



# Department of Military & Veterans Affairs

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## Policy Statement

<b>Subject:</b>	<b>Temporary Pay Differential Policy</b>
<b>Effective Date:</b>	July 1, 2018
<b>Summary:</b>	Provides a Means to Compensate Employees for Additional Assignments
<b>Applicability:</b>	All State Personnel and Supervisors of State Personnel
<b>Staff Proponent:</b>	Human Resources
<b>Supercedes:</b>	None - New

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### A. Background

To provide a method outside of performance pay by which an employee can be financially compensated for taking on additional and/or higher level assignments for extended periods of time (exceeding 30 days). This policy is not intended to provide for monetary compensation to employees who fill-in or provide coverage “in absence of” for short durations such as vacations, absences due to cold or flu, etc.

### B. Purpose

Temporary Pay Differential is a non-base building award that may be granted to a current employee who assumes the full set of duties (not “in absence of”) of a higher level position that is:

- (1) Acting: vacant or the incumbent is on extended leave for a period longer than 30 days but less than six months. The differential shall not exceed *nine* months for any given acting assignment;
- (2) Project: for a long-term project assignment that is not an expected or customary part of the regular assignment and is critical to the mission and operations of the agency as defined by the purpose of the project, its time frame, and the critical nature and expected results; or
- (3) Critical Skills: to retain a unique, specialized set of skills or knowledge that is critical to the mission and productivity of the agency and the loss would result in documented severe adverse effect on the agency’s mission and productivity.

### C. Policy

Temporary pay will apply only to current qualified employees, is non-base building, is included as salary for PERA and overtime calculations, and paid through regular monthly payroll. The Appointing Authority will approve the following Temporary Pay Differential “pay out” decisions:

- a. amount to be paid, which cannot exceed the statutory lid in any month;
- b. length of award, with acting appointments limited to nine months;
- c. eligibility for payment which shall be based upon:
  - criteria for written documentation of unique and critical skill set or recruitment difficulty (as provided annually by the Classified Human Resources Director);
  - verification that the full set of duties and authorities are attached to the acting assignment (to ensure that the pay differential is not used for short absences of 30 days or less, or for situations where full authority is not attached); and
  - written justification of project assignment and critical skills that include an annual assessment process submitted by the Supervisor.

#### **D. Procedure**

- Determine if position meets the definition of Acting Assignment, Project Assignment, or Unique skill for a Temporary Pay Differential.
- Prepare a memorandum to your Division Head outlining the criteria listed above (a-c) for a Temporary Pay Differential, potential impacts on current departmental employees, and explanation of where and how this differential will be funded.
- Complete the Temporary Pay Individual Agreement, *refraining from communicating intent with employee, refraining from indicating monetary compensation of any kind is being requested with employee, and refraining from acquiring the employee's signature until all approval signatures have been received.*
- Attach the memorandum to the Temporary Pay Individual Agreement.
- Submit all documentation to the Human Resource Director for presentation to the Appointing Authority.
- Upon approval and signatures from the Appointing Authority, arrange a meeting with the employee to discuss and obtain the employee's signature on the Individual Agreement. Return all documents to Human Resources for processing. If it is discovered that the request for additional monetary compensation was shared with the receiving employee prior to receipt of approval, the request will be automatically denied.
- Human Resources will file the original agreement in employee's personnel file.

#### **Official:**

//signed//

Michael Loh  
Adjutant General  
Executive Director

Distribution: DMVA Employees and Supervisors  
DMVA Website



## Department of Military & Veterans Affairs Temporary Pay Individual Agreement

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The Department of Military & Veterans Affairs agrees to compensate the employee listed below for accepting a short-term assignment. The employee understands that he/she will remain in their current position, but will perform all of the duties and authorities assigned to the short-term assignment. In no case will a Temporary Acting Assignment differential continue beyond nine months even if the assignment itself does.

This temporary pay differential shall be paid monthly through regular payroll and is not part of the employee's base pay. It is further understood that the differential, in combination with base pay, cannot exceed the statutory lid. Regular personnel rules and procedures apply. The employee understands that a Temporary Pay Differential is included in salary calculations for retirement (PERA) and overtime purposes, if non-exempt, and no aspect of this award is grievable or appealable, except for discrimination.

Employee Name: \_\_\_\_\_

Employee Position Title: \_\_\_\_\_

Position Number: \_\_\_\_\_

Department: \_\_\_\_\_

Temporary Pay Differential is due to (check one):

(1) Acting Assignment: \_\_\_\_\_

(2) Project Assignment: \_\_\_\_\_

(3) Unique Skill: \_\_\_\_\_

The Matching Pay Differential will be paid out of account:

The Temporary Pay Differential will consist of \$ \_\_\_\_\_ per month, and will take effect on: \_\_\_\_\_, 2021, with the first pay differential being paid on \_\_\_\_\_ and is anticipated to continue through \_\_\_\_\_. If assignment exceeds the number of months listed here, a new Temporary Pay Differential Agreement shall be completed by supervisor and approved through appropriate signatories.

The terms and conditions have been discussed with the employee. The employee understands and agrees to these terms and conditions.

\_\_\_\_\_  
Supervisor Signature                                  Date

\_\_\_\_\_  
Controller's Signature                                  Date

\_\_\_\_\_  
Division Administrator Signature                                  Date

\_\_\_\_\_  
Appointing Authority Signature                                  Date

\_\_\_\_\_  
Budget Administrator Signature                                  Date

\_\_\_\_\_  
Employee Signature                                  Date  
(Do not discuss with employee until all approval signatures have been obtained)

\_\_\_\_\_  
Resource Director Signature                                  Date