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Scott Crow, Director				Signatu	ıre on File		

Employee Compensation

The following procedures establish guidelines for the equitable and consistent application of Oklahoma Statutes (74 O.S. § 840-2.15A. and 74 O.S. § 840-2.15B.) and [Civil Service Rules 260:130-15-1 through 260:130-15-2] governing employee compensation. (2-CO-1C-01, 4-ACRS-7E-07) Pay raises are prohibited unless specifically authorized by legislation or the Personnel Administration Rules. A cost-of- living raise or any other type of raise that would be given to state employees on an across-the-board basis is prohibited unless specifically authorized by the Legislature.

I. <u>Entrance Salary</u>

A. Hiring Rate

The hiring rate is the rate of pay for a job within its assigned pay band range. No hiring rate may be established below the minimum or above the maximum rate of pay established for a pay band without prior approval from the agency director. The minimum, midpoint, and maximum annual rates of pay for each pay band are maintained within the State Employee Pay

Structure established by the Human Capital Management (HCM) Division of the Office of Management and Enterprise Services (OMES) (Civil Service Rule 260:130-15-2).

Hiring rates will be based on the work performed, the duties and responsibilities assigned, and other relevant factors which may include consideration of recruitment and retention issues, internal pay equity, market rates, and the training and qualifications of the employee being appointed. (2-CO-1C-22, 5-ACI-1C-18, 4-ACRS-7E-09, 4-APPFS-3E-10)

1. Standard Hiring Rate

The central Human Resources unit will establish a standard hiring rate for each job family level. The standard hiring rate will be used for all employees hired into the job family.

- a. If competitive labor market, economic or other employment conditions make recruitment of applicants for employment in a job difficult at the standard hiring rate, an increase to that rate may be approved by the agency director.
- b. Prior to establishing a new standard hiring rate, consideration will be given to incumbents to ensure that any employee in that job family level who is paid below the proposed hiring rate can be adjusted to an amount comparable to the proposed hiring rate.
 - (1) The compensation rate of current employees set below the standard hiring rate within the same job family will be adjusted.
 - (2) Any adjustments to current employee salaries must be accomplished within the agency's budget for the current and subsequent fiscal years without the need for additional funding to increase the personnel services budget of the agency.

2. Individual Special Hiring Rates

- a. Hiring rates for individuals above the standard hiring rate for the job may be requested when:
 - (1) An applicant for initial hire (i.e., appointed from a certified list) exceeds the minimum education and/or experience qualifications required for the job;
 - (2) It serves the needs of the agency; and
 - (3) Consideration is given to the rates of pay previously paid or offered to similarly qualified applicants under similar circumstances.

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b. Facilities/units may request individual special hiring rates by submitting a completed "Request for Individual Special Hiring Rate" (<u>Attachment A</u>, attached) for approval to the central Human Resources unit through the appropriate regional or divisional office.

- B. <u>Hiring Rates/Annual Salary Adjustments for Teachers and Vocational</u> Training Instructors (57 O.S. § 510.6a.)
 - 1. Entrance salary and annual salary adjustments for Oklahoma Department of Corrections' (ODOC) teachers (I23A & B) and vocational training instructors (K28A) will be determined by the central Human Resources unit in accordance with 57 O.S. § 510.6a.
 - a. Salary will be determined by multiplying the appropriate salary from the schedules coded in 70 O.S. § 18-114.14. by 120 percent.
 - b. Employees in the correctional teacher II (I23B) positions will receive an additional five percent.
 - c. Employees in the correctional teacher I (I23A) or correctional teacher II (I23B) positions who possess a special education certificate will receive an additional five percent.
 - 2. To determine the creditable years of teaching experience for a new employee, as defined in 70 O.S. § 18-114.14., years of credited teaching experience and creditable active military service duty, not to exceed five years, will be considered.
 - a. These salary components, as well as the educational degree, will be verified with the Oklahoma Department of Education by the Education unit and documents forwarded to the central Human Resources unit.
 - b. Years of teaching will be expressed in whole years (no rounding) as of the preceding June 1.
 - 3. Annual salary adjustments will be determined by the central Human Resources unit in accordance with the governing law.
 - a. These adjustments will be computed based on each employee's information as of June 1 as confirmed by the agency's central Human Resources unit and each correctional teacher.
 - Any appropriate "step" salary adjustment for ODOC employees occupying one of these jobs will be effective July 1, unless otherwise directed by legislation for teachers in the state of Oklahoma.

II. Pay Adjustments Due To Personnel Actions

A. <u>Promotion/Career Progression</u>

Promotion is defined as the reclassification of a state employee to a different job with a higher pay band assignment or to a higher level within the same job family. Salary on promotion/career progression will equal the hiring rate for the new job.

B. Detail to Special Duty

An employee's pay will not be reduced as a result of a detail to special duty. Pay upon detail to special duty will be in accordance with the procedures for pay upon promotion in Section II. of this procedure provided that the detail meets the definition of a promotion: reclassification of a state employee to a different job with a higher pay band assignment or to a higher level within the same job family.

C. Demotion

Demotion is defined as the reclassification of a state employee to a different job with a lower pay band assignment or to a lower level within the same job family. Demotion may be voluntary or involuntary. Pay upon demotion will equal the hiring rate for the new job.

D. Lateral Transfer

Lateral transfer is the reassignment of an employee to another state job with the same pay band assignment as the job family level to which the employee had been classified prior to the lateral transfer.

If the new job has the same pay band assignment and is in the same job family but at a higher level, the transaction is a promotion; if it is in the same job family but at a lower level, the transaction is a demotion.

Pay upon lateral transfer will equal the established hiring rate for the new job.

III. Shift Differentials

The following shift differentials are compensation received in addition to base pay and will be paid in accordance with these procedures. The hours an employee is eligible to receive a shift differential must be reported monthly by the appropriate facility/unit supervisor or designee and recorded on the monthly time/leave sheet in accordance with OP-110120 entitled "Procedures for Time/Leave Sheets and Payroll Processing." The hours will be reported on the "Shift Differential Monthly Reporting Form" (Attachment B, attached) and submitted to the central Human Resources unit no later than the fifth working day of the following month.

Shift differential payments will only be made for hours actually worked (W). No payment will be made for any time an employee is on leave status (paid or unpaid)

or when the employee no longer occupies the particular position under the circumstances that necessitated the differential.

A. Evening Shift Differential (4:00 p.m. to 12:00 a.m.)

The "Evening Shift Differential" (<u>Attachment C</u>, attached) lists the jobs and amounts that will be paid for the evening shift differential. Employees must work five hours of all of the hours designated as the evening shift in order to receive the pay differential for the entire shift. No partial shift differential will be paid.

B. Night Shift Differential (12:00 a.m. to 8:00 a.m.)

The "Night Shift Differential" (<u>Attachment D</u>, attached) lists the jobs and amounts that will be paid for the night shift differential. Employees must work a majority, more than four hours, of the designated night shift hours in order to receive shift differential payment for the entire shift. No partial shift differential will be paid.

C. Rotating Shift Differential

The "Rotating Shift Differential" (<u>Attachment E</u>, attached) lists the jobs and amounts that will be paid for a rotating shift differential. A rotating shift is defined as a shift where an employee would rotate between the evening and night shift. No partial shift differential will be paid.

IV. Sign-on Pay Incentive

A. Eligible Positions

Applicants who are appointed to the positions listed below may receive a sign-on pay incentive if eligibility requirements are met and funding is available. The incentive will normally be issued via two equal payments within six months of entering on duty. The first payment will normally be issued on the employee's first main payroll. The second payment will normally be issued on the employee's main payroll following his/her completion of five months of employment with the agency.

1. Registered Nurse Level I, II or III (Y12A, Y12B, or Y12C)

Initial Payment: \$2,500
After five months employment: \$2,500
TOTAL INCENTIVE: \$5,000

2. Licensed Practical Nurse I or II (Y11A or Y11B)

Initial Payment: \$1,500
After five months employment: \$1,500
TOTAL INCENTIVE: \$3,000

B. Eligibility

Applicants must meet the following criteria in order to receive a sign-on pay incentive:

- Must be a new state employee or a former State of Oklahoma employee following a break in service from the state of at least 180 days;
- 2. May not have previously received a sign-on incentive payment from any state agency during any period of state employment, regardless of any prior repayment;
- 3. Must sign a "Sign-on Pay Incentive Application" (Attachment G, attached) acknowledging the obligation to repay the entire incentive, including tax withholdings on the incentive, if the individual voluntarily or involuntarily (other than through a reduction in force) leaves state employment or accepts employment with another state agency within one year after receiving the incentive payment; and
- 4. Completion of a full background investigation, which resulted in a recommendation to hire.

V. <u>Housing Allowance</u>

Total compensation for wardens and deputy wardens for which state housing is not available will be adjusted to include a monthly housing allowance to ensure equitable compensation practices are maintained (See Attachment F (attached) entitled "Monthly Housing Allowance for Wardens and Deputy Wardens"). This housing allowance will not be part of the employee's base salary and is not subject to retirement contributions.

VI. <u>Temporary Employee Wages</u>

Pay for temporary employees will be an hourly amount that is equal to the comparable job's hiring rate unless a different rate of pay has been established and approved by the agency director.

VII. State Supplemental Pay to Military Pay (44 O.S. § 209. and 72 O.S. § 48.)

A. <u>Employees Ordered to Active or Inactive Service</u>

Employees ordered to active or inactive service with the Oklahoma National Guard or United States Military Reserve Components under conditions outlined in OP-110355 entitled "Procedures for Employee Attendance and Leave" will be paid the difference between their state regular pay and military pay if military pay is less than their regular state pay.

B. Military Pay

For the purpose of this section, military pay includes all compensation

received in exchange for the military service. This includes payments generally received on a regular basis and includes, but is not limited to:

- 1. Base pay;
- 2. Housing allowance or other living expenses;
- 3. Pay for family or marital status;
- 4. Pay associated with the location or conditions of the duty station;
- 5. Specialty pay; or
- 6. Pay for skills or education not included in base pay.

It does not include payments to the employee (generally received episodically) that serve as reimbursements for such expenses as the costs associated with travel, purchase of uniforms, or for reenlistment.

C. <u>Difference Between Regular State Pay and Military Pay</u>

Any state pay the employee receives for any paid leave used to cover absences due to military service will serve to offset the difference between regular state pay and military pay.

VIII. <u>References</u>

Policy Statement P-110100 entitled "Uniform Personnel Standards"

OP-110120 entitled "Procedures for Time/Leave Sheets and Payroll Processing"

OP-110355 entitled "Procedures for Employee Attendance and Leave"

Civil Service Rules 260:130-15-1 through 260:130-15-2

44 O.S. § 209.

57 O.S. § 510.6a.

70 O.S. § 18-114.14.

72 O.S. § 48.

74 O.S. § 840-2.15A

74 O.S. § 840-2.15B

IX. Action

The chief administrator of Human Resources is responsible for compliance with this procedure and for the annual review and revisions Section-11 Human Resources OP-110340 Page: 8 Effective Date: 06/30/2022

Any exceptions to this procedure will require prior written approval from the agency director.

This procedure is effective as indicated.

Replaced: OP-110340 entitled "Employee Compensation" dated January 19,

2021

Distribution: Policy and Operations Manual

Agency Website

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<u>Attachments</u>	<u>Title</u>				<u>Location</u>
Attachment A	"Request for	Individual Spe	cial Hiring Rate	"	Attached
Attachment B	"Shift Differe	ntial Monthly F	Reporting Form"		Attached
Attachment C	"Evening Shi	ft Differential"			Attached
Attachment D	"Night Shift [Differential"			Attached
Attachment E	"Rotating Sh	ift Differential"			Attached
Attachment F	"Monthly Hou Wardens"	using Allowand	e for Wardens	and Deputy	Attached
Attachment G	"Sign-on Pay	/ Incentive App	olication"		Attached