

SUBJECT: Effect of Position Classification Change on Incumbents **NUMBER:** 30.005.01
DIVISION: Chief Human Resources Office **EFFECTIVE DATE:** 2/01/2019

APPROVED: Signature on file with the Chief Human Resources Office

POLICY STATEMENT: When making position classification changes, appointing authorities shall normally maintain the incumbent in the position if no fundamental changes in duties and responsibilities occur. When a position change is accomplished by abolishment/establishment, an appointing authority shall vacate the position and select an incumbent in accordance with recruitment and selection rules and policies.

AUTHORITY: ORS 240.145(3); 240.215; 240.217; 240.240; 240.250; 240.321(4)

APPLICABILITY: Classified unrepresented, management service and unclassified "executive" service employees

ATTACHMENTS: None

DEFINITIONS: Also refer to State HR Policy 10.000.01, Definitions

POLICY:

(1) Classification changes:

(a) **Reclassification:** The effective date of an approved reclassification normally is the first day of the month following the day the request is received by the designated unit of the appointing authority. An appointing authority may authorize a later effective date to reflect budgetary actions and reorganizations. An earlier date shall not be authorized. Upon reclassification, an employee shall meet the minimum qualifications of the new classification.

(A) **Pay for reclassification** - When an employee's classification is changed due to reclassification to a classification with a:

(i) Higher Salary Range

(a) A salary increase to an established rate of pay (step) within the salary range of the new classification is appropriate. The agency must conduct an internal assessment prior to offering a greater amount. Agencies must retain documentation and determination of the established rate of pay.

(b) A salary increase may be made retroactively in a situation where an individual performed the duties of the higher classification prior to final approval of a reclassification. An appointing authority may approve "work-out-of-class" pay prior to final approval if the process is delayed due to a pending action related to permanent funding for the

reclassification. Refer to State HR Policy, 20.005.11, Differentials for calculation of "work-out-of-class".

- (c) When a position's change in duties warrants upward reclassification, but duties are removed and the reclassification is denied, the employee shall be paid for the period of time the duties of the higher classification were performed.
- (d) The current salary eligibility date (SED) is generally retained. However, if the employee's SED is no longer available because the employee was at the maximum rate in the previous classification, the last SED in the previous classification is used.

(ii) Lower Salary Range

- (a) The employee's salary rate from the previous higher classification is normally retained when the position is reclassified to a lower classification.
- (b) If the employee's current salary rate is within the salary range of the new (lower) salary range, place the employee's new salary rate at a corresponding step in the new (lower) classification. If retaining the employee's current salary rate places them off-step in the new salary range, the employee's salary rate shall be increased at least one full step to a step in the new salary range on the next SED. The one step increase given on the employee's SED shall not exceed the top step of the new salary range.
- (c) If the employee's current salary rate is above the maximum rate of the lower classification, the employee's current salary rate is normally retained. If the employee's rate of pay is retained, the employer will red circle the rate of pay until the maximum rate of the lower classification equals or exceeds the employee's retained salary rate. At that time, the appointing authority may adjust the employee's salary rate as appropriate. An employee whose pay is red circled is not eligible for cost of living increases.
- (d) The current SED is generally retained. However, if the employee's SED is no longer available because the employee was at the maximum rate in the previous classification, the last SED in the previous classification is used.

(iii) Equal Salary Range

- (a) Retain the employee's current salary rate.
- (b) If retaining the employee's current salary rate places them off-step in the new salary range, the employee's salary rate shall be increased at least one full step to a step in the new salary range on the next SED. The one step increase given on the employee's SED shall not exceed the top step of the new salary range.
- (c) The current SED is generally retained. However, if the employee's SED is no longer available because the employee was at the maximum rate in the previous classification, the last SED in the previous classification is used.

- (b) **Misallocation:** When a position is reclassified to correct a misallocation and the incumbent meets the minimum qualifications for the new class, an appointing authority shall continue a regular

or trial service incumbent in the position with the same status (regular or trial service) formerly held in the previous class. If the incumbent does not meet the minimum qualifications for the new class, but can do so within a 24-month period, the appointing authority shall assign the incumbent to the position in the new class as an underfill until the classification requirements are met. If the incumbent is in trial service at the time of the position classification change, the trial service status is unaffected. Attainment of regular status and meeting the minimum qualifications for the new classification are separate actions.

(A) **Pay for misallocation** - When an employee's classification is changed due to a misallocation to a classification with a:

(i) Higher Salary Range

- (a) The agency has the option of granting a salary increase. The agency must conduct an internal assessment prior to offering a greater amount. Agencies must retain documentation and determination of the established rate of pay.
- (b) The current SED is generally retained. However, if the employee's SED is no longer available because the employee was at the maximum rate in the previous classification, the last SED in the previous classification is used.

(ii) Lower Salary Range

- (a) The agency has the option to retain the employee's salary rate if the rate of pay they were receiving in the prior (higher) classification is above the maximum rate of the new (lower) classification. If the employee's rate of pay is retained, the employer will red circle the rate until the maximum rate of the lower classification equals or exceeds the employee's retained salary rate. At that time, the appointing authority may adjust the employee's salary rate as appropriate. An employee whose pay is red circled is not eligible for cost of living increases. If the employee's salary rate is not retained, the employer shall place the employee's salary rate at a corresponding step in the new (lower) classification not exceeding the top step of the new classification.
- (b) The current SED is generally retained. However, if the employee's SED is no longer available because the employee was at the maximum rate in the previous classification, the last SED in the previous classification is used.

(iii) Equal Salary Range

- (a) Retain the employee's current salary rate.
- (b) If retaining the employee's current salary rate places them off-step in the new salary range, the employee's salary rate shall be increased at least one full step to a step in the new salary range on the next SED. The one step increase given on the employee's SED shall not exceed the top step of the new salary range.
- (c) The current SED is generally retained. However, if the employee's SED is no longer available because the employee was at the maximum rate in the previous classification, the last SED in the previous classification is used.

(c) **Reallocation:** When a position is reallocated due to a classification plan revision, an appointing authority shall continue a regular or trial service incumbent in the position with the same status (regular or trial service) formerly held in the previous classification. The effective date of an approved reallocation normally is the first day following the implementation of a classification plan revision. An earlier effective date shall not be authorized.

(A) **Pay for Reallocation** - When an employee's classification is changed due to a reallocation to a classification with a:

(i) Higher Salary Range

- (a) If the employee's current salary rate is within the new (higher) salary range, retain the employee's salary rate and SED.
- (b) If retaining the employee's current salary rate places them off-step in the new salary range, the employee's salary rate shall be increased at least one full step to a step in the new salary range on the next SED. The one step increase given on the employee's SED shall not exceed the top step of the new salary range.
- (c) If the employee's current salary rate is below the first step of the new (higher) salary range, place the employee's rate at the first step of the new salary range and set a new SED based on the employee's status.

(ii) Lower Salary Range

- (a) Retain the employee's current salary rate.
- (b) If the employee's current salary rate is within the salary range of the new (lower) salary range, place the employee's new salary rate at a corresponding step in the new (lower) classification. If retaining the employee's current salary rate places them off-step in the new salary range, the employee's salary rate shall be increased at least one full step to a step in the new salary range on the next SED. The one step increase given on the employee's SED shall not exceed the top step of the new salary range.
- (c) If the employee's current salary rate is above the maximum rate of the lower classification, the employee's current salary rate shall be retained. The employer will red circle the rate of pay until the maximum rate of the lower classification equals or exceeds the employee's retained salary rate. At that time, the appointing authority may adjust the employee's salary rate as appropriate. An employee whose pay is red circled is not eligible for cost of living increases.
- (d) The current SED is generally retained. However, if the employee's SED is no longer available because the employee was at the maximum rate in the previous classification, the last SED in the previous classification is used.

(iii) Equal Salary Range

- (a) Retain the employee's current salary rate.
- (b) If retaining the employee's current salary rate places them off-step in the new salary

range, the employee's salary rate shall be increased at least one full step to a step in the new salary range on the next SED. The employee's salary rate due to the one step increase shall not exceed the top step of the new salary range.

- (c) The current SED is generally retained. However, if the employee's SED is no longer available because the employee was at the maximum rate in the previous classification, the last SED in the previous classification is used.

(2) Effects of position change on the unclassified "executive" service:

- (a) A regular status classified unrepresented or management service employee occupying a position that is placed in the unclassified "executive" service without a significant change in duties and responsibilities shall be directly appointed to the position in the unclassified "executive" service.
- (b) An unclassified "executive" service employee occupying a position that is abolished from the unclassified "executive" service and established in the classified unrepresented or management service shall be terminated in accordance with State HR Policy 40.035.01, Unclassified Service Employment and Termination.

If the abolishment/establishment occurred without a significant change in position duties and responsibilities, the appointing authority may directly appoint the employee to the position in the classified unrepresented or management service.

- (c) An unclassified "executive" service employee occupying a position that is abolished and re-established in the unclassified "executive" service without a fundamental change in position duties and responsibilities may be directly appointed to the position.

(3) Appeal rights:

- (a) An appointing authority shall establish a procedure for employees to appeal classification decisions including allocation to a new or revised classification. The procedure shall include the following:
 - (A) The employee shall submit a written appeal request within 15 calendar days of the receipt of the final classification decision notification. The request shall identify the agency classification decision and include a narrative describing the classification believed to be correct.
 - (B) An agency shall issue a final determination within 30 calendar days from the date of the employee appeal request.
- (b) A classified unrepresented employee may also appeal an agency classification decision directly to the Employment Relations Board in accordance with OAR 115-045-0020.