

**LOUISIANA STATE UNIVERSITY HEALTH CARE SERVICES DIVISION
BATON ROUGE, LOUISIANA**

POLICY NUMBER: 4534-24

CATEGORY: Human Resources

CONTENT: State Civil Service Rule 6.16.2 Optional Pay
Policy and Procedures

APPLICABILITY: This policy applies to full-time permanent, classified employees at the HCSD Administration (HCSDA) and Lallie Kemp Regional Medical Center (LKMC).

EFFECTIVE DATE:

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Reviewed:	August 12, 2020
Reviewed:	May 10, 2022
Reviewed:	June 14, 2023
Reviewed:	June 18, 2024
Revised:	December 17, 2024

INQUIRIES TO: Human Resources Administration
LSU Health Care Services Division
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NOTE: Approval signatures/titles are on the last page

**LSU HEALTH CARE SERVICES DIVISION
STATE CIVIL SERVICE RULE – 6.16.2 OPTIONAL PAY
POLICY AND PROCEDURES**

I. POLICY STATEMENT

It is the policy of the Health Care Services Division (HCSD) to apply the provisions of State Civil Service Rule 6.16.2, Optional Pay Adjustments, as a compensation strategy to address the following:

- C.S. Rule 6.16.2(a) – Matching a Job Offer. To provide for the retention of employees deemed essential to the agency.
- C.S. Rule 6.16.2(b) – Compression Pay. To adjust pay differentials between comparable employees.
- C.S. Rule 6.16.2(d) – Recruitment. To recruit employees into difficult to fill positions.
- C.S. Rule 6.16.2(c) – Additional Duties. To compensate employees for additional duties of either a permanent or temporary nature.

Optional Pay may only be granted to full-time permanent, classified employees with a current Performance Evaluation (PES) rating of at least “Successful.” Employees receiving an “Unrated” or a “Not Evaluated” PES rating are considered equivalent to “Successful” and are eligible for Optional Pay.

No employee shall receive more than the maximum amount allowed by State Civil Service Rule 6.16.2 within a fiscal year.

Note: Any reference herein to Health Care Services Division (HCSD) also applies and pertains to Lallie Kemp Medical Center.

II. IMPLEMENTATION

This policy and subsequent revisions to this policy shall become effective upon approval of the State Civil Service Commission and approval and signature of the HCSD Chief Executive Officer or designee.

Approved by State Civil Service Commission: December 4, 2024

III. POLICY PROVISIONS

- A. Employees at range maximum are eligible for lump sum payments only, where applicable.
- B. Optional pay adjustments shall not duplicate payments received in accordance with any other State Civil Service Rule.
- C. An employee shall not be eligible for either a lump sum or base pay increase for additional duties if they have already been compensated according to another CS Rule.

- D. Employees who are at range maximum cannot receive lump sum payments in consecutive years, even if the reasons for the payment are different.
- E. The effective date of an approved Optional Pay adjustment/payment shall be effective at the beginning of a pay period.
- F. Base pay increases may not exceed the maximum of the employee's designated pay range for his/her job.

IV. CRITERIA FOR APPLICATION

Depending on available funding, Optional Pay adjustments/payments will be used to address the following:

A. Job Offer Match-CS Rule 6.16.2(a):

Employees at range maximum are not eligible for this payment.

Attachment #1 should be completed and submitted to HCSD HR Administration for prior approval and subsequent submittal to State Civil Service, as applicable.

1. Permanent employees judged by the appointing authority to be essential to the agency may, with prior approval of the appointing authority, receive a base pay increase up to 10% to match a written and verified job offer from:
 - a. A private employer.
 - b. A non-state governmental entity.
 - c. An unclassified position at another state agency.

Note: As an exception only, if the employee is unable to provide a written job offer and the agency is able to verify the job offer by telephone, it is permissible to allow for Optional Pay; this exception will be at the appointing authority's discretion and shall not be used routinely.

2. Optional Pay above the 10%:

If an employee has a job offer that is more than 10% above his/her current salary, the agency may grant the 10% allowed under this policy. However, any request for an additional adjustment above 10% must be approved by the Civil Service Commission in accordance with C.S. Rule 6.16(c), Individual Pay Adjustments.

B. Compression Pay-CS Rule 6.16.2(b).

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

Attachment #1 should be completed and submitted to HCSD HR Administration for prior approval.

1. Salary compression may occur when managers/supervisors are paid at a rate lower than those they supervise. Please remember that it is perfectly logical that a twenty (20) year employee in a staff level position will have a higher salary than a supervisor with just seven (7) years of service/experience. However, if the supervisor has twenty (20) years of service/experience and makes less than the subordinate with seven (7) years of service, an increase for the supervisor may be warranted.

There is no CS rule that says an employee who either has more state service than another employee or is in a higher position than another employee must have a higher salary.

2. Salary Compression may also be caused when there is only an insignificant difference in pay between employees in the same job series, despite significant difference in merit factors such as:
 - a. Length of total state service
 - b. Time in current job series
 - c. Skills and experience
 - d. Education/credentials
 - e. Performance
3. Salary compressions often occur when the current employee pay hasn't kept up with increase 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 into consideration.
4. The appointing authority may grant a base pay increase up to 10% to an employee to reduce pay compression.
5. Supervisors/co-workers who simply earn less due to fewer years of state service or in the absence of any specific action which caused the inequity of pay are ineligible for an adjustment since pay ranges overlap and no specific action caused the disparity.
6. If an agency 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 agency feels is compression specifically not listed above, contact and discussion with Civil Service compensation consultant is required prior to making any payment.

C. Recruitment-CS Rule 6.16.2(d)

This rule is used to recruit employees into difficult-to-recruit jobs.

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

Attachment #1 should be completed and submitted to HCSD HR Administration for prior approval. The request must include justification to include turnover, recruiting statistics, SERs, criticality of position, undesirable work location or

conditions, impact to agency if not filled, etc.

1. The appointing authority may request a base pay increase of up to 10% to a classified, permanent full-time employee in addition to any other compensation granted under State Civil Service Rule 6.7 in order to attract employees into a position for which recruiting is difficult.
2. Payments made under this option should be restricted to those areas with the highest turnover and the most recruiting difficulties. If possible, difficult to recruit jobs should be identified prior to filling a vacancy so that the job posting may include the details of the Optional Pay eligibility.
3. Turnover and recruiting statistics shall be regularly reviewed to determine the continuing need for Optional Pay on recruiting efforts.
4. Optional Pay shall be applied uniformly for incumbents recruited into difficult to recruit jobs.
5. New probational employees hired into difficult-to-recruit jobs may be granted, with approval of the appointing authority, up to a 10% increase in base salary upon attainment of permanent status.
6. Employees hired from other state agencies who transfer into HCSD with permanent status may also be granted, with approval of the appointing authority, up to a 10% increase in base salary for difficult to recruit jobs. The adjustment may be granted:
 - a. Upon employment, if no SER is in place.
 - b. OR, following the appointing authority's determination that the employee is capable of satisfactory job performance as evidenced by at least six (6) months of satisfactory performance, or by the employees' first PES rating at HCSD, whichever occurs later.

D. Additional Duties-CS Rule 6.16.2(c):

This rule is used to compensate employees for additional duties of either a permanent or temporary basis.

Employees at range maximum are only eligible for a lump sum payment and cannot receive lump sum payments in consecutive years, even if the reasons for the adjustments 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 in accordance with another Civil Service rule.

Attachment #2 should be completed and submitted to HCSD HR Administration for prior approval to define additional duties, determine permanent or temporary adjustment, as well as, to document the percent of adjustment granted.

1. Requests for permanent Optional Pay for additional duties:

- a. May request a base or lump sum pay increase of up to 5% within a fiscal year.
- b. An employee may not receive more than 10% base pay increases for additional duties within three (3) consecutive years.
- c. An official position description must be updated to clearly indicate the additional duties and processed by Civil Service within thirty (30) days prior to granting the adjustment. Updates resulting in reallocations to the employee's job, due to the additional duties, are not eligible for optional pay for the additional duties.
- d. This provision will apply only in situations where the assignment of additional duties does not result in a reallocation upward of the employee's position.

2. Requests for temporary Optional Pay for additional duties:

If the assignment of the additional duties is temporary in nature, the employee is eligible for one (1) of the following compensation options:

- a. A lump sum payment up to 5% when the assignment is completed.
- b. A lump sum payment of up to 5% may be spread among pay periods for the duration of the assignment for a period not to exceed one (1) year.

If the temporary duties last longer than one (1) year, employees may be granted an adjustment in consecutive years, but the request must be reviewed and go through the internal approval process.

This temporary adjustment is not part of base pay and shall be paid as a lump sum amount on a bi-weekly basis as applicable through the payroll system.

- c. The amount of the approved Optional Pay lump sum that is spread among pay periods must be based on the employee's current base pay at the time the duties are assigned.

The employee's lump sum adjustments, whether a one-time sum or biweekly recurring lump sum, shall not be re-calculated within the year due to an increase in base salary caused by performance/market adjustments, reallocations, promotions, etc. The initial approved adjustment remains in effect for the entire approved year or at the time the temporary duties end, whichever comes first.

At the point it is determined the duties are needed beyond one (1) year and the optional pay has been re-approved for an additional time, (not to exceed 1 year), the employee's base pay will be re-calculated based on employee's current base pay at time of re-

approval.

- d. An employee cannot receive a permanent base pay increase for temporary duties.
- e. An employee may not receive more than 10% base pay within three (3) consecutive years.

V. RESPONSIBILITIES

- A. Hospital Administrator
 - 1. Ensures funding is available to implement any requested salary adjustments under CS Rule 6.16.2.
 - 2. Ensures there is consistent treatment among employees.
- B. Human Resources Director
 - 1. Reviews all requests for Optional Pay adjustments to ensure compliance with HCSD policy and Civil Service Rules. Research other situations which may be comparable to that being requested to assure consistency in application of HCSD policies and CS rules.
 - 2. Submits requests for Optional Pay to HCSD HR Administration for prior approval.
 - 3. Maintains a copy of the approved Optional Pay with documentation, in the employee's personnel file for reference/audit purposes.

VI. POSTING/REPORTING REQUIREMENTS

- A. This policy shall be posted in a manner that assures its availability to all employees along with a listing of all employees who receive payments according to this policy.
- B. An annual report shall be submitted to the Civil Service by July 31 detailing payments made to employees under Civil Service Rule 6.16.2 during the previous fiscal year ending June 30th.

VII. REVISIONS TO POLICY

This policy will be revised as necessary due to changes in the Civil Service Rule. Any other revisions to this policy must be approved by the HCSD Human Resources Administration and State Civil Service Commission.

VIII. EXCEPTIONS

The HCSD CEO or designee may waive, suspend, change, or otherwise deviate from any provision of this policy they deem necessary to meet the needs of the agency as long as it does not violate the intent of this policy; state and/or federal laws; Civil Service Rules and Regulations; LSU Policies/Memoranda; or any other governing body regulations.

**REQUEST OF OPTIONAL PAY ADJUSTMENT OTHER THAN FOR
ADDITIONAL DUTIES (R 05/24)**

/ Retention of Permanent Employee / Adjust Pay Differentials/Compression / Recruiting

Hospital/Department: _____

Employee Name: _____ PS EmpID: _____

Perm Status? _____ PES = Successful? _____ Employee at range Max? _____

Job Title: _____

CS Pay Schedule/Max hrly: _____ Current Base Hourly: _____

Hourly or Lump Sum _____ % of adjustment: _____

/ Added to Base Pay / One-time Lump Sum

Effective Date: _____

Justification: _____

/ Approved _____

Signature Appointing Authority

Date

Approval certifies that funding is available to implement adjustment

/ Approved / / Disapproved _____

Signature HCSD HR Administration

Date

Comments: _____

FORM WITH ATTACHMENTS SHOULD BE FILED IN EMPLOYEE PERSONNEL RECORD

OPTIONAL PAY REQUEST FOR ADDITIONAL DUTIES (R05/2024)

Employee Name: _____ EmplID: _____ Perm Status? _____

Job Title: _____ Department: _____

Employee Hrly rate: _____ Pay Level/Hrly Range Max: _____

% Adjustment and Corresponding Dollar Amount Requested: _____

Type of Adj: [] Permanent Base Pay [] One-time Lump Sum [] Temp Biweekly Lump Sum*

(*Temp Bi-weekly lump sum is not part of base and must be paid on the payline in PeopleSoft)

Requested Effective Date: _____

If perm base pay request, CS approved title and date of position description: _____

Is employee receiving any Premium Pay for any of these additional duties? _____

List additional duties added to updated job description: _____

Will the employee have to learn new skills and/or competencies? If so, please explain. _____

Has the employee received an Optional Pay increase before? If so, please list dates and reasons.

_____/_____/_____/ Approved _____
Signature Appointing Authority Date

Approval certifies that funding is available to implement adjustment

_____/_____/_____/ Approved /_____/_____/ Disapproved _____
Signature HCSD HR Administration Date

FORM WITH ATTACHMENTS SHOULD BE FILED IN EMPLOYEE PERSONNEL RECORD

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