



# POLICY

<b>Approved by:</b> Rebecca R. Hunter, Commissioner	<b>Policy Number:</b> 12-024 (Rev. 6/15)
<b>Signature:</b> <i>Rebecca R. Hunter</i>	<b>Supersedes:</b> 11-032; 88-033; 12-024
<b>Application:</b> Executive Branch Agencies, Human Resource Officers	<b>Effective Date:</b> June 1, 2015
<b>Authority:</b> T.C.A. § 4-3-1703, T.C.A. § 8-30-104	<b>Rule:</b> Chapter 1120-04

**Subject:**

## Salary Adjustments

An agency shall submit to the Department of Human Resources (DOHR) written justification approved by the agency's appointing authority explaining why a salary adjustment for an employee is warranted. DOHR reserves the authority to approve or disapprove requests submitted in accordance with this policy for any reason, including, but not limited to, concerns involving budget, and statewide equity considerations. If additional information is required, the agency must provide the information before DOHR will issue a determination.

The agency's Appointing Authority, and when applicable, the Chief Budget Officer must sign the request certifying the agency's ability to fund the requested salary adjustment.

Listed below are five types of salary adjustments. The Department reserves the right to approve other salary adjustments based on the good of the service, subject to funding approval.

### Salary Equity Adjustment

Equity adjustments may be granted to lessen the severity of existing salary inequities between an employee and other employees in the same job classification. In these situations, particular attention will be given to employees within the same work unit and agency. Typically, DOHR will not approve equity adjustments to alleviative salary inequities caused by appointing a new hire above the range minimum based upon the employee's credentials or to lessen the inequity caused by a previous practice of in-range hiring.

Salary equity adjustments may also be given to an employee who is permanently assigned additional responsibilities that are more complex than those typically performed by the

employee's current classification. Information detailing both the employee's former job duties and new job duties must be included in the formal request. An employee may only receive one equity salary adjustment within a twelve (12) month period. Salary equity adjustments may not increase an employee's salary over the range maximum of their current classification.

Salary adjustments of one (1) step<sup>1</sup> or less will not receive an extensive review by DOHR, provided that the employee has not received an equity adjustment within the last twelve (12) months.

### Temporary Assignment Adjustment

A salary adjustment may be given to an employee who is either temporarily assigned additional responsibilities that are more complex than the employee's current job classification (assignment differential) or assigned to be on an irregular shift (shift differential). When the additional responsibilities are no longer being performed or the employee is no longer assigned to the irregular shift, the salary adjustment must be removed.

The employee receiving either the assignment or shift differential, must sign an awareness statement acknowledging that this adjustment is temporary. A sample awareness statement is included below. The original signed awareness statement shall be maintained in the employee's personnel file.

An agency requesting a salary adjustment based on an employee's temporary assignment of additional responsibilities shall submit a copy of the signed awareness statement along with the Assignment Differential request form.

### College Degree Adjustment

An appointing authority may request a one-step salary adjustment when an employee obtains a college degree from an accredited college or university if the employee's major or minor is related to or enhances the employee's current job responsibilities. The appointing authority must submit written justification explaining how the degree relates to or enhances the employee's current job classification. DOHR reserves the right to make the final decision whether the degree is related to the employee's current job classification. The effective date of the approval will be the first day of the defined work week after the request is submitted to the Classification and Compensation Division.

### One-Time Incentive Bonus Payment Adjustment

An agency may request a one-time incentive bonus payment for any employee. The appointing authority must submit to the Department written justification detailing the

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incentive. Such payments shall not be made to compensate for additional work hours by an employee. An employee may only receive this bonus once per calendar year.

Questions regarding the approval of salary equity or assignment increases may be directed to the Classification/Compensation Division.

<sup>1</sup>Salary step or step is defined in the policy entitled "*Salaries for Preferred Employees.*"

Acknowledgement and Awareness Statement

I, \_\_\_\_\_, from \_\_\_\_\_,  
(Print – your full name) (Print – name of your department or agency)

hereby certify that I have read and agree with the Department of Human Resources' Policy 12-024 that states the following for a Temporary Salary Adjustment:

*A salary adjustment may be given to an employee who is either temporarily assigned additional responsibilities that are more complex than the employee's current job classification (assignment differential) or assigned to be on an irregular shift (shift differential). When the additional responsibilities are no longer being performed or the employee is no longer assigned to the irregular shift, the salary adjustment must be removed. The employee must sign an awareness statement acknowledging that this adjustment is temporary.*

I understand that I am being given a temporary salary adjustment due to either assumption of additional duties or an irregular shift and that such salary adjustment will be removed once I am no longer performing these duties or working the irregular shift.

If I have questions regarding policy 12-024, I should contact my agency's Human Resources Office or the Department of Human Resources.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date