

# Michigan Civil Service Commission

## Regulation 5.01

<b>Subject:</b>		
<b>General <del>Salary</del> Pay Schedule Administration</b>		
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### Table of Contents

1.	Purpose.....	2
2.	CSC Rule References.....	2
3.	Standards.....	4
	A. Full and Part-time Employees.....	4
	B. Schedule Establishment and Amendment.....	4
	C. Salary Range.....	4
	D. Movement Within the Salary Range.....	5
	E. Salary Upon New Hire (Initial Appointment).....	6
	F. Salary Upon Personnel Action Other Than New Hire, Reduction in Force, or Recall.....	6
	G. Salary Upon Reduction in Force.....	7
	H. Salary Upon Recall.....	7
	I. Salary for Working Out of Class (WOC).....	7
	J. Salary Upon Return from Leave of Absence.....	8
	K. Salary Upon Return from Military Leave of Absence.....	8
	L. Salary Upon Appointment to and Reclassification from Departmental Trainee and Transitional Positions.....	8
	M. Salary Upon Appointment to Other Entry Level Professional Classifications.....	9
	N. Training Rate Upon Job Change Within Group 1 of the ECP.....	9
	O. Special Pay Application.....	9
	P. Special Work Schedule.....	10

**Q. Exceptions.....10**

**1. Purpose**

This regulation establishes ~~the standards and procedures for~~ **to administer** ~~administration of the compensation pay~~ schedules approved by the ~~Civil Service commission~~ **Commission**.

**2. CSC Rule References**

**5-1 Civil Service Compensation Plan**

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**5-1.2 Amendments to Compensation Plan**

*The civil service commission may amend the compensation plan at any time, consistent with article 11, section 5, of the constitution. The state personnel director may submit to the commission recommended amendments to the compensation rules at any time. The director shall also submit to the commission for its review (1) any proposed collective bargaining agreement or amendment agreed to by the state employer and an exclusive representative, (2) any recommendation of the impasse panel, and (3) any recommendation of the coordinated compensation panel.*

\* \* \*

**5-2 Hours of Service**

**5-2.1 Work Period**

*(a) **Standard work period.** The standard biweekly work period for a full-time employee in the classified service is the equivalent of 80 hours of work.*

*(b) **Alternative work periods.** The state personnel director may issue regulations that establish alternative work periods and measures of equivalent full-time service. The regulations may conform the compensation plan to the alternative periods and measures.*

\* \* \*

**5-3 Compensation Schedules**

**5-3.1 Compensation Schedules**

*The civil service commission shall approve compensation schedules that establish the rates of compensation for each class of positions in the classified service. The rates of compensation authorized are for full-time employment. Payment for part-time service is proportionate to the time actually worked. If a new classification is added to the classification plan, the state personnel director shall initially establish the rates of compensation for the classification.*

\* \* \*

January 1, 2023 May 1, 2019	Regulation 5.01: <b>General Salary Pay Schedule</b> Administration	Page 3 of 11
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### **5-3.3 Individual Compensation**

*The appointing authority shall assign the individual level of compensation for each classified employee as provided in the compensation plan. The individual level of compensation must fall within the range of rates of compensation approved by the civil service commission for the employee's classification level. If the appointing authority implements an approved salary-range subdivision, the individual level of compensation of an employee subject to the subdivision must also fall within the approved agency range of rates for the subdivision. Any exception must be approved by the state personnel director.*

### **5-3.4 Operation of Compensation Schedules**

*An employee in the classified service cannot be paid less than the minimum nor more than the maximum authorized in the compensation plan, unless authorized by the state personnel director.*

**(a) Initial appointment.** *On initial appointment, an employee is paid the minimum salary step in the salary range unless the appointing authority chooses to pay a higher initial salary as authorized in the compensation plan.*

**(b) Schedules with steps.** *If the compensation plan creates steps in the pay range, an employee receives pay increases in the amounts and at the intervals provided in the compensation schedule for the employee's classification level. An employee under an unsatisfactory probationary or interim rating is ineligible for a step increase.*

**(1) Effective date.** *Any pay increase is effective at the beginning of the first pay period after the employee becomes eligible.*

**(2) Advancement.** *An employee advances in pay by successive steps of the pay range for the employee's classification level, as provided in the compensation plan, unless a special increase is granted in accordance with the compensation plan.*

**(3) Reduction of pay.** *An appointing authority may, for cause, reduce the pay of an employee receiving more than the minimum step for the classification level.*

**(4) General schedule revision.** *If the compensation schedule is amended, an employee is paid at the salary step corresponding in length of service to the step at which that employee was being paid in the previous salary range for the classification level.*

*\* \* \**

**(e) Salary rate for temporary projects.** *Upon request of an appointing authority, civil service staff may approve alternative or supplemental compensation that exceeds the scheduled maximum rate of pay for an employee assigned to a temporary project. The appointing authority must receive written authorization for the project pay from civil service staff before the employee is assigned to the project. Temporary project pay may not exceed two years without the written authorization of the state personnel director.*

**(f) Red-circled pay treatment.** *The state personnel director may authorize an employee's salary to be red-circled. An employee whose pay is red-circled continues to be paid at the employee's red-*

*circled salary rate until the scheduled maximum salary of the employee's classification or classification level equals or exceeds the red-circled salary rate. An employee whose salary is red-circled is not eligible for any portion of a general wage adjustment that exceeds the maximum of the employee's classification or classification level.*

### 5-3.5 Salary Rate upon Change in Classification, Return from Layoff, or Reinstatement

*An employee who moves from one classification to another and who returns from layoff or is reinstated after separation is paid in the new classification at the appropriate salary step in accordance with the compensation plan.*

## 3. Standards

### A. Full and Part-time Employees.

All annual, monthly, and biweekly rates of pay authorized in the compensation plan are for full-time employment. Payment for part-time employment is based on time in pay status.

### B. ~~Schedule Compensation Plan~~ Establishment and Amendment.

1. Establishment. The ~~Civil Service~~ commission ~~Commission~~ has established a compensation schedule plan covering all classified positions ~~in the classified service, which consists of~~ with salary ranges assigned to which ~~for~~ all classification levels ~~in the classified service are assigned.~~

12. Schedule A ~~amendments.~~ The ~~Civil Service~~ commission ~~Commission~~ amends ~~the pay schedules~~ schedule as necessary. If ~~the schedules are~~ schedule is amended, ~~compensation pay is adjusted~~ set as follows:

a. ~~General Salary pay~~ S ~~schedule A~~ adjustment. An employee remains at the same ~~salary~~ step in the adjusted range, unless the ~~Civil Service~~ commission ~~Commission~~ has authorized a different step.

(1) An employee at a red-circle rate is ~~not ineligible~~ eligible for a general ~~salary pay~~ schedule adjustment, unless the adjustment increases ~~the maximum of~~ the employee's appropriate salary range's maximum ~~range to above~~ a rate equal to or higher than the red-circle rate, at which time the ~~rate in the~~ appropriate range's rate ~~range~~ replaces the red-circle rate.

(2) An employee ~~occupying in~~ a frozen position ~~or frozen classification~~ is eligible for general increases.

b. ~~Salary Upon Appointment To a Newly~~ E ~~established~~ C ~~classification.~~ Salary ~~for~~ When an employee is ~~appointments~~ appointed to a newly established classification, ~~salary~~ is determined under ~~in accordance with~~ § 3.F.

### C. Salary Range.

Unless specifically authorized in the compensation plan, an ~~An~~ employee ~~must cannot~~ not be paid less than the minimum ~~nor~~ more than the maximum of ~~the salary range for the~~ assigned classification level's salary range ~~level to which assigned~~. The employee is paid only at ~~the~~ precise increments ~~listed~~ in the compensation pay schedule, except as provided below.

1. ~~Salary for Red-Circled E~~ employees. An employee designated as red circled ~~may be~~ is paid at a rate ~~above in excess of the maximum salary rate for the~~ assigned classification's maximum salary rate ~~classification to which assigned in the position that is red-circled~~. If ~~an the~~ employee moves to a different position, the employee ~~may cannot~~ not retain the red-circled pay.
2. ~~Salary Upon Special P~~ project B ~~basis~~. For employment on a project ~~basis~~ not involving continual employment, the ~~State Personnel director~~ Director may establish an alternative hourly ~~rate of pay rate~~ or lump-sum award ~~that exceeding exceeds~~ the scheduled maximum ~~pay~~. ~~Application for~~ The appointing authority must request project pay ~~before must be made by the appointing authority in advance of the employment~~ assignment. Project pay is not intended for projects of limited scope or that are consistent with or expected of the duties generally assigned to a position.

### D. Movement Within the Salary Range.

An employee progresses from one step to the next ~~higher~~ step within ~~the a~~ salary range upon completing ~~on completion of~~ the required number of hours in pay status, ~~if the employee's current rating is in~~ satisfactory standing.

1. ~~Effect of Unsatisfactory Service R~~ ating. An employee who ~~has receives~~ received an unsatisfactory ~~service~~ rating does not have ~~any~~ time in pay status credited as hours since ~~the last~~ step while the ~~unsatisfactory service~~ rating is in effect. Upon return to satisfactory status, earning ~~of~~ hours since ~~the last~~ step resumes ~~from the number accrued when credit was stopped~~.
2. ~~Teacher Salary pay S~~ schedules. An employee assigned to a 42-~~week~~ or 46-week teacher salary pay schedule ~~is eligible for~~ progresses ~~progression~~ to the next ~~higher~~ salary step upon completing ~~completion of~~ the required number of hours in the annual work schedule in, ~~if the employee's current rating is~~ satisfactory standing. ~~When~~ An ~~an~~ employee in a teacher classification who qualifies for a higher ~~academic salary~~ pay schedule by completing ~~the scholastic educational~~ requirements, ~~the employee~~ is paid at the same step in the new schedule and retains hours since ~~the last~~ step.
3. ~~Accelerated S~~ step I ~~increases~~. The ~~State Personnel D~~ director may authorize advancing an employee whose current rating is satisfactory to a higher step in the salary range ~~at an accelerated rate~~ early upon application by the appointing authority.

- a. An appointing authority may advance an employee without prior approval if ~~any of the following apply:~~
  - ~~(1) If~~ the employee has (1) completed special assignments that ~~have~~ resulted in a major benefit to the employee's agency;
  - ~~(2) The employee has~~ performed outstanding service, ~~for reasons that have been documented~~ reasons; or
  - ~~(3) An employee's~~ a pay rate ~~wh~~as been determined ~~in accordance with~~ under § 3.F, and ~~an~~ one additional step is necessary to provide additional ~~compensation pay~~ in special documented circumstances ~~which have been documented~~.
- b. Special step increases are normally limited to the next ~~higher~~ step in the range. The appointing authority must document all special step increases. ~~The documentation must include~~ inge justification for the step increase and ~~reasons for~~ granting ~~more than one~~ multiple steps. The documentation must be retained for audit ~~purposes~~, in accordance with ~~the~~ retention schedules.
- c. Special step increases are normally ~~effective on a~~ prospective ~~basis~~. If an appointing authority processes an increase retroactively ~~special step increase~~ based ~~upon~~ documented extenuating circumstances, any retroactivity ~~must be~~ within is limited to seven<sup>7</sup> pay periods ~~of the date~~ before the increase is processed.
4. ~~Reducing~~ Reduction of pay. The appointing authority must receive prior approval from the ~~State Personnel director~~ Director to reduce ~~the salary of an~~ employee's salary ~~employee~~. Requests must contain all pertinent information, including the amount of ~~reduction~~ and ~~the~~ justification for the ~~proposed a~~ reduction ~~action~~. The employee's pay rate ~~of pay must cannot~~ not be reduced below the ~~minimum rate for~~ the classification level's minimum ~~level~~.

#### E. Salary Upon ~~New Hire (Initial Appointment)~~.

Upon first initial appointment to a position, an employee is paid the minimum rate in the salary range, ~~except an employee appointed to a level above the entry level in a class series in which the level's minimum rate is below the entry level's minimum rate is paid the at the lowest step that is greater than the entry level's minimum rate~~. The ~~State Personnel director~~ Director may authorize a higher starting rate upon application by the appointing authority. If documentation is retained for later audit, an ~~An~~ appointing authority may authorize a higher rate without prior approval if ~~any of the following apply:~~

1. The position has been vacant for a long ~~period of~~ time and there is difficulty ~~in~~ recruiting for the particular position.

2. The prospective employee is currently employed outside the classified service earning an annual ~~and a~~ salary ~~in excess of~~ above the minimum and a higher rate is necessary to attract the prospective employee.
3. The prospective employee has special experience ~~and/or~~ education ~~which should be~~ well beyond the minimum qualifications ~~contained~~ in the specification for ~~classification of the~~ position's classification ~~position~~.
4. The prospective employee was previously a state employee and has experience pertinent to the position.

~~Note: The appointing authority must document the reason for an above minimum starting rate when one of the above conditions applies. The documentation must be retained for audit purposes.~~

**F. Salary Upon ~~Personnel~~ Action Other Than ~~New~~ Hire, Reduction in Force, or Recall.**

1. If the former and ~~the~~ new classification level ~~share~~ have the same pay range, or if ~~the former and new positions are in the same classification level and~~ the employee is moving ~~from an~~ between included ~~and~~ position to an excluded ~~positions~~ position or vice versa at the same classification level, the employee is placed at the same step in the range. If the maximum rates are the same ~~and~~ but the steps are different, the employee is placed at the closest rate without a decrease. ~~The employee's~~ Hours ~~hours~~ since ~~the last~~ step are retained.
2. If the ~~maximum rate of the~~ new classification level's maximum rate ~~level~~ is higher than the ~~maximum rate of the~~ former classification level's level, the employee's pay rate of pay ~~may be is~~ calculated in one of the ~~set as follows~~ following ways:
  - a. If the ~~maximum rate of the~~ new classification level's maximum rate ~~level~~ is higher than the ~~maximum rate of the~~ former classification level's level, the employee's pay rate of pay is the lowest step in the ~~range for the~~ new classification level's range ~~level~~ that reflects a salary increase that is not less than the difference between the minimum and ~~the~~ first step in the ~~range for the~~ former classification level's range ~~level~~, if possible. ~~The employee's~~ hHours ~~hours~~ since ~~the last~~ step are set to zero.
  - b. An agency may request ~~an~~ individual or blanket approval for a different pay rate of pay if the ~~maximum rate of the~~ new classification level's maximum rate ~~level~~ is higher than ~~the maximum rate of~~ the former classification level's level. Civil Service must approve the different pay rate of pay before implementation. It ~~may~~ cannot ~~not~~ be used for working ~~out of class~~ payments, unless the director approves ~~an specific~~ exception ~~has been approved by the State Personnel Director for a specific situation~~.

- ~~c. **Note:** If an employee is due a step increase on the same day as this standard is applied, the employee receives the step increase **first, and that step is used to before determining step placement in the new range. An employee with over 1,040 hours since step moving to a new 1,040-hour step receives the step increase in the new classification upon job change and hours since step are reset to zero determine step placement in the new range.**~~
- ~~3. If the **maximum rate of the** new classification **level's maximum rate** level is less than the **maximum rate of the** former classification **level's level**, the employee is placed at the closest step in the new range that reflects no increase. **The employee's hHours** hours since **the last** step are retained.~~
  - ~~4. If an employee moves within the same classification and level to a new HRMN pay grade, the employee is placed at the same step in the new pay range and retains hours since **the last** step. Examples include Services Specialists and some State Police Lieutenant classifications, where different HRMN pay grades exist within the same classification level. Teacher salary schedules are covered under § 3.D.2, **above**.~~

#### **G. Salary Upon Reduction in Force.**

~~If **A** an employee **who** is moved to a different classification **as the result** because of a reduction in force, **the employee** is placed at the closest step in the new range that reflects no increase. **The employee's hHours** since **the last** step are retained.~~

#### **H. Salary Upon Recall.**

~~If **A recalled employee's** an employee is recalled, the rate of pay **rate** is determined based upon the rate and range **at the time of** when displaced **ment displacement** in conjunction with § 3.F. **The employee's H** hours since **the last** step are retained.~~

#### **I. Salary for Working Out of Class (WOC).**

~~An employee eligible for WOC compensation **pay in accordance with regulation 4.08 to an eligible employee is calculated** is compensated by application of § 3.F.2.a **and regulation 4.08 of this regulation, if for a position** the range for the WOC classification is **in** a step in-grade salary range **with steps**. If the employee is eligible **For** for WOC compensation **pay in for a position in a** performance-pay classification, regulation 5.07 applies.~~

- ~~1. If an employee is eligible for WOC compensation, payment is processed as a gross pay adjustment (GPA).~~
- ~~2. Holidays or leave time used are not paid at the WOC rate until after completion of the first 10 workdays of the assignment.~~
- ~~3. If an employee eligible for WOC compensation is assigned to work out of class in a preauthorized series, the employee is paid at the appropriate step for the classification~~



~~level for which the employee meets the required education and experience, typically the entry level.~~

- ~~4.~~—The appointing authority must retain adequate documentation to substantiate WOC ~~compensation pay~~ for audit ~~purposes~~.

#### **J. Salary Upon Return from Leave ~~of Absence~~.**

If an employee returns from an approved leave of absence, the pay rate ~~of pay~~ and hours since ~~the last~~ step are ~~determined~~ set as follows:

1. If an employee returns to a position in the same classification level, the employee returns to the same step in the range as when the leave ~~of absence~~ began.— The employee's hours since ~~the last~~ step are retained.
2. If an employee returns to the same position, but the position has been reclassified to a higher level, the employee's pay rate ~~of pay~~ is determined ~~in accordance with~~ under § 3.F.2.

#### **K. Salary Upon Return from Military Leave ~~of Absence~~.**

If an employee ~~a veteran~~ returns to the same position from an approved military leave ~~of absence~~ and the ~~veteran's~~ last service rating ~~prior to~~ before the leave ~~of absence~~ was satisfactory, the veteran employee is placed at the step ~~in the range which that~~ would have applied had there been no interruption of state service. If the ~~veteran's~~ last service rating before ~~prior to~~ the leave ~~of absence~~ was unsatisfactory, the veteran employee is placed at the same step ~~in the range~~ as when the leave ~~of absence~~ began.

#### **L. ~~Salary Upon Appointment to and Reclassification from Departmental Trainee and Transitional Positions.~~**

~~If An~~ an employee ~~is~~ appointed to a ~~Departmental trainee~~ Trainee or ~~to a position designated as~~ transitional position, ~~the employee's~~ has salary ~~may be retained or reduced as provided below~~ set as follows:

1. Upon appointment, the employee maintains the current pay rate ~~of pay~~ if ~~it is~~ less than or equal to the maximum of the classification level to which the employee will be reclassified ~~upon completion of~~ after the transition period. If ~~the employee is~~ paid more than the classification level to which the employee will be reclassified, the employee is paid ~~at~~ the maximum of the classification level to which the employee will be reclassified.
2. Upon ~~successful~~ completing ~~completion of~~ the ~~required~~ transition period, the employee is reclassified to the appropriate ~~technician, professional, or managerial~~ classification and assigned. ~~Upon reclassification,~~ the closest rate in the new pay schedule that is not a decrease ~~is assigned~~.

M. Noncareer Positions in Broadbanded Classes. In noncareer classes without steps, an appointing authority may grant an increase within the authorized pay range after 13 pay periods have passed since appointment or a previous increase.

**~~M. Salary Upon Appointment to Other Entry Level Professional Classifications.~~**

~~The employee is normally assigned to the minimum step of the salary range. The employee may be assigned to a step higher than the minimum in accordance with under §§ 3.E, F, G, or H. Any step placement above the minimum step must **not** exceed a pay rate that will enable the employee to receive a promotional increase under § 3.F.2 upon timely reclassification to the intermediate level of the classification series (i.e., the entry level rate cannot exceed the maximum step of the intermediate level in the classification series.)~~

**N. Training Rate Upon Job Change Within ECP Group 1 ~~of the ECP.~~**

Upon appointment to a new classification series at the entry or intermediate level within ECP Group 1, a training rate may be available.~~The training rate is: (A) the employee's current rate or the maximum rate of the new classification series' experienced level, whichever is less, when the current rate exceeds the new pay range max (see § 3.N.1); or (B) the closest step in the new range without a decrease, when the employee's current rate is less than the new pay range max (see § 3.N.2).~~

- ~~1. Training rate exceeds the maximum rate for the new classification level.~~ Upon appointment to the new classification series at the entry or intermediate level, when the employee's training rate exceeds the maximum rate of the new level, the employee's pay step is set at the employee's current rate, or the maximum rate of the new series experienced level, whichever is less. Civil Service will authorize use of the "Training" pay schedule to enable the appointing authority to enter a rate above the maximum. When an employee is eligible to move out of the "Training" pay schedule, the closest rate in the new pay range that is not a decrease is assigned. If the employee's current rate exceeds the new level's maximum rate, the step is set at the lesser of the current rate and the new series's experienced level's maximum rate. Civil Service will authorize the training pay schedule so the appointing authority can enter a rate above the maximum. When an employee is eligible to move out of training rate, the closest rate in the new pay range that is not a decrease is assigned.
- ~~2. Training Rate is less than the maximum rate for the new classification level.~~ Upon appointment to the new classification series at the entry or intermediate level, when the employee's current rate is less than the maximum of the new range, the employee's pay step is set at the closest step in the new range without a decrease. The employee's hours since the last step are retained. The employee is eligible to receive step increases.If the employee's current rate is less than the new range's maximum, pay is

set at the closest step in the new range without a decrease. Hours since step are retained.

**OP. Waived Rights Leave or Reinstatement.** An employee rehired from an unexpired waived rights leave or reinstated has pay and hours since step set consistent with § 3.J if returning to the same classification and level or § 3.F if returning to a different classification.

**~~O. Special Pay Application.~~**

~~An appointing authority may require an employee to work under special conditions not covered by specific provisions of these regulations. Additional compensation for such applications may be authorized by the State Personnel Director upon application by the appointing authority.~~

**P. Special Work Schedule.**

Employees at the Michigan School for the Deaf and Blind who work on a school-year basis are considered annual employees for ~~purposes of service credits~~ purposes.

**Q. Exceptions.**

Exceptions to ~~the standards contained~~ in this regulation ~~must~~ require the state personnel director's approval~~be approved by the State Personnel Director.~~

**CONTACT**

Questions on this regulation may be directed to Compensation, Civil Service Commission, P.O. Box 30002, 400 South Pine Street, Lansing, Michigan 48909; ~~by telephone~~ at 517-241-0837 ~~or 517-284-0102~~; or ~~to~~ [MCSC-Compensation@mi.gov](mailto:MCSC-Compensation@mi.gov).