

Subject: Discretionary Pay Differential Plan for Classified Employees

Purpose: To define the qualifying conditions and process (the "Plan") supporting a temporary pay differential for classified employees.

Background: State Personnel System Rule 3-49 permits the University to authorize temporary, discretionary pay differentials. In accordance with Rule 3-49, use of any such pay differential is at the discretion of the appointing authority and shall not be used as a substitute for annual compensation adjustments, other pay policies, or promotions. As an initial requirement before a differential can be granted, the University must develop and communicate a written plan addressing appropriate criteria for the use of any differential based on sound business practice and needs.

Definition: A differential requested and approved in accordance with the Plan shall be temporary as defined further below and shall not be base building. In no case shall the amount of a temporary award, when added to the employee's current base pay, exceed the statutory monthly payroll lid for the employee. All differentials paid under this Plan will be paid through the regular University payroll process. A temporary pay differential must be funded within a unit's existing budget.

No differential is guaranteed and, if granted, may be discontinued at any time. No aspect of any discretionary pay differential is subject to grievance or appeal, except for discrimination. An alleged violation of this plan can be disputed by submission of a letter stating the nature of the dispute and the relief sought. The letter of dispute must be addressed to the appropriate appointing authority. The University's decision in any such dispute is final and no further recourse is available.

Eligibility: All Permanent Classified Employees

Process: To initiate a differential for an employee, a supervisor shall submit a written request to his or her to the Dean or Department Director. A request approved by a Department Director or Dean must be forwarded for approval to the appropriate appointing authority. The appointing authority will review the request. If the appointing authority endorses the request, the appointing authority will confirm that the differential can be funded within the requesting unit's current budget before forwarding the request to the President for final review and approval. University

Human Resources will provide the necessary form for requesting and routing a differential request. The requesting and routing form must be completed in order to ensure that essential information is carried through the approval process.

The request must be accompanied by an explanation of why the pay differential is necessary, an explanation of the alternatives to a pay differential that were considered and the reason why those alternatives were judged to be less appropriate than a temporary pay differential. The request should also be accompanied by an explanation of how the work assignments that gave rise to the request will be handled after the time limit on the pay differential is reached.

An individual written agreement of an approved differential shall be documented between the employee and his or her appointing authority. This agreement will describe the terms and conditions of the differential, including the dates the differential will begin and end, the amount of the differential and the work to be performed for the differential.

Terms & Conditions: A temporary pay differential may be used for the following reasons.

1. Acting Assignment. An acting assignment is when the employee assumes the full set of duties of a higher-level position that is vacant or the incumbent is on extended leave for a period longer than 30 days but less than six months. A differential based upon acting assignment shall not exceed six months.
2. Project Assignment. A project assignment is when an employee is asked to take on duties which are not an expected or customary part of the employee's regular assignment and those duties are critical to the mission and operations of the department as defined by the purpose of the project, its time frame, and the critical nature and expected results. A differential based upon a project assignment shall not exceed twelve months. Upon fresh request by a supervisor (including those circumstances explaining why the project was not completed in twelve months), a project assignment differential may be approved and extended for up to an additional six months.

Questions concerning the administration of this plan may be referred to the Human Resources Director.