

POLICY
MEMORANDUM



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MISSISSIPPI STATE PERSONNEL BOARD

Policy Memorandum No. 2 - FY 2000

Revised June 16, 1999

TO: Elected Officials, Agency Directors and Personnel
Officers State Service Agencies

FROM: J. K. Stringer, Jr.
State Personnel Director

1999 JUN 06 1999

DATE: April 22, 1998

**SUBJECT: ADMINISTRATION OF THE VARIABLE COMPENSATION PLAN FOR
FISCAL YEAR 2000**

A. Statement of Purpose

Administration of the Variable Compensation Plan for Fiscal Year 2000 shall be governed by policies and procedures in this memorandum. These provisions shall supersede all conflicting policies and procedures for administration of salaries published in the Mississippi State Personnel Board Policy and Procedures Manual, any additional or replacement manuals, and all subsequent changes to the manual, effective close of business June 30, 1999, and shall become an official attachment to the Mississippi SPB Policy and Procedures Manual for Fiscal Year 2000.

The statutory increase or decrease of any salary under the salary setting authority of the State Personnel Board shall comply with the policies below, except where the Legislature may otherwise provide.

The development of the following policies is based upon implementation of legislative intent as expressed in the following language contained in each state service agency's appropriation act:

From the funds provided in the budget category "Personal Services: Salaries, Wages and Fringe Benefits," funds may be expended for the following purposes, in compliance with policies established by the State Personnel Board and any conditions placed on such expenditures:

- (a) The components of the Variable Compensation Plan shall be maintained within the constraints of the funds appropriated herein.



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- (b) Funds are provided to adjust the Variable Compensation Plan, including realignment, to ensure that all full time employees with at least six (6) months of continuous current service, as of June 30, 1999, receive an increase of One Thousand Five Hundred Dollars (\$1,500.00). Funds are provided to adjust critical job classes up to an additional One Thousand Dollars (\$1,000.00).
- (c) If an employee is currently at or above the end salary for his or her job classification, then the increase shall be built into the employee's base salary. To be eligible for any increase authorized in this section, employees may not have a current performance rating below "meets expectations" as of the effective date of the increase. Employees who subsequently receive a performance rating of "meets expectations" or above during Fiscal Year 2000 shall receive the salary increase effective the date of the rating.
- (d) It is the agency's responsibility to make certain that funds required to be appropriated for "Personal Services" for Fiscal Year 2001 do not exceed Fiscal Year 2000 funds appropriated for that purpose unless programs or positions are added to the agency's budget by the Mississippi Legislature.

B. Coverage of these Policies

- 1. These policies shall govern employee salary increases and position changes for:
 - a. State service employees and positions, and
 - b. Non-state service employees and positions excluded from the state service by Miss. Code Ann. Sec. 25-9-107(c) but subject to State Personnel Board salary setting authority as listed below:
 - (1) Part-time employees and positions [Refer, Miss. Code Ann. Sec. 25-9-107(c)(xi)];
 - (2) Persons appointed on an emergency basis [Refer, Miss. Code Ann. Sec. 25-9-107(c)(xii)];
 - (3) Time-limited employees and positions [Refer, Miss. Code Ann. Sec. 25-9-107(c)(xiv)]; and
 - (4) Administrative heads appointed by the Governor, board, commission or other authority, unless otherwise fixed by statute [Refer, Miss. Code Ann. Sec. 25-9-107(c)(xv)].



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- (5) Administrative officers, deputies, bureau chiefs, and directors and their positions [Refer, Miss. Code Ann. Sec. 25-9-107(c)(xvi)]
2. Agencies or positions with statutory exclusion (not under the salary setting authority of the State Personnel Board and not subject to the compensation policies of this memorandum) are listed below:
 - a. Non-state service agencies [Refer, Miss. Code Ann. Sec. 25-9-107(c)(I) (ii) (iii) (iv) (vii) (viii) (xvii)] and
 - b. Non-state service occupations [Refer, Miss. Code Ann. Sec. 25-9-107(c) (v) (vi) (ix) (xiii)].
3. Salaries set by statute (including the Omnibus Pay Bill) shall be implemented strictly in accordance with legislative intent [Refer, Miss. Code Ann. Sec. 25-3-31, Sec. 25-3-33, and Sec. 25-3-35].
4. Non-state service positions of associate director, deputy directors and bureau directors within the Department of Agriculture and Commerce [Refer, Miss. Code Ann. Sec. 25-9-107(c)(xix)]

C. Policy Provisions for Implementation of Legislative Intent

1. Salary Increases
 - a. Employees with an effective employment date on or before December 31, 1998, who are in job classifications with a current starting salary less than \$11,000, shall receive a salary increase of \$1,500.
 - b. Employees with an effective employment date after December 31, 1998, who are in job classifications with a current starting salary less than \$11,000, shall receive a salary increase of \$600.
 - c. Job classifications with a starting salary greater than \$11,000 shall be increased in accordance with realignment approved by the State Personnel Board.
 - d. Employees with an effective employment date on or before December 31, 1998, who have a current salary greater than \$11,000 shall receive a salary increase of not less than \$1,500 nor more than \$2,500. Each employee shall receive \$900 in-service and from \$600 to \$1,600 realignment.
 - e. Employees with an effective employment date after December 31, 1998, who



- are in job classifications with a current starting salary greater than \$11,000 shall receive a salary increase in accordance with realignment, provided that no employee shall receive less than \$600 nor more than \$1,600.
- f. Position Employee Profile (PEP) Forms will be transmitted to each off-line SPAHRS agency and those agencies unable to print PEP Forms, on or about July 1, 1999, and will reflect the increases for eligible positions.
 - g. Increases for positions in on-line SPAHRS agencies will be reflected in the SPAHRS system July 1, 1999.
2. To be eligible for the increases specified in Section C.1 above, employees may not have a current overall performance rating below "meets expectations" (2.0), as of the effective date of the increase. However, an employee's salary shall not be adversely affected by the agency's failure to comply with the provision of Section 8.0 of the Mississippi State Personnel Policy and Procedures Manual which reference a current Performance Appraisal Review rating. Employees who subsequently receive a performance rating of "meets expectations" or above during Fiscal Year 2000 shall receive the salary increase effective the date of the rating.
 3. Part-time employees covered in Section C.1 above, shall receive the mandated salary increases on a pro-rata basis.
 4. If an eligible employee is currently at or above the end salary for his or her position, or should the salary increases specified in Sections C.1 above cause an eligible employee's salary to exceed the end salary, that portion of the increase exceeding the end salary shall be built into the employee's base salary.
 5. Reallocations
 - a. Those reallocations which were appropriated in the agency's appropriations act for Fiscal Year 2000 must be entered by the agency into the Propose Wage, Salary and Fringe Benefits Segment (PW BR BQ) in SPAHRS by Friday, May 21, 1999.

For filled positions, agencies must submit an Experience and Training Record (either an original or a copy initialed by the Personnel Director) completed and signed by the incumbent with a screen print of the appropriate "Prepare Budget Request" screen stapled to the front.
 - b. Those reallocations which were recommended in the Fiscal Year 2000 Budget Request, but not appropriated for Fiscal Year 2000 may be entered into the



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Position Segment (PO MP RR) of SPAHRS, at the discretion of the appointing authority, on or after July 1, 1999, in accordance with the following policies:

- (1) The on-line notes must identify the position(s) as budgeted but not funded.
 - (2) For filled positions, an Experience and Training Record (either an original or a copy initialed by the Personnel Director) completed and signed by the incumbent must be included, with a print of the appropriate "Reallocation/Reclassification" screen stapled to the front.
- c. For positions requiring written and/or proficiency examinations, individuals meeting the experience and training requirements as reflected in the Experience and Training Record submitted will be scheduled for their examinations by the State Personnel Board on an as needed basis. Only those individuals achieving a passing score will be reallocated.
 - d. For filled positions not requiring written and/or proficiency examinations, only those individuals meeting the minimum qualifications as reflected in the Experience and Training Record submitted will be reallocated.
 - e. In those cases where individuals do not meet the minimum qualifications or achieve a passing score on their examination (if applicable) for the job classification to which the position is to be reallocated, agencies must resubmit the requested reallocation in their Fiscal Year 2001 Budget Request, if such reallocation is still required.
 - f. Reallocations not submitted in accordance with these provisions shall be returned without action.
6. No increase to Appropriated Personal Services Requirements
- It is the agency's responsibility to make certain that funds required to be appropriated for Personal Services for Fiscal Year 2001 do not exceed Fiscal Year 2000 funds appropriated for that purpose unless programs and/or positions are added to the agency's budget by the Mississippi Legislature.
7. Longevity



No funds were appropriated for this component of the Variable Compensation Plan for Fiscal Year 2000.

8. Productivity

No funds were appropriated for this component of the Variable Compensation Plan for Fiscal Year 2000.

D. Scope of State Personnel Director's Authority

1. Requests for State Personnel Board Action

All requests for State Personnel Board action under the Variable Compensation Plan Policy Memorandum No. 2 - Fiscal Year 2000 shall cite the section of the policy memorandum which authorizes such requests and action by the State Personnel Board. The State Personnel Director shall implement only those salary increases provided for in the appropriation bills for Fiscal Year 2000, which are identified in Section C above, and which are appropriately submitted.

2. Fiscal Year 2000 Promotional Formula

The Fiscal Year 2000 Promotional Formula shall be applied for promotions, as well as promotional transfers, upward reallocations, upward reclassifications, and realignments as directed below. The promotional formula is utilized for the purpose of calculating the promotional max salary. **The actual award up to the max salary is at the discretion of the agency head.** The promotional max salary is the maximum that may be awarded. Unless otherwise permitted by law, no single event, including promotion, reclassification or reallocation, shall exceed the greater of (1) the difference between the starting salary of the current classification and the new classification added to the employee's current salary, or (2) the salary that could be paid to an equally qualified, newly hired employee. The authorized salary for promotion to a vacant position is determined under the following provisions:

- a. When the current salary is greater than the old starting salary, the PRO MAX is equal to the difference between the old and the new starting salaries added to the current salary:

EXAMPLE

Current Salary:	\$18,220.80
Old Start Salary:	\$12,648.12
New Start Salary:	\$18,408.60



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$$\begin{aligned} \$18,408.60 - \$12,648.12 &= \$ 5,760.48 \\ \$ 5,760.48 + \$18,220.80 &= \$23,981.28 \text{ PRO MAX} \end{aligned}$$

- b. When the current salary is less than or equal to the old starting salary, PRO MAX is equal to the start salary of the new position.
- c. Where the promotional increase authorized under the promotional formula is less than the salary which could be authorized for a new hire (ten percent above start), promotional flex may be awarded under the same criteria set forth under the provisions for "New Hire Flexibility", Section D.5.b.
- d. In no case will the promotional maximum (PRO MAX) exceed the end salary of the classification to which promoted.
- e. For realignments, maximum eligibility shall be the difference between the old and new starting salaries.

3. **Limitations on Non-Budgeted Reallocations and Realignment**

All requests for reallocation and realignment must be justified and submitted by the requesting agency as outlined in the Mississippi SPB Policy and Procedures Manual for approval by the State Personnel Board or the State Personnel Director.

Agencies with misclassified positions shall include requests for reallocation **in their Fiscal Year 2001 Budget Request**. Reallocations approved in the agency's Fiscal Year 2001 Budget Request shall not be implemented prior to July 1, 2000.

For a reallocation to be considered outside the normal budgetary process, the agency director must fully document in writing a bona fide, mission critical staffing need. The following instances shall be considered bona fide, mission critical staffing needs:

- ** the adverse interruption of direct patient care in agencies providing health care services; or
- ** a definite loss of special funds; or
- ** immediate adverse legal consequences for the agency involved; or
- ** the **serious** disruption of the operations of any state agency which would impede the delivery of essential services to the public by said agency.

Note: The potential resignation of an employee shall not be considered a mission critical staffing need.



a. Non-Budgeted Upward Reallocations

The State Personnel Director shall evaluate the requested classification and the effect of delayed implementation and shall make recommendations to the State Personnel Board as to the action to be taken on the request. The State Personnel Director may approve a request for an upward reallocation which is **vacant** or has: a starting salary of \$20,000 or less; or a starting salary differential between the two classes of twenty percent (20%) or less **and** the new starting salary is \$40,000 or less. However, the State Personnel Director shall make recommendations to the State Personnel Board as to the action to be taken when a request for an upward reallocation of a **filled** position has a starting salary differential of more than twenty percent (20%) or the new start salary is greater than \$40,000.

Requests for non-budgeted reallocations for Information Technology classifications shall be considered on a case by case basis by the State Personnel Board with recommendation by the Information Technology Professional Development Committee (ITPDC). See Policy Memorandum No. 5, *Administrative Policies and Procedures for the Special Compensation Plan for Information Technology Classifications for Fiscal Year 2000*.

- (1) Reallocations which require State Personnel Director approval should be accompanied by **detailed** on-line justification. The agency should also submit to SPB staff, the appropriate Job Content Questionnaire(s) and organizational chart(s), with a screen print of the "Reallocation/Reclassification" attached.
- (2) Reallocations which require State Personnel Board approval must include those items listed in subsection (1) above, as well as a detailed letter of justification signed by the agency head or his/her designee.
- (3) If an employee who has received a upward reallocation returns to his/her previous classification within twenty-four (24) months, the employee shall return to his/her salary before the reallocation, except as may be adjusted by legislative increases.

b. Lateral Reallocations

- (1) The authorized salary for the lateral reallocation of a filled position is no more than the current salary before the reallocation. However, where the salary authorized for the lateral reallocation is less than the salary which could be authorized for a new hire (ten percent above



start), salary flexibility may be awarded under the same criteria set forth under the provisions for "New Hire Flexibility", Section D.5.b.

- (2) If an employee who has received a lateral reallocation returns to his/her previous classification within twenty-four (24) months, the employee shall return to his/her salary before the reallocation, except as may be adjusted by legislative increases.

c. Downward Reallocations

All downward reallocations must be justified and submitted by the requesting agency in accordance with State Personnel Board policies and procedures.

The salary authorized for the downward reallocation of a **filled** position is determined by the following method:

- (1) The authorized salary for any downward reallocation shall be no greater than the difference between the old and the new starting salaries, subtracted from the current salary. However, at agency head discretion, the authorized salary may be reduced to a lower salary within the new job class pay range to ensure equitable compensation with other employees in the same classification. A written acknowledgment signed by the affected employee shall accompany all downward reallocations.

EXAMPLE

Current Salary:	\$18,408.60
Old Start Salary:	\$18,220.80
New Start Salary:	\$12,648.12

$$\$18,220.80 - \$12,648.12 = \$ 5,572.68$$

$$\$18,408.60 - \$ 5,572.68 = \$12,835.92 \text{ MAX}$$

- (2) In extraordinary circumstances, the agency may request the State Personnel Director to allow the employee to remain at his/her current salary as long as the current salary does not exceed the end salary of the new classification.
- (3) Where the salary authorized for the downward reallocation is less than the salary which could be authorized for a new hire (ten percent above start), salary flexibility may be awarded under the same criteria set



forth under the provisions for "New Hire Flexibility", Section D.5 b.

- (4) If an employee who has received a downward reallocation returns to his/her previous classification within twenty-four (24) months, the employee shall return to his/her salary before the reallocation, except as may be adjusted by legislative increases.

d. **Non-Appropriated Realignment**

Except as provided for in Section C.1. above, the State Personnel Board in its sole and absolute discretion on a case by case basis, may approve realignments only if a bona fide and verifiable staffing crisis has arisen due to a substantial increase in salaries in the relevant labor market for the subject job class. In such instances, the agency must provide salary survey data compiled from an acceptable relevant labor market and must justify that delayed implementation of the regular realignment would seriously threaten critical agency services.

Generally, only those job classifications which are specific to the requesting agency will be considered for non-appropriated realignment. However, realignment of generic classes will be considered in the case of extraordinary circumstances, such as court-ordered or legislatively mandated realignment occurring outside the normal budget cycle.

4. Reclassifications

In certain limited circumstances, agency heads may be granted authority by the State Personnel Board to reclassify positions within a class series. Once reclassification authority is approved by the State Personnel Board, reclassification actions may be implemented at the discretion of the agency head. This authority shall expire at the end of each fiscal year unless continuation is adequately justified. Each year on a date prior to fiscal year conversion, the State Personnel Board allows each agency to submit requests for changes to, or continuation of, their authorized schedule of reclassifications. Only reclassifications of classes which are on an agency's authorized reclassification list shall be implemented. Reclassification of an employee from Correctional Officer Trainee to Correctional Officer I after six months training or from Academic Teacher I to Academic Teacher II with acquisition of AA certification illustrates this type of authorization.

5. Original Appointments

- a. Standard New Hire Salary



The authorized salary for a new hire after June 30, 1999, is at or below the starting salary assigned the class in which employed. At the agency head's discretion, a request to increase an employee's salary to the starting salary may be submitted at any time. At no time will a new employee be hired below the federally mandated minimum wage of \$5.15 per hour.

b. New Hire Flexibility

New Hire Flexibility may be awarded when the education, experience, or professional certification possessed by the applicant at the time of appointment to State employment exceeds the minimum requirements for the job classification to which appointed.

Agency heads may request to the State Personnel Director on a case by case basis the award of New Hire Flexibility. The justification that accompanies each individual request to apply New Hire Flexibility should specifically address why it is of greater value for the agency to employ persons with experience, education, or professional certification which exceeds the minimum qualifications of the job classification, along with a synopsis of the extraordinary qualifications of the candidate in relation to the minimum qualifications of the classification. Agencies should also include their methodology for determining the award of New Hire Flexibility.

New Hire Flexibility shall be computed and awarded using the methodology outlined below or the methodology submitted by the agency, not to exceed the maximums outlined in the criteria below:

- (1) Additional directly related experience of at least one year is valued up to a maximum of five percent (5%); and/or

Additional directly related education of at least one year is valued up to a maximum of five percent (5%); and/or

Professional certification directly related, but in excess of any certification required in the minimum requirements of the job classification, is valued up to a maximum of five percent (5%).

- (2) The total cumulative New Hire Flexibility award for any combination of experience, education, or certification shall not exceed ten percent (10%).

- (3) A SPAHRS screen print of the New Hire Flexibility request attached



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to an Experience and Training Record must be forwarded to the State Personnel Board.

- (4) No New Hire Flexibility award shall be approved after the employee has worked over twelve (12) months.
- (5) New Hire Flexibility awards will not be approved in conjunction with job classifications authorized for Recruitment Flexibility.
- (6) In extraordinary circumstances, the agency may request the State Personnel Director to allow more than the maximum of five percent (5%) for additional directly related experience or more than the maximum of five percent (5%) for additional related education. However, under no circumstances shall the total cumulative New Hire Flexibility award for any combination of experience, education, or certification exceed ten percent (10%).

c. Recruitment Flexibility

- (1) All requests to recruit applicants at a salary exceeding the assigned starting salary are to be submitted for State Personnel Board approval prior to a job offer or appointment of an applicant. Such a request shall be accompanied by a letter of justification from the agency head describing documented recruitment difficulties experienced by the agency.

The recruitment difficulties recognized by the Board include, but are not limited to:

- (a) documented recruitment difficulties for a job class which may be attributed to the established minimum or special qualifications of a job, and/or
- (b) insufficient labor market availability of qualified applicants and/or availability of a limited applicant pool complicated by a salary range for the job which is not competitive with the relevant labor market.

Misclassification of a position shall not be used as the basis for a recruitment flexibility request.

- (2) Requests for recruitment flexibility approved by the State Personnel



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Board for an entire classification or for a specific position shall be valid for a period of twelve (12) months from the effective date of approval. If the agency is unable to fill the position within the twelve (12) month period, the State Personnel Director may authorize an extension of the recruitment flexibility for an additional twelve (12) months.

Should the agency fill the position within the initial twelve (12) months approved by the State Personnel Board and should the incumbent subsequently leave the position, the State Personnel Director may authorize the Recruitment Flexibility for a period of twenty-four (24) months from the original effective date approved by the State Personnel Board.

- (3) If within twelve (12) months from the date of hire, the incumbent of a position which has been authorized for recruitment flexibility transfers to a position which has not been authorized for recruitment flexibility, the salary at transfer shall be established by calculating what the incumbent's salary would have been had the position from which he/she transferred not been authorized for recruitment flexibility.
- (4) At the time of hire, the agency shall submit a written acknowledgment signed by the affected employee certifying that he/she has been notified of and fully understands the recruitment flexibility policies and salary calculations.

6. Appointment of New Hires from Agencies or Classifications Not Under the Purview of the State Personnel Board

The authorized salary for an individual hired from a State agency or classification not under the purview of the State Personnel Board into an agency/classification under the purview of the State Personnel Board shall be determined with consideration given to the applicant's related education, experience and length of service in State government. On a case-by-case basis, agency heads may request the State Personnel Director to allow an applicant to be appointed at a salary beyond the limits of New Hire Flexibility, as stated in Section D.5.b., above. The hiring agency must give consideration to other employees in the classification, and place the new hire at a point in the pay range comparable to other employees with similar education, experience and length of service.

7. Appointment of Executive Directors



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1. Initial Salary

The appointing authority responsible for appointing each Executive Director shall have the flexibility at the time of hire to establish the salary of the appointed official at a point within the current pay range which is deemed justified by the appointing authority based upon factors directly related to job performance such as previous work experience and educational attainment. The following documentation shall be submitted at the time of the appointment:

- a. A letter of appointment, signed by the Governor or the chairperson of the appointing board or commission;
- b. An Experience and Training Record completed by the employee (Reference *Mississippi State Personnel Board Policy and Procedures Manual*, Section 4.14.F); and
- c. A copy of the official minutes wherein the employment decision was reached.

2. Subsequent Salary Increases

Upon approval of the State Personnel Director, appointing authorities may increase the salary of an Executive Director at any time after appointment not to exceed the end salary of the position to which appointed. The following documentation shall be submitted at the time of request:

- a. A screen print of the appropriate "Change Compensation" screen in SPAHRS; and
- b. A copy of the official minutes wherein the increase was requested.

3. Executive Salaries Set in Statute

If an Executive Director whose salary is set by statute is transferred or reallocated to an Executive Director position not set in statute, the salary of that individual may be established under the provisions of Section D.7.1 above.

8. **Special Compensation Plans**

Authorization to implement special compensation plans during Fiscal Year 2000 shall



be limited. Only special compensation plans reviewed **prior to the start of Fiscal Year 2000** and approved by the State Personnel Board for implementation or continuation during the fiscal year shall be certified.

9. Additional Compensation

Certification of additional compensation shall be limited to those forms of additional compensation previously approved by the State Personnel Board with the exception of call-back/overtime pay and any other form of compensation that may be subject to the Fair Labor Standards Act during Fiscal Year 2000. The State Personnel Board shall consider other requests for additional compensation where the request is justified by demonstrating that delayed implementation would seriously impair critical agency operations. The State Personnel Board shall not consider new requests to undertake additional compensation not currently authorized except as a bona fide staffing need or as a part of the Fiscal Year 2001 budget request.

10. Educational Benchmarks

The State Personnel Director is authorized to certify requests to award Educational Benchmark increases on a case by case basis. To be eligible for an Educational Benchmark salary increase, an employee must complete requirements which exceed the level of minimum qualifications for education, licensure, or certification listed for the employee's present job class which the employee possessed at the time of appointment into his or her present job class. Generally, seminar courses and achievement recognition certificates do not qualify under this section.

a. General Policies

- (1) Requests for Educational Benchmark awards are made at the discretion of the agency head and are restricted to one (1) year from the date the incumbent acquired certification, completed degree requirements, or attained licensure.
- (2) No Educational Benchmark shall be awarded for degrees, licensure, certification or registration which the incumbent possessed at the time of hire.
- (3) If the employee being awarded an Educational Benchmark is currently at end salary of his or her classification, or should the benchmark cause an employee's salary to exceed end salary, that portion of the benchmark exceeding end salary shall be paid as a one-time lump-sum payment.



- (4) Any new hire flexibility, recruitment flexibility, or other discretionary compensation awarded for or in anticipation of future educational achievement, licensure, or certification shall not result in a subsequent award of an Educational Benchmark for the same achievement.
- (5) Educational Benchmarks shall not be awarded for degrees, licensure, certifications or registrations which are required by law for performance of job duties.

b. **DEGREES**

Increases in increments of up to five percent (5%) **may** be awarded to employees obtaining the following degrees: Associate's, Bachelor's (in no case shall the cumulative award for the achievement of an Associate's Degree and a Bachelor's Degree exceed five percent (5%)), Master's, Specialist and Doctoral.

c. **LICENSURE/CERTIFICATION/REGISTRATION**

Increases of up to five percent (5%) **may** be awarded to employees acquiring licensure, certification, or registration **directly related** to their jobs.

In no case shall an employee receive credit for more than one (1) licensure, certification or registration within a five (5) year period. However, in extraordinary circumstances, agencies may award more than one (1) licensure, certification or registration within the five (5) year period, upon approval of the State Personnel Director. Requests of this nature must fully justify in writing why it is of greater value to the agency for the employee to obtain the licensure, certification or registration.

The program of licensure, certification or registration must require a test. A test is defined as any pass/fail measure of applied knowledge.

d. **BASIC SUPERVISORY COURSE (BSC) and
CERTIFIED PUBLIC MANAGER (CPM) PROGRAM**

In addition to benchmarks for educational degrees and for one (1) licensure/certification/registration, employees may receive an Educational Benchmark for the Basic Supervisory Course and certification in the Certified Public Manager (CPM) program. The following scale indicates the maximum that may be awarded for achievements in these programs:



- 1% increase = Basic Supervisory Course (BSC)
- 2% increase = Certificate in Supervisory Management (CSM)
- 3% increase = Completion of Certified Public Manager (CPM) Program

Note: An employee who has completed the CSM and/or the CPM will not be eligible for a 1% increase for subsequently completing the BSC. However, employees who complete requirements for BSC and CSM between July 1, 1999 and August 31, 1999 may, in the discretion of the State Personnel Director, be awarded a total of 3% educational benchmark (1% BSC and 2% CSM).

11. Transfers

a. Promotional Transfers

- (1) The authorized salary for a promotional transfer is determined under provisions governing the Fiscal Year 2000 Promotional Formula, Section D.2.
- (2) Unless otherwise permitted by law, no single event, including promotion, reclassification or reallocation, shall exceed the greater of (1) the difference between the starting salary of the current classification and the new classification added to the employee's current salary, or (2) the salary that could be paid to an equally qualified, newly hired employee.
- (3) Requests for promotions for classifications included in the Information Technology Special Compensation Plan shall be considered on a case by case basis by the appointing authority with recommendation by the ITPDC.
- (4) If an employee who has been demoted from a higher job class to a lower job class returns to his/her previous classification within twenty-four (24) months, the employee shall return to his/her salary before the transfer, except as may be adjusted by legislative increases.

b. Lateral Transfers

- (1) The authorized salary for a lateral transfer is no more than the current salary before the transfer. However, where the salary authorized for the lateral transfer is less than the salary which could be authorized for a new hire (ten percent above start), salary flexibility may be awarded



under the same criteria set forth under the provisions for "New Hire Flexibility", Section D.5.b.

- (2) If an employee who has been laterally transferred returns to his/her previous classification within twenty-four (24) months, the employee shall return to his/her salary before the transfer, except as may be adjusted by legislative increases.

c. Demotional Transfers

The authorized salary for any demotional transfer shall be no greater than the difference between the old and the new starting salaries, subtracted from the current salary. However, at agency head discretion, the authorized salary may be reduced to a lower salary within the new job class pay range to ensure equitable compensation with other employees in the same classification.

EXAMPLE

Current Salary:	\$18,408.60
Old Start Salary:	\$18,220.80
New Start Salary:	\$12,648.12

$$\$18,220.80 - \$12,648.12 = \$ 5,572.68$$

$$\$18,408.60 - \$ 5,572.68 = \$12,835.92 \text{ MAX}$$

- (1) A written agreement signed by the affected employee shall accompany voluntary demotions.
- (2) A written acknowledgment signed by the affected employee, or a statement from the appointing authority or his/her designee certifying that the employee has been notified of the demotion, shall accompany involuntary demotions.
- (3) If an employee who has been promoted returns to his/her previous classification within twenty-four (24) months, the employee shall return to his/her salary before the promotion, except as may be adjusted by legislative increases.
- (4) In extraordinary circumstances, the agency may request the State Personnel Director to allow the employee to remain at his/her current salary, as long as the current salary does not exceed the end salary of the new classification.



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- (5) Where the salary authorized for the demotional transfer is less than the salary which could be authorized for a new hire (ten percent above start), salary flexibility may be awarded under the same criteria set forth under the provisions for "New Hire Flexibility", Section D.5.b.

12. Salary Increases Which Exceed the Agency Head

In accordance with Section 25-3-39, *Mississippi Code Annotated, 1972*:

- a. No public officer, public employee, administrator or executive head of any arm or agency of the state, designated in sections 25-3-31 through 25-3-35, shall be paid a salary or compensation, directly or indirectly, in excess of the salary fixed in section 25-3-31 for the Governor. All academic officials, members of the teaching staffs and employees of the state institutions of higher learning, the State Board for Community and Junior Colleges, and community and junior colleges, and licensed physicians who are public employees, shall be exempt from this subsection.
- b. No public officer, employee or administrator shall be paid a salary or compensation, directly or indirectly, in excess of the salary of the executive head of the state agency or department in which he/she is employed. Provided, however, the State Personnel Board may, based upon its findings of fact, exempt **physicians and actuaries** from this subsection when the acquisition of such professional services is precluded based on the prevailing wage in the relevant labor market.

In reference to the language contained Section 12.b above, the State Personnel Board has determined that the salaries of physicians and actuaries are exempt from Section 25-3-39, *Mississippi Code Annotated, 1972*.

13. Reappointments for Employees Returning From an Authorized Leave of Absence Without Pay

The authorized salary for an individual returning from an authorized leave of absence to the same job class from which the individual was separated and **within twelve (12) months of separation** is no more than the current salary at the time of the separation, except as may be adjusted by a salary increase authorized by the Legislature, whichever is greatest.



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14. Reemployment for Employees Returning to State Service After Separation in Good Standing

- a. The authorized salary for an individual returning to state service employment within the same job class from which the individual was separated and **within twelve (12) months of separation** is no more than the current salary at the time of the separation, except as adjusted by any **salary realignment** authorized by the Legislature, whichever is greatest.
- b. The authorized salary for an individual returning to state service employment **within 12 months of separation, but not within the same job class or after 12 months of separation**, is determined under provisions for "Original Appointments," Section D.5., without regard to the initial reasons for separation.

E. Performance Appraisal Review (PAR) Requirements

1. Each agency shall have the Performance Appraisal Review (PAR) system in place. All state service employees, and non-state service employees whose positions fall under the purview of the State Personnel Board's salary setting authority [Refer to Section B.1.b herein] shall be covered under the Performance Appraisal Review (PAR) policies certified by the State Personnel Board.
2. The Performance Appraisal Review system shall be incorporated in all aspects of personnel administration and shall be maintained for each employee on a continuous basis throughout each year. A current PAR rating shall be on file and be provided with, or submitted prior to requests for processing personnel actions.

If you have any questions regarding Policy Memorandum No. 2, please contact the Office of Classification and Compensation at 359-2769.