POLICY STANDARDS

Requirements for establishing a Special Entrance Rate (SER) Policy under Civil Service Rule 6.5(b) include:

- The SER policy must be submitted to the Department of State Civil Service for approval by the SCS Commission prior to implementation in accordance with Commission deadlines.

- SER Policies must include:
    - SER Questionnaire
    - Business reason for the policy
    - State Civil Service job title(s)
    - SER rate(s) in biweekly dollars
    - Effective Date
    - The SER adjustment percent for current employees, if applicable. State agencies have typically awarded a corresponding adjustment of 10% or less for SER policies. When calculating the SER adjustment for current employees, use the following formula to determine the maximum allowable adjustment:

      Percentage Difference = (New Hire Rate/ Old Hire Rate) – 1

  NOTE: If the job title already has a SER and the agency is requesting to increase the SER, the percent difference would be calculated from the old SER instead of the range minimum.

IMPLEMENTATION GUIDLEINES

- There are potentially two ways that agencies can implement an SER policy:
    - Agency implements a flat SER rate of $1500.00 biweekly for new hires. Current employees do not receive an SER adjustment but those below the SER rate will go to the SER rate.
    - Agency implements a flat SER rate of $1500.00 biweekly for new hires. Current employees receive a corresponding adjustment of 5%. To implement the corresponding adjustment the agency should take all employees and adjust their salary by 5%. Any employee still below the SER rate for new hires should be brought up to the SER rate.

- Before you implement an SER for a job series you should identify your rational business reason for the implementation and begin gathering data for the SER Questionnaire. They are not a means to give all employees in your agency a raise. The availability of funding to implement a SER of 5% above minimum and give everyone a 5% increase is not a rational business reason. SERs should also not be implemented for all jobs simply to raise the starting salaries. Not all jobs need a higher minimum salary to attract and retain qualified employees.

- The SER Questionnaire is a list of questions that are typically asked to justify the implementation of a SER. Though you may not have an answer to each question, the questionnaire should be completed with information that justifies your SER.

- Not all jobs in all schedules need to have an SER implemented in order to attract and retain qualified employees. You must have a rational business reason for implementing an SER for a job or job series. Not all jobs in the state system have recruiting, retention, or market problems. ***The following are some examples of rational business reasons for implementation of an SER; this is not an all-inclusive list:***
    - There is a shortage of qualified applicants, or a shortage of applicants who have more than just the bare minimum qualifications. Agencies should first ask themselves this question: “Have we done any recruiting other than just asking for a list?”

    - An agency is experiencing turnover problems. There is no certain percentage that defines “problem turnover”. Depending upon the length of time it takes to train a new employee, the number of employees at an agency, and the size of the applicant pool, “problem turnover” can vary significantly. For some jobs, significant turnover could be 15%, for others, a turnover rate of 35% is acceptable.

    - If SERs are in place for jobs in many state agencies, an SER may be necessary. For example, many agencies have SERs in effect for Accountants and Engineers. If the majority of agencies are using SERs in these jobs, an SER may help to your agency to recruit highly qualified individuals.

    - If an agency is competing with the private sector for the same employees, an SER may be necessary. However, do not assume that because the private sector pays higher, a state job is less desirable. With the volatility in the market place, state jobs are becoming more attractive. The fact that private industry and/or other governmental entities pay more than the state is not, in and of itself, a valid reason to raise salaries. If an agency is not having turnover or recruiting problems, current pay levels may already be competitive with local market conditions.

    - An agency may have two sections that perform similar work and have workers with the same or similar qualifications, but only one section is experiencing recruiting problems. If an SER is implemented in the section that is experiencing recruiting problems, then the employees in the other section may transfer in order to get the SER. In this case, a rational business reason for implementing an SER in the second section would be to retain parity among the sections.

  - An agency may have a job whereby the working conditions may warrant a higher pay level to attract and retain staff. These working conditions may be location, shift work, hazards, etc. In this instance, an agency may also consider Premium Pay under Rule 6.16(a) to address the working conditions.

- When a job has an SER, all new employees will start at the approved SER rate. The agency will need to consider how the implementation of the new SER will affect those employees currently onboard. When appropriate, state agencies may choose to concurrently raise the pay of existing employees in the problem jobs on the effective date of a new SER policy; however, all current employees must be raised to the new SER if the salary is below the SER.

- Agencies should also remember that there are other ways that employees may be compensated. Agencies should consider all of the flexible pay options available and decide which option will serve them best. Remember that all flexible pay options should be implemented in accordance with the Civil Service Rules and your agency policy. Some flexible pay rules require a Civil Service Commission approved policy.
  - Extraordinary Qualifications/Credentials [SCS Rule 6.5(g)] allows hiring up to the 3rd quartile based upon experience and credentials.
  - Optional Pay (SCS Rule 6.16.2) can be used to compensate employees who assume extra duties or receive job offers from private industry.
  - The Exceptional Performance and Gainsharing Program (SCS Rule 6.16.3) can be used to reward an employee or group of employees who have been instrumental in exceeding performance standards.
  - Rewards and Recognition (SCS Rule 6.16.1) is available for those employees who have demonstrated significant achievements.
  - Agencies may also have a job series that would benefit from the implementation of a Dual Career Ladder policy.
  - Premium Pay [SCS Rule 6.16 (a)] allows agencies to compensate individuals for hazardous duty, difficult work environment and/or location, extraordinary duties, market pay problems, and the attainment of educational and/or training credentials