

STATE OF MAINE
DEPARTMENT OF PERSONNEL

July 1, 1986

PERSONNEL BULLETIN 5.10

TO: All Agency Heads

SUBJECT: Pay Grade/Step Determination Upon Reclassification

The purpose of this bulletin is to modify existing practices to conform to Arbitration Award No. 1139-0384-86 which found that practices used to compute salaries under certain types of reclassifications are in violation of Personnel Rule, Chapter 5, Part 2(c).

Personnel Rule, Chapter 5 Part 2(c) states, in part, that when a pay range is established or changed for a classification the pay for employees in the class will be determined as follows:

"If the effect of the amendment (to the compensation plan) is to provide a pay range approximately equal to or higher than that previously in force for positions of the class, the salary rate for any employee who is at or below the maximum of the range prescribed for the class shall be adjusted to that step in the newly established range of the class which corresponds to the step at which the employee was paid prior to the amendment."

ACTIONS AFFECTED BY THIS AWARD

Presently the salary step for employees in positions which are moved from one classification to another classification in a higher pay grade is determined solely by using the "5% promotion rule." The arbitrator in this case has ruled that under certain specialized conditions the application of the 5% promotion rule violates Personnel Rule Chapter 5, Part 2.C.

If a new classification is established to accommodate work that is already being performed by existing employees, the affect of this arbitration decision is to consider those employees as already working in the class when the pay range is established. Thus, under Personnel Rule Chapter 5 Part 2(c), their pay shall be adjusted to the step in the newly established range for the class which corresponds to the step at which the employee was paid prior to the implementation and their anniversary date does not change, i.e., the "step-to-step" rule shall apply. In the future, all employees who are reclassified to new classifications under these conditions will have their pay adjusted in this manner.

ACTIONS NOT AFFECTED BY THIS AWARD

If a new classification is established and a pay range is assigned to accommodate work that is planned to be performed in conjunction with a proactive reorganization proposal, no existing employees are performing the work described by the new class and, therefore, no employees are in the class when the pay range is assigned. Under these circumstances, Personnel Rule Chapter 5 Part 2 (c) does not apply and the pay of employees in positions that are reclassified at the time of implementation of the reorganization shall continue to be computed using the 5% promotion rule.

Salary computations for employees who are reclassified from one existing classification to another existing classification are not affected by this award. The salary for employees so affected will continue to be computed according to the 5% promotion rule.

Salary computations for employees within a classification which is reevaluated to a higher pay range are similarly not affected by this award. The salaries for employees so affected will continue to be computed according to the step-to-step rule.

COVERAGE

The practices modified by this award will be extended to all employees, regardless of bargaining unit status or coverage under the State Employees Labor Relations Act.

A handwritten signature in cursive script, appearing to read "David W. Bustin".

DAVID W. BUSTIN
COMMISSIONER