
Rules of
Office of Administration
Division 20—Personnel Advisory Board and
Division of Personnel
Chapter 2—Classification and Pay Plans

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**Title 1—OFFICE OF
ADMINISTRATION**

**Division 20—Personnel Advisory
Board and Division of Personnel
Chapter 2—Classification and Pay Plans**

1 CSR 20-2.010 The Classification Plan

PURPOSE: The Personnel Division and the Personnel Advisory Board have the authority and responsibility for preparation, adoption, maintenance and revision of a classification plan for all positions in the classified and covered services. This rule provides the framework within which this authority is exercised.

(1) Preparation of Plan. The director shall ascertain the duties, authority and responsibilities of all positions subject to the law. At the earliest possible date after a division of service or branch becomes subject to the provisions of the law and after consultation with the appointing authority involved, the director shall prepare and recommend to the Personnel Advisory Board a plan for the classification of the affected positions. This plan shall group positions in a division of service in classes, based on their duties, authority and responsibilities. The position classification plan shall set forth for each class of position, a class title and a statement of the duties, authority and responsibilities the knowledges, skills and abilities, and the qualifications that are necessary or desirable for the satisfactory performance of duties of the class; provided that no plan shall be adopted which prohibits the substitution of experience for education for each class of position excepting a class of position as may be designated by the appointing authorities as required to be filled on the basis of educational qualifications in order to comply with federal law or regulations. Upon adoption by the Personnel Advisory Board, the plan for position classification in a division of service shall become part of the general classification plan for the classified and covered service (see section 36.100, RSMo).

(2) The classification plan shall be maintained as follows:

(A) Revisions of Plan. The classification plan shall be so developed and maintained that all positions substantially similar with respect to the kind, difficulty and responsibility of work are included in the same class; and that the same schedule of pay may be applied with equity to all positions in a class (see section 36.110, RSMo). Whenever any change in organization, creation of a new position or change in duties or responsibili-

ties of individual positions makes the revision of the classification plan necessary, the director shall recommend the necessary revisions to the board. Any change in the classification plan recommended by the director shall take effect when approved by the board or on the ninetieth day after it is recommended to the board if the board shall not have previously disapproved it. Whenever, in the opinion of the director, there is an urgent necessity for the immediate establishment of a new class in the classification plan, the director may establish a class on an interim basis, pending approval of the class by the board as recommended by the director. After a class of positions has been approved by the board, the director is authorized to make those changes in the class title or in the statement of duties and required qualifications for the class as the director finds necessary for current maintenance of the classification plan; provided, however, that changes which materially affect the nature and level of a class or which involve a change in salary range for the class shall be approved by the board (see section 36.120, RSMo);

(B) Allocation of New Positions. Before establishing a new position in a division of service subject to the law, an appointing authority shall notify the director in writing of his/her intention to do so, together with a statement of the duties, authorities and responsibilities to be assigned. The director shall allocate any new position to a class (see section 36.120, RSMo);

(C) Reallocation of Positions Necessitated by Revisions of Plan. If any change is made in the classification plan by which a class of position is divided, altered or abolished or classes combined or a new class established, the director shall reallocate the positions affected to their appropriate classes in the amended classification plan and shall determine comparability and relative level between the old class and the classes in the revised plan. For positions in the classified service, a regular employee who is occupying a position thus reallocated shall be given status as a regular employee in the class to which his/her position is reallocated, subject to the following conditions (see section 36.120, RSMo):

1. If the class to which his/her position in the classified service was reallocated is of higher level or of a level similar to the class to which it was previously allocated s/he shall be deemed to have gained status as a regular employee in such class by means of upward or lateral reclassification; provided, however, that the director may require that the employee achieve a satisfactory grade in a noncompetitive test for fitness for the class to which his/her position has been reallocated; and

2. If the class to which his/her position in the classified service was reallocated is of lower level than the class to which it was previously allocated, s/he shall be given status as a regular employee in the class by means of downward reclassification, or s/he shall be transferred to a position in a class of level comparable to the class to which his/her position was previously allocated. In any case in which a regular employee continues in the reallocated position by means of a downward reclassification, his/her name, subject to the approval of the director, may be placed on the reinstatement register for the class to which his/her position was previously allocated or on any other appropriate reinstatement register; and

(D) Reallocation of Positions Within the Established Plan. The director may investigate the duties of any position in the classified and covered service subject to the law to determine the correctness of allocation and to provide for maintenance of the classification plan. Before making any permanent and substantial change in the duties, authority or responsibilities of a position subject to the law, an appointing authority shall notify the director in writing of his/her intention to do so, together with a statement of the duties, authorities and responsibilities to be assigned. If the duties of his/her position are changed or if at any time an employee does not believe that the duties of the position are appropriate to his/her classification, s/he may make a request in writing to the director for a review of the duties of his/her position, setting forth reasons for the review. If those reasons appear to be substantial, the director shall make an investigation of the position with a view to determining the correctness or incorrectness of the allocation (see section 36.120, RSMo). If a position is found to be incorrectly allocated, the director, at any time, may reallocate the position to its appropriate class in the classification plan. When the allocation of a position is changed, the director shall notify the appointing authority. The appropriate personnel action shall be taken by the appointing authority upon receipt of the notice of reallocation. If the position is filled at the time of reallocation, the appointing authority immediately shall notify the incumbent regarding the allocation change. If the incumbent does not agree with the new allocation, s/he may submit to the director in writing a request for a review of the allocation of the position specifying the reasons why the incumbent believes the allocation is incorrect. A regular employee who is occupying a position in the classified service which is reallocated to a different class shall continue in this position only in

accordance with the rules governing promotion, transfer, demotion or, with the approval of the director, by reclassification, except that in any case in which a position is reallocated to a higher class, the position's incumbent, with the approval of the director, may attain regular status in the higher class if s/he achieves a satisfactory grade on a noncompetitive test of fitness for the class to which his/her position was reallocated.

(3) Class specifications and class titles shall be provided and used in the classification plan as follows:

(A) Content of Specifications. The director shall provide and may amend as provided in subsection (2)(A) written specifications for each class in the classification plan. Each of the class specifications shall include a class title, a description of the duties, authority and responsibilities of the work, the knowledges, skills and abilities, and a statement of the qualifications that are necessary or desirable for the satisfactory performance of the duties of the class;

(B) Interpretation of Class Specifications. The statement in the class specifications are descriptive and not restrictive. They are intended to indicate the kinds of positions that are allocated to the established classes as determined by their duties and responsibilities and are not to be construed as declaring what the duties or responsibilities of any position may be or as limiting or modifying the power of an appointing authority to assign, direct and control the work of employees under his/her supervision. The use of a particular expression or illustration as to the duties shall not be held to exclude others not mentioned that are of a similar kind or quality nor shall any specific omission necessarily mean that a factor is not included;

(C) Use in Allocation. In determining the class to which any position should be allocated, the director shall consider the specification describing each class as a whole. Consideration shall be given to the general duties, specific tasks, responsibilities, the necessary or desirable knowledges, skills and abilities, the qualifications required and relationships to other classes; and

(D) Class Titles. Following the adoption of the classification plan and the allocation of classes in positions in the classified or covered service, the class titles set forth shall be used to designate those positions in all official records, vouchers, payrolls and communications. No person shall be appointed to or employed in a position in divisions of the service subject to this law under a class title which had not been approved by the director

as appropriate to the duties performed (see section 36.130, RSMo).

AUTHORITY: section 36.070, RSMo 1986. Original rule filed July 9, 1947, effective July 19, 1947. Amended: Filed Dec. 23, 1947, effective Jan. 2, 1948. Amended: Filed June 1, 1954, effective June 11, 1954. Amended: Filed July 21, 1967, effective July 31, 1967. Amended: Filed Dec. 8, 1975, effective Dec. 19, 1975. Emergency amendment filed Sept. 13, 1979, effective Sept. 28, 1979, expired Jan. 25, 1980. Amended: Filed Oct. 12, 1979, effective Jan. 15, 1980. Amended: Filed Feb. 25, 1992, effective Aug. 6, 1992.*

**Original authority 1945, amended 1979.*

1 CSR 20-2.015 Broad Classification Bands for Managers

PURPOSE: The board is establishing this rule to provide for the broadbanding of manager positions within agencies covered by the uniform classification and pay provisions of the State Personnel Law. This rule provides for the formation and administration of a system of broadbanding applicable to manager positions within affected state agencies. The Division of Personnel and the Personnel Advisory Board may exercise authority and responsibility for preparation, adoption, maintenance and revision of that part of the classification and pay plan which includes provisions for grouping of management positions with similar levels of responsibility or expertise into broad classification bands in the classified and covered services. This rule provides the framework within which this authority may be exercised.

(1) Standards and Methods. After consultation with appointing authorities or their designated representatives, the director shall establish and maintain the standards and methods for identifying management positions subject to the law for broad classification bands and pay band designations.

(2) Classification Plan. The provisions of 1 CSR 20-2.010 The Classification Plan, are applicable in the preparation and maintenance of broad classification bands for managers, except as specifically outlined in this section, or necessary for implementation. The class specifications for broadbanded classifications shall be designed to encompass a broad spectrum of management positions in generic and agency-specific classes, or may provide for broader applications when the director determines that agency and sys-

tem needs can be met in a consistent, equitable and appropriate manner.

(A) Preparation of the Plan. The director shall ascertain the duties, authority and responsibilities of all manager positions subject to the law. Positions that do not meet the standards for broad classification bands for managers will be evaluated for assignment to classes determined to be more appropriate in the general classification plan under 1 CSR 20-2.010. The broad classification bands shall group manager positions in very broad classes which generally describe the duties, authority and responsibilities of managers and cover all pay band levels. The manager class specifications are not specific to individual positions or programs. Two (2) kinds of broadbanded manager classes, common-use and agency-specific may be used. Common-use classes will accommodate functions which cross agency lines. Agency-specific classes will encompass functions distinct to an individual agency. Each manager class specification will have a class title; statement of the duties, authority and responsibilities; examples of duties performed; knowledges, skills and abilities; and the necessary qualifications, provided that equivalent substitutions will be allowed for deficiencies in education or experience. Upon adoption by the Personnel Advisory Board, the broadbanded manager classes shall become part of the uniform classification and pay plan.

(B) Allocation of a Position. Before establishing a new manager position subject to the law, an appointing authority shall provide the director with a written statement of the duties, authority and responsibilities to be assigned. The director will determine an appropriate manager class and pay band assignment based on the duties, authority and responsibilities of the position.

(C) Reallocation of a Position Into, Within and Out of the Broad Classification Bands. If a position in the classified service is reallocated to a different class and/or band or range, the employee shall continue in the position only in accordance with the rules governing appointments, transfers, demotions or, with the approval of the director, by reclassification. If any change is made in the broadbanded manager classes, the director shall reallocate the positions affected to an appropriate class in the amended plan. For positions in the classified service, an employee who is occupying a position reallocated to a different class shall be given the same status in the new class and band or range as previously held in the class and band or range from which his or her position is reallocated (see section 36.120, RSMo).

(3) Compensation Structure. The director will recommend to the board establishment and adoption of pay bands as considered necessary and equitable in order to group and maintain positions with similar levels of management responsibility or expertise. The provisions of 1 CSR 20-2.020 The Pay Plan, are applicable in the preparation, adoption, maintenance and administration of the pay plan for broad classification bands, except as specifically outlined in this section, or necessary for implementation.

(A) Preparation. The pay plan may include provision for grouping of management positions with similar levels of responsibility or expertise into broad classification bands for purposes of determining compensation and provision for such salary differentials and other pay structures as the director considers necessary or equitable. The broad classification bands shall include a minimum and a maximum rate, and such intermediate rates of pay as the director considers necessary or equitable. The initial pay plan for divisions of service, when first brought under the provisions of the law, shall be prepared in this same manner and, upon adoption, become a part of the general pay plan.

(B) Administration. The implementation and ongoing administration of pay within the broad classification bands shall be conducted in a manner which promotes equitable pay relationships and the efficient and effective practice of personnel administration. When the meaning and purpose of a rule is not otherwise affected, the term band may replace range. Appointing authorities shall have a responsibility to exercise the discretion included in these rules in a manner which avoids inconsistent, arbitrary or discriminatory pay actions. The pay plan for the broadbanded system shall be administered in accordance with 1 CSR 20-2.020 and the following provisions:

1. Appointment rate. The initial appointment rate to a position in a broad classification band is at the discretion of the appointing authority. In making these determinations, consideration should be given to the individual's qualifications, permanent position-related factors, such as working conditions or physical location of work, and/or recruitment or staffing needs. The proposed rate of pay should not exceed that which is being paid to present employees with comparable qualifications in similar position-related circumstances;

2. Salary advancements. Salary advancements within the band occupied by an employee are of three (3) types: probationary salary advancements, specific salary advancements authorized during a fiscal year, and

discretionary salary advancements, administered in accordance with the following provisions:

A. A probationary salary advancement is authorized for an employee upon successful completion of the initial probationary period. An appointing authority may grant a salary advancement following successful completion of a probationary period in a higher level band or after an appropriate period of time following upward reclassification;

B. Within-grade, market progression or other specific salary advancements within the pay bands, which are only authorized during a fiscal year when specific funding has been appropriated for all agencies, will be implemented in accordance with guidelines and instructions issued by the board;

C. Discretionary salary advancements may be granted by an appointing authority as warranted by the needs of the service. For classified positions in the broadbanded service, discretionary salary advancements cannot be given during a probationary period, unless approved by the director of the Division of Personnel in cases where it does not affect competitive appointments that would compromise the selection group as enumerated in 1 CSR 20-3.030(3)(A); and

D. In the broadbanded management service, a conditional salary advancement is a discretionary within-band advancement associated with the assignment of higher level duties or responsibilities of a permanent nature. At the discretion of the appointing authority, and without appeal to the Personnel Advisory Board, such higher level duties and responsibilities and the associated conditional salary advancement may be withdrawn within a period of time not to exceed twenty-four (24) months as specified by the appointing authority. When a conditional salary advancement is established, the appointing authority will provide the affected employee with written notice describing the conditions under which the advancement is given, and the timeframe during which it can be withdrawn.

(C) Within-Band Salary Decreases. Salary reductions within the band may be made for any amount by the appointing authority. Reasons for such decreases include: changes in duties or organization which do not adversely reflect on the employee; within-band movement to a position of lesser value; a permanent and substantial decline in the scope or complexity of assignment; or, an involuntary within-band transfer for cause such as inadequate performance or misconduct as provided for in 1 CSR 20-3.070(2). An involuntary salary decrease within the band, other than one associated

with a conditional salary advancement, shall be treated as a demotion and may be appealed by the affected employee in accordance with 1 CSR 20-4.010(1)(D).

(D) Pay Rates in Transfer, Promotion, Reclassification or Demotion. If an employee is transferred, promoted, reclassified or demoted, the rate of pay, giving consideration to equity, shall be as follows:

1. An employee's rate of pay must fall within the minimum and maximum of their assigned pay band, except as provided for in paragraph (3)(D)3. of this rule;

2. An employee's rate of pay within the appropriate band will depend on the type of personnel transaction. Consistent application of formulas or guidelines by appointing authorities in cases of promotions, reclassifications and demotions will promote equitable treatment of employees affected by these actions.

A. In the case of within-band transfer, which involves a change of an employee from one position to another position in the same class or another class assigned to the same established pay band and which may involve a change of assignment or work location, the salary rate shall be determined by the appointing authority.

B. In the case of promotion or upward reclassification, which involves a change of an employee from a position in one band to a position in a higher band, the salary rate shall be increased.

C. In the case of voluntary demotion, demotion for cause, or downward reclassification, which involves movement from one band to a lower band, the salary rate will be at the discretion of the appointing authority.

D. In the case of an out-of-band transfer, which involves movement from a pay band to a pay range, the employee may accept a voluntary reduction in salary. If the rate of pay does not correspond to an established step in the range, the rate of pay shall be adjusted to the next higher step in the range. An involuntary salary reduction is considered a demotion and may be appealed by the affected employee in accordance with 1 CSR 20-4.010(1)(D); and

3. If an employee's previous rate of pay is more than the maximum rate established for the pay band to which the position is assigned, the employee's rate of pay may be approved in accordance with the following provisions:

A. When a department, division, work unit, class of employees or other entity of state government is initially made subject to the classification provisions of the State Personnel Law, the Personnel Advisory Board

may approve salary rates above the established maximum rates for the affected employees. In each case where an above-the-maximum rate has been authorized by the Personnel Advisory Board, the rate of pay will be clearly recorded as an above-the-maximum rate, and the affected employee will not be eligible for any additional type or amount of salary adjustment or advancement until the rate of pay falls within the pay band to which the position is assigned;

B. When a position is reallocated to a lower pay band or to a pay range, the appointing authority, with approval of the personnel director, may elect to establish an above-the-maximum rate. If the appointing authority elects to establish an above-the-maximum rate, the rate of pay will be clearly recorded as an above-the-maximum rate, and the affected employee will not be eligible for any additional type or amount of salary adjustment or advancement until that time as his/her rate of pay shall fall within the pay band or pay range to which the position is assigned; and

C. An above-the-maximum rate established under subparagraphs (3)(D)3.A. and B. will continue while the employee remains in the same or higher pay band in the same department and is above-the-maximum rate for the assigned band. The payment of a differential authorized by the Personnel Advisory Board will be allowed where applicable, and the salary of an affected employee who enters or exits a position covered by this differential will be adjusted in a manner consistent with agency policy and practice. When an employee receiving an above-the-maximum rate of pay transfers to a position in the same class and pay band in another department covered by the classification and pay provisions of the State Personnel Law, the appointing authority of the receiving agency shall have the discretion to continue the authorized above-the-maximum rate, to establish a different, but lower rate of pay which exceeds the established maximum of the appropriate pay band, or to reduce it to a rate within the pay band for the position. Once the pay band can accommodate the rate of pay, the above-the-maximum rate will be void and the employee's compensation will be subject to the provisions contained elsewhere in the rules.

(4) Certification and Appointment. The provisions of 1 CSR 20-3.030 Certification and Appointment are applicable in the administration of broad classification bands for managers in agencies covered by the merit system provisions of the State Personnel Law, except as specifically outlined in this section or nec-

essary for implementation. This section prescribes the conditions under which broad-banded manager positions in the classified service may be filled by certification and appointment from merit system registers and by other types of appointment authorized in the merit system law.

(A) Reinstatement. When vacancies to be filled in a class occur in a division of service from which employees in the class have been laid off, or demoted in lieu of layoff, certification from the reinstatement register first shall be limited to previous employees of the division of service until all the available employees have been reinstated in order of rank on reinstatement register.

(B) Within-Band Transfers. An appointing authority may assign an employee in the classified service with regular status from one (1) position to another position in the same pay band in the same or different class, providing the employee possesses the necessary qualifications. Such transfer of an employee from one (1) division in the classified service to a position in another division in the classified service may be made with the approval of the director and both appointing authorities. Upon making this assignment, the appointing authority shall prepare and submit the necessary personnel transaction. Transfers of employees made because of a layoff or shortage of work or funds which might require a layoff shall be governed by 1 CSR 20-3.070 and the layoff procedures adopted.

(C) Out-of-Band Transfer. An out-of-band transfer is the movement of an employee from a position in a band to a position in a range which does not require a change in salary. The employee must possess the qualifications for the class. Such transfers may be voluntary or involuntary. In the case of a permanent involuntary transfer of an employee from a position in a band to a position in a range, the appointing authority shall give written notice of the action to the director and to the employee thirty (30) days prior to the effective date of the action. Within thirty (30) days of receipt of such notice, the affected employee may make a written request for review by the director. The request must include the employee's reasons for requesting review, including the degree of economic and professional impact of the action and why, in the employee's opinion, the action was not for the good of the service. The director shall conduct an appropriate investigation, taking into consideration information received from the employee and the appointing authority, and shall approve or disapprove the transfer. Both the employee and the appointing authority are notified of the director's decision.

(D) Reemployment. Any person who has obtained regular status in a class and band in a classified position and who has resigned from state service in good standing may be reemployed without competitive certification in the same class and the same or lower band at the discretion of an appointing authority. Any person who has successfully served at least one (1) year in a covered position in the uniform classification and pay service as defined by section 36.031, RSMo and who has resigned from state service in good standing or who has accepted demotion or transfer for personal reasons, may be reemployed in a merit service agency without competitive certification in the same class and the same or lower band at the discretion of the appointing authority provided the employee possesses the qualifications and has successfully completed an examination for the class involved.

(5) Probationary Period. The probationary or working test period shall be utilized for closely observing the employee's work, for securing the most effective adjustment of a new employee to his/her position and for rejecting any employee whose performance does not meet the required work standards.

(A) Duration. Every person given an initial appointment, inter-band appointment to a position in a higher band, or reemployment appointment shall be required to successfully complete a working test. An employee reinstated by the same appointing authority after a two (2)-year period from the date of layoff would serve a probationary period; an employee reinstated by a different appointing authority at any time will also serve a probationary period. The normal length of probation for managers in the broad classification bands shall be twelve (12) months. The maximum length of probation shall be eighteen (18) months and the minimum length of probation shall be six (6) months for managers serving initial or inter-band appointment to higher bands. An employee successfully completing a probationary period following an initial or inter-band appointment shall be considered a regular employee with respect to the class and band as defined in section 36.020(14), RSMo and shall have all the rights and privileges accorded regular employees under section 36.390.5, RSMo.

(B) Restoration Rights. An employee given an inter-band appointment from a lower band to a higher band in the broad classification service who does not successfully complete the promotional probationary period shall be reinstated to a position in the class and band occupied by the employee immediately prior to promotion or in another

manager class in the same band. An employee appointed from a position in a class assigned to a pay range to a position in the broad classification bands who does not successfully complete the probationary period shall be reinstated to a position in the class and pay range occupied immediately prior to the appointment or in a comparable class.

(6) Separation, Suspension and Demotion. The provisions of 1 CSR 20-3.070 are applicable in the administration of broad classification bands for managers in agencies covered by the merit system provisions of the State Personnel Law, except as specifically outlined in this section, or necessary for implementation.

(A) Layoffs in the broad classification bands shall be conducted by class and band, or through the application of 1 CSR 20-3.070(1)(G) when special circumstances exist and the needs of the service so require.

(B) Demotions and Transfers. An appointing authority may demote an employee in accordance with the following:

1. No demotions for cause shall be made unless the employee to be demoted meets the minimum qualifications for the lower position demoted to, and shall not be made if any regular employee in the affected class and band or range would be laid off by reason of the action; and

2. An appointing authority, upon written request of the regular employee affected, shall demote such employee in lieu of layoff to a position in a lower band in the same class; or shall demote or transfer such employee to another class for which the employee meets the qualifications; or to an appropriate class and pay range in the same occupational job series; or to a position in which the employee previously has served and has obtained regular status in the division of service involved; even though these actions may result in additional layoffs. In the event of a demotion to a lower band, or a demotion or transfer to a class and pay range in lieu of layoff, an employee shall have his/her name placed on the appropriate register.

AUTHORITY: section 36.070, RSMo Supp. 1998. Original rule filed March 11, 1999, effective Sept. 30, 1999.*

**Original authority 36.070, RSMo 1945, amended 1979, 1995.*

1 CSR 20-2.020 The Pay Plan

PURPOSE: The Personnel Division and the Personnel Advisory Board have the authority and responsibility for preparation, adoption and administration of a pay plan for agencies covered by the classification and pay provisions

of the State Personnel Law. This rule provides the framework within which this authority is exercised.

Editor's Note: The secretary of state has determined that the publication of this rule in its entirety would be unduly cumbersome or expensive. The entire text of the material referenced has been filed with the secretary of state. This material may be found at the Office of the Secretary of State or at the headquarters of the agency and is available to any interested person at a cost established by state law.

(1) Preparation. After consultation with appointing authorities and the state fiscal officers and after a public hearing, the director, from time-to-time as circumstances require, shall prepare and recommend to the board a pay plan for all classes subject to the State Personnel Law. The pay plan shall include for each class of positions, a pay range with a minimum and a maximum rate, and such provision for intermediate rates of pay as the director considers necessary or equitable. The pay plan may include provision for grouping of management positions with similar levels of responsibility or expertise into broad classification bands for purposes of determining compensation and provision for such salary differentials and other pay structures as the director considers necessary or equitable. In establishing the rates and ranges of pay, the director shall give consideration to the experience in recruiting for positions in the state service, the rates of pay prevailing in the state for the services performed and for comparable services in public and private employment, living cost, maintenance or other benefits received by employees and the financial condition and policies of the state. The initial pay plan for divisions of service or branches, when first brought under the provisions of the law, shall be prepared in this same manner and, upon adoption, become a part of the general pay plan.

(2) Adoption. The pay plan shall take effect when approved by the board and the governor. Each employee appointed to a position subject to these rules, after the adoption of the pay plan, shall be paid according to the provisions of the pay plan for the position in which s/he is employed; provided that the commissioner of administration certifies that there are funds appropriated and available to pay the adopted pay plan. The pay plan also shall be used as the basis for preparing budget estimates for submission to the legislature as these budget estimates concern payments

for services performed in positions subject to the State Personnel Law.

(3) Effect of Amendments, Revisions and Additions. When amendments or revisions to the pay plan are effective, rates of pay of employees shall be adjusted to that step in the amended scale comparable to the step in the old scale, unless a lesser adjustment is specifically requested and justified by an appointing authority and approved by the director. This approval shall be conditioned upon uniformity of treatment for all employees of a division of service. When a new or revised class of positions is established in the classification plan, the director shall recommend for approval of the board an appropriate pay range within the pay plan.

(4) Administration. The implementation and ongoing administration of the pay plan shall be conducted in a manner which promotes equitable pay relationships and the efficient and effective practice of personnel administration. Appointing authorities shall have a responsibility to exercise the discretion included in these rules in a manner which avoids inconsistent, arbitrary or discriminatory pay actions. The pay plan shall be administered in accordance with the following provisions:

(A) Appointment Rate. The minimum rate of pay for a class normally shall be paid upon appointment to the class. The following are exceptions to this practice:

1. If an appointing authority determines that the qualifications of an applicant substantially exceed those normally expected of beginning employees in the class involved, or if an appointing authority determines, based on permanent position-related factors, such as working conditions or physical location of work, that the beginning rate of pay for an individual position or group of positions is insufficient to meet recruitment or staffing needs, an appointment at a rate above the minimum rate is authorized. In these cases, the proposed rate of pay should not exceed that which is being paid to present employees with comparable qualifications or to present employees in similar position-related circumstances; and

2. If an appointing authority finds that the beginning rate of pay for a given class of positions is insufficient to meet minimum recruitment needs, either statewide or in selected areas of the state, the appointment of employees in that class may be made at a higher rate of pay. In these cases, employees in the affected class and area should be advanced at least to the proposed new rate. Establishment of class-wide recruitment rates

should be based on the appointing authority's recruitment and retention experience, register experience, local competitive salary data, effect of rates on other classes utilized by the agency and the budgetary impact of establishing those rates;

(B) Salary Advancements. Salary advancements within the pay range for the class occupied by an employee are of three (3) types: probationary salary advancements, specific salary advancements authorized during a fiscal year and discretionary salary advancements, administered in accordance with the following provisions:

1. A probationary salary advancement of up to two (2) steps is authorized for an employee upon successful completion of the original probationary period. As used in this paragraph, successful completion means the granting of regular status to a probationary employee, rather than the evaluation attained in the performance appraisal. An appointing authority may grant a probationary salary advancement of up to two (2) steps following successful completion of a promotional probationary period or completion of six (6) months of service following upward reclassification;

2. Within-grade, market progression or other specific salary advancements which are only authorized during a fiscal year when specific funding has been appropriated for all agencies. When such funding is approved and appropriated by the legislature, the Personnel Advisory Board will issue guidelines and instructions for implementation of these provisions. Within-grade, market progression or other specific salary advancements may be for one or more steps or for varying amounts or percentages within the range for the class, and may be based on length of total state service, performance appraisal, time in class, relative market position within the range, or any combination of these or other factors;

3. Discretionary salary advancements may be granted by an appointing authority as warranted by the needs of the service, except that the appointing authority shall have a responsibility to exercise this discretion in a manner which avoids inconsistent, arbitrary or discriminatory pay actions. For positions in the classified service, discretionary salary advancements cannot be given during the probationary period, unless approved by the director of the Division of Personnel in cases where it does not affect competitive appointments that would compromise the selection group as enumerated in 1 CSR 20-3.030(3)(A); and

4. The probationary salary advancement and the specific salary advancement authorized during a fiscal year as described in

paragraphs (4)(B)1. and 2. shall be given to eligible employees to the extent that funds are available for implementation of these provisions. No employee shall be denied a probationary salary advancement or specific salary advancement authorized during a fiscal year as described in paragraphs (4)(B)1. and 2. in order to provide a salary advancement to another employee authorized under paragraph (4)(B)3.;

(C) The provisions of this rule pertaining to salary advancements shall not apply to salary adjustments made in accordance with section (3) when revisions occur in the pay plan;

(D) Pay Rates in Transfer, Promotion, Reclassification or Demotion. If an employee is transferred, promoted, reclassified or demoted, the employee's rate of pay shall be determined as follows:

1. If the rate of pay in the previous class is less than the minimum rate established for the new class, the rate of pay shall be advanced to at least the minimum for the new class;

2. If the rate of pay in the previous class is more than the maximum rate for the new class, the pay shall be reduced to the maximum rate for the new class or lower for purposes of equity, except as provided for in paragraph (4)(D)6. of this rule;

3. If the rate of pay in the previous class falls within the range of pay for the new class and at an established step of the new range, the salary rate will depend on the type of personnel transaction. In the case of transfer or lateral reclassification, the salary rate shall remain the same unless otherwise provided by the appointing authority due to equity considerations. In the case of promotion or upward reclassification, the salary rate shall be increased one (1) step or more. In the case of downward reclassification, voluntary demotion or demotion for cause, the salary rate will be reduced one (1) step or more as justified by the difference in salary levels between the class to which demoted and the class previously held, or for purposes of equity. At the discretion of the appointing authority, the salary rate in the case of voluntary demotion or downward reclassification may remain unchanged;

4. If the rate of pay in the previous class falls within the range of pay for the new class but does not correspond to an established step in the new salary range, it shall be advanced to at least the next higher step if the action is a promotion or upward reclassification or decreased to, at least, the next lower step or more for purposes of equity if the action is a demotion or downward reclassification;

5. The following upward reclassification or promotional salary increase formula may be used as a guide when exceeding the mandatory one (1)-step increase. By formula, the number of steps the salary may be increased is one (1) more than the number of pay ranges by which the new class exceeds the previous class. Consistent application will promote equitable treatment of employees affected by these actions; and

6. If the rate of pay in the previous class is more than the maximum rate established for the new class, a salary rate above the maximum rate for the new class may be approved in accordance with the following provisions:

A. Where a department, division, work unit, class of employees or other entity of state government is initially made subject to the classification provisions of the State Personnel Law, the Personnel Advisory Board may approve salary rates above the established maximum rates for the affected employees in job classes to which the newly-allocated positions are assigned. Similarly, if a series of classes or a single class of positions within the classification plan is restructured, altered or abolished, the Personnel Advisory Board may approve above-the-maximum rates for affected employees, upon recommendation of the appointing authority. In each case where an above-the-maximum rate has been authorized by the Personnel Advisory Board, the rate of pay will be clearly recorded as an over-the-range rate, and the affected employee will not be eligible for any additional type or amount of salary adjustment or advancement until the rate of pay falls within the range of pay for the class to which the position is allocated;

B. Where a position is reallocated to a lower class by action of an appointing authority under delegated allocation authority or by the Division of Personnel, the appointing authority, with approval of the personnel director, may elect to continue the incumbent employee's rate of compensation at the above-the-maximum rate, establish a lower rate of pay which exceeds the established maximum for the class, or reduce the salary to an equitable rate within the authorized range of pay for the lower class as provided for in paragraph (4)(D)2. If the appointing authority elects to establish an above-the-maximum rate, the rate of pay will be clearly recorded as an over-the-range rate, and the affected employee will not be eligible for any additional type or amount of salary adjustment or advancement until that time as his/her rate of pay shall fall within the range of pay for the class to which the position is allocated; and

C. An over-the-range rate established under subparagraphs (4)(D)6.A. and B. will continue while the employee remains in the same, comparable or higher classification in the same department. The payment of a differential authorized by the Personnel Advisory Board will be allowed where applicable, and the salary of an affected employee who enters or exits a position covered by this differential will be adjusted in a manner consistent with agency policy and practice. Where an employee receiving an over-the-range rate of pay maintains continuous state employment but accepts a position in the same, comparable or higher classification in another department covered by the classification and pay provisions of the State Personnel Law the appointing authority of the receiving agency shall have the discretion to continue the authorized over-the-range rate, to establish a lower rate of pay which exceeds the established maximum for the class, or to reduce it to an equitable rate within the authorized range of pay for the class. Once the range of pay for the class occupied by the employee can accommodate the rate of pay, the over-the-range rate will be void and the employee's compensation will be subject to the provisions contained elsewhere in the rules; and

(E) Total Remuneration. The salary rate established in the pay plan is intended as remuneration for the performance of full-time work in accordance with 1 CSR 20-5.010(1)(A). Employees may receive additional payments as follows: overtime payments in accordance with 1 CSR 20-5.010(1); pay differentials and performance incentive payments as authorized by the Personnel Advisory Board; suggestion award payments authorized by section 36.030 of the State Personnel Law; reimbursement for official travel as permitted by 1 CSR 10-11.010; and nonmonetary income or fringe benefits, which represent provisions made to an employee primarily for the benefit of the state. Subsistence deductions from the pay of an employee for articles provided at a state-owned facility primarily for the benefit of the employee are not considered to be a reduction in total remuneration of the employee.

(5) Certification of Payroll. No state disbursing or auditing officer shall make or approve or take any part in making or approving any payment for personal service to any person employed in a division of service unless this person is appointed and employed in accordance with the provisions of the law and these rules. Changes in employment conditions or status which are governed by the law and the rules adopted shall be subject to the same

conditions. The director shall establish the procedure necessary to secure compliance with this section. Any sum paid contrary to any provision of the law or of these rules may be recovered for the state in an action maintained by any citizen of Missouri, from any officer who made, approved or authorized payment or who signed or counter-signed a voucher, payroll, check or warrant for the payment or from the sureties on the official bond of any such officer. All moneys recovered in any such action shall be paid into the state treasury. Any citizen of Missouri may maintain a suit to restrain a disbursing officer from making any payment in contravention of any provision of the law or of these rules (see section 36.330, RSMo).

AUTHORITY: sections 36.060 and 36.070, RSMo Supp. 1995. Original rule filed July 9, 1947, effective July 19, 1947. Amended: Filed March 25, 1948, effective April 4, 1948. Amended: Filed June 1, 1954, effective June 11, 1954. Amended: Filed Nov. 1, 1956, effective Nov. 11, 1956. Amended: Filed Dec. 22, 1960, effective Jan. 1, 1961. Amended: Filed June 12, 1972, effective July 1, 1972. Amended: Filed June 18, 1973, effective July 1, 1973. Amended: Filed April 23, 1974, effective May 2, 1974. Amended: Filed Dec. 8, 1975, effective Dec. 19, 1975. Amended: Filed Dec. 13, 1978, effective April 12, 1979. Emergency amendment filed Sept. 13, 1979, effective Sept. 28, 1979, expired Jan. 25, 1980. Amended: Filed Oct. 12, 1979, effective Jan. 15, 1980. Emergency amendment filed June 12, 1981, effective July 1, 1981, expired Oct. 28, 1981. Amended: Filed June 12, 1981, effective Sept. 15, 1981. Amended: Filed June 2, 1988, effective Oct. 1, 1988. Amended: Filed Feb. 27, 1989, effective July 1, 1989. Amended: Filed June 26, 1989, effective Oct. 29, 1989. Amended: Filed Sept. 29, 1989, effective Jan. 1, 1990. Amended: Filed Feb. 25, 1992, effective Aug. 6, 1992. Amended: Filed July 6, 1993, effective Jan. 31, 1994. Amended: Filed July 21, 1994, effective Feb. 26, 1995. Amended: Filed May 15, 1996, effective Nov. 30, 1996.*

**Original authority: 36.060, RSMo (1945), amended 1979, 1993, 1995 and 36.070, RSMo (1945), amended 1979, 1995.*