not be considered as part of the employee's base pay. The TAD shall end upon completion of the temporary assignment.]

2. An employee who performs a temporary assignment involving a position assigned to the same or lower pay range in the salary schedule shall continue to be compensated at the employee's basic rate of pay prior to the temporary assignment. [It is provided that any employee who performs temporary assignment involving a position for which an adjusted entry rate has been prescribed by the Employer, and whose basic rate of pay is below the adjusted entry rate, shall be entitled to an additional amount of compensation which shall be the difference between the employee's basic rate of pay and the adjusted entry rate prescribed by the Employer. This difference, to be referred to as a temporary assignment differential, (TAD) shall not be considered as part of the employee's base pay. The TAD shall end upon completion of the temporary assignment.]

3. Whenever a temporary assignment involves the assumption of duties and responsibilities of an exempt position not assigned to a pay range (regardless of whether the exempt position is within the bargaining unit or outside of the bargaining unit), employees will be compensated at the prescribed statutory rate of pay if such rate is higher than the employee's existing basic rate of pay. If there is no prescribed statutory rate, the appointing authority may exercise discretion in setting compensation for
temporary assignment; provided, the compensation shall be no less than the employee's basic rate of pay.

4. Whenever a temporary assignment is made for an exempt employee whose position is not assigned to the salary schedule, and whose temporary assignment involves the assumption of the significant duties and responsibilities of a position assigned to a salary schedule outside of the bargaining unit (other than the Excluded Managerial Compensation Plan), the following will be used to determine whether the assignment is to a higher pay range:

    The maximum rate for the class to which temporary assignment is made is higher than the employee's existing rate; provided, the dollar difference between the two is more than 5% of the employee's existing basic rate of pay.

    If the temporary assignment is to a position in a higher pay range, as determined above, the employee will be compensated at that step in the higher pay range which exceeds the employee's existing rate by 5%. If there is no step in the higher pay range which rate exceeds the employee's basic rate of pay by at least 5%, the employee shall be compensated at the maximum step in the higher pay range or at the employee's basic rate of compensation, whichever is greater.

    If the temporary assignment does not involve a higher pay range as determined above, the employee shall be compensated pursuant to subparagraph 2.

[TAD shall be provided in the same manner as provided in subparagraphs 1 and 2.]

5. Whenever a temporary assignment involves the assumption of the duties and responsibilities of a position assigned to a salary schedule outside of the bargaining unit (other than the Excluded Managerial Compensation Plan), the following will be used to determine whether the assignment is to a higher pay range:
The position is in a class for which the maximum rate for the class is higher than the maximum rate for the employee's class; provided, the dollar difference between the two maximum rates is more than the dollar difference between the minimum and second step of the employee's pay range.

If the temporary assignment involves a position in a higher pay range, as determined above, then the employee will be compensated at that step in the higher pay range which exceeds the employee's existing rate by 5%. If there is no step in the higher pay range which rate exceeds the employee's basic rate of pay by at least 5%, the employee shall be compensated at the maximum step in the higher pay range or at the employee's basic rate of compensation, whichever is greater.

If the temporary assignment does not involve a higher pay range as determined above, the employee shall be compensated pursuant to subparagraph 2.

6. Compensation adjustments shall not be provided for the following:

a. An employee whose position includes assuming the duties and responsibilities of the employee's superior in the absence of the superior and which assignment is recognized in the employee's position classification and pricing.

b. An employee who performs duties in accordance with the terms of a formal training agreement entered into with the employee's department head and approved by the director.

l. Temporary Differential Pay and Compression Differential Pay

1. An employee shall be eligible for temporary differential pay as may be provided in this Article. The amount of TD pay shall be the difference between the
employee's basic rate of pay prior to the action taken and the employee's new basic rate of pay.

2. The TD pay shall not be considered part of an employee's basic rate of pay.

3. The TD pay shall be reduced by an amount equal to any adjustment in the employee's basic rate of pay due to promotion, upward reallocation, or repricing upward actions. When the adjustment due to these actions is greater than or equal to the TD pay, the TD pay shall be terminated.

4. When an employee with TD pay is demoted or transferred, or whose position is reallocated to a class in the same or lower pay range, the TD shall be continued in the new pay range.

5. When an employee with a compression differential (CD) is demoted, or transferred, or whose position is reallocated to a class in the same or lower pay range, the CD shall be continued in the new pay range.

6. When a regular employee is released from a probational or temporary appointment and returns to the position to which the employee last held a permanent appointment, the CD shall be restored as though the employee had remained in the former position continuously.

J. Compensation Adjustment for Non-Regular Employees.

1. Movements of non-regular employees to other civil service positions shall not be classified as promotions, transfers, or demotions, but shall be considered as new appointments and compensation adjustments upon these new appointments shall be as prescribed in this paragraph.
2. A non-regular employee who is moved from the position in which the employee was serving a probational appointment to another position assigned to the same salary range shall continue at the same basic rate of pay.

3. A non-regular employee who is moved from the position in which the employee was serving a temporary appointment to another position in the same pay range and pay schedule and in the same department shall continue at the same basic rate of pay.

4. Non-regular employees serving temporary appointments who are converted to initial probational or permanent appointments in the same positions that the employees were serving temporary appointments will continue to receive the same basic rate of pay they were receiving while serving temporary appointments.

5. The compensation of a non-regular employee after a personnel transaction other than as described in subparagraphs 2, 3, and 4 shall be at the initial step of the salary range.

K. Compensation Adjustment for Exempt Employees Accepting Civil Service Appointments, Or Whose Exempt Positions Are Converted To Civil Service Positions.

1. Exempt employees who move to civil service positions or who are granted civil service status pursuant to legislation shall not have the transaction considered as promotions, transfers, or demotions. Such transactions shall be considered new appointments and pay adjustments upon these new appointments shall be as prescribed in this paragraph.

2. An exempt employee who is granted civil service status pursuant to legislation shall retain the basic rate of pay the employee was receiving immediately prior to being granted civil service status; provided:
a. If the employee's rate of pay falls between two steps in the salary schedule, the employee shall be compensated at the lower step.

b. If the employee's rate of pay falls below the minimum step of the salary schedule, the employee shall be compensated at the minimum step.

c. If the employee's rate of pay falls above the maximum step of the salary schedule, the employee shall be compensated at the maximum step.

3. Exempt employees selected from an open competitive list to civil service positions other than as described in subparagraph 1, shall be compensated at the initial step of the salary range.

L. Compensation Adjustment for Employees Moving to Exempt Appointments.

Movements of employees to exempt positions shall not be classified as promotions, transfers, or demotions, but shall be considered as new appointments and compensation adjustments upon these new appointments shall be as follows:

1. The employee shall be compensated at the prescribed statutory rate for the exempt position; or,

2. If there is no prescribed statutory rate, then the rate determined by the appointing authority.

M. Compensation Adjustments for Regular Employees Serving Limited Term Appointments, Temporary Appointments, or New Probational Appointments, in Another Position.

1. Regular employees serving limited term appointments, temporary appointments, or new probational appointments, who are promoted, transferred, or demoted, or whose permanent position is reallocated or repriced shall have their
compensation adjusted from their permanent positions pursuant to paragraphs B, C, D, E,
or F, as applicable, except as follows:

a. An employee who is moved from the position in which the employee
was serving a probational appointment to another position assigned to the same
salary range shall continue at the same basic rate of pay.

b. An employee who is moved from the position in which the employee
was serving a temporary appointment to another position in the same class and in
the same department shall continue at the same basic rate of pay.

2. Regular employees serving limited term or other temporary appointments
who are converted to probational or permanent appointments in the same positions that
they were serving on a limited term or other temporary appointment basis shall continue to
receive the same basic rate of pay they were receiving while serving the limited term or
temporary appointment.

N. Compensation Adjustments Following an Intergovernmental Movement
Made Pursuant to Law.

When an intergovernmental movement has been made pursuant to law, the
compensation of the regular employee involved shall be adjusted as follows:

1. If the result of the intergovernmental movement is that the employee moves
to a position assigned to a class with a higher pay range in the salary schedule than the
previous pay range, the employee's compensation shall be adjusted in the manner as
adjustments for promotion.

2. If the result of the intergovernmental movement is that the employee moves
to a position assigned to a class with the same pay range in the salary schedule as the
previous pay range, the employee's compensation shall be adjusted in the manner of
adjustments for transfer.
3. If the result of the intergovernmental movement is that the employee moves to a position assigned to a class with a lower pay range in the salary schedule than the previous pay range, the employee's compensation shall be adjusted in the manner as adjustments for voluntary demotion.

O. Step Movement.

1. The cost of step movements under this paragraph shall be included in the costs of collective bargaining and submitted to the respective legislative bodies for approval at the appropriate time.

2. For purposes of this paragraph, "continuous creditable service" shall mean service within bargaining unit 02 in all Employer jurisdictions without any break in service provided that the following shall not be considered as time creditable:

   a. absences without pay (other than authorized leave of absence without pay for the purpose of sabbatical, recuperating from an injury for which workers' compensation weekly payments are made or military leave where the President of the United States or the governor of the State has called the Employee to active duty);

   b. absence due to suspension; or

   c. any period of substandard performance.


   a. Employees who have at least five (5) years but less than ten (10) years of continuous creditable service shall move to Step L1 on the first day of the pay period immediately following the completion of five (5) years of continuous creditable service.

   b. Employees who have at least ten (10) years but less than fifteen (15) years of continuous creditable service shall move to Step L2 [L4] on the first
day of the pay period immediately following the completion of ten (10) years of
continuous creditable service.

c. [b.] Employees who have at least fifteen (15) years but less than twenty
(20) years of continuous creditable service shall move to Step L3 [L2] on the first
day of the pay period immediately following the completion of fifteen (15) years of
continuous creditable service.

d. [e.] Employees who have at least twenty (20) years but less than
twenty-five (25) years of continuous creditable service shall move to Step L4
[L3] on the first day of the pay period immediately following the completion of
twenty (20) years of continuous creditable service.

e. Employees who have at least twenty-five (25) years of
continuous creditable service shall move to Step L5 on the first day of the
pay period immediately following the completion of twenty-five (25) years
of continuous creditable service.

P. Other Compensation Adjustments. Compensation adjustments not
expressly provided for by this Agreement but necessitated by authorized personnel
movements or situations shall be made by the chief personnel or human resources
executive, as applicable; provided that consultation shall take place with the Union prior
to effecting any adjustments under this paragraph.