

## Chapter Pers 5

## COMPENSATION PROVISIONS

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**Pers 5.01 Basic pay.** (1) **DEFINITION.** The terms "basic pay" and "base pay" mean the pay rate excluding any overtime or supplementary compensation.

(2) The rates prescribed in the compensation plan are the rates authorized for full-time employment. When employment regularly equals or exceeds half-time on a daily, weekly or monthly basis, the proportionate part of the rate shall be paid. When employment is less than half-time on a daily, weekly or monthly basis, the rate paid shall be according to the pay schedule for limited term employment.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.02 Beginning pay.** (1) **INITIAL RATE TO BE PAID.** (a) The lowest or initial rate in the pay range shall be the rate payable to any person on first appointment to a position in the class except as otherwise provided.

(b) When competitive labor market conditions have been evaluated and the initial rate as established is determined to be below the market rate for a class, or when the class, or the recruitment option for the class has unique requirements or geographic location and it is unlikely that quality applicants would be available under such conditions, the director, at the request of the employing department, may establish an initial rate above the pay range minimum for recruiting and hiring. Such actions shall be reported to the board annually.

(c) When necessary for effective recruitment, the director may, at the request of the employing agency, give pay recognition at the time of appointment to individuals who have more than the minimum qualifications for the class or recruitment option provided that the increased pay potential was included in the recruitment information. A report of individuals appointed under this subsection shall be made to the board annually.

(2) Subject to the pay range maximum, if the initial hiring rate is adjusted, the permanent status in class minimum (PSICM) shall be adjusted by a like amount and the provisions in the rules relating to PSICM shall apply. In applicable pay schedules, the term "Permanent Status In Class Minimum" is defined as the minimum rate to be paid within the pay range to an employee who is not serving a probationary period.

(3) For pay provisions on promotion, transfer, reinstatement, demotion and for trainees and intern classes see Wis. Adm. Code chapters Pers 14, 15, 16, 17 and 20 respectively.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.03 Pay adjustments.** (1) **PROBATIONARY INCREASE.** In schedules where appropriate, a probationary increase of one intermediate step shall be granted to an employe effective the beginning of the pay period closest to the completion date of the first 6 months of the probationary period, except that such increase shall not exceed the maximum rate of the pay range, nor shall a probationary increase be granted for completion of any probationary period required on a transfer, demotion or reinstatement.

(2) **REGRADED INCREASE.** (a) Pay adjustments resulting from regrading an employe shall be effective at the beginning of the pay period following completion of the transaction.

(b) Pay adjustments for regraded employes whose positions are reallocated pursuant to Wis. Adm. Code section Pers 3.02 (2) (a) through (f) shall be:

1. To PSICM if the incumbent has permanent status in the class and is below this rate.

2. To the minimum of the new class if the incumbent does not have permanent status in the class and is below this rate.

3. If an employe's position is reallocated to a classification in a pay range with a higher maximum, and the incumbent's present pay rate is above PSICM of the new class, the employe shall receive no pay increase as a result of the reallocation.

(c) When a position is reclassified pursuant to Wis. Adm. Code section Pers 3.02 (4) to a classification in a pay range with a higher maximum, the incumbent, who has permanent status in that position and is regraded, shall, if applicable, receive a pay increase to the permanent status in class minimum of the new class or a one step increase, whichever is greater.

(d) Regraded employes whose positions are reclassified or reallocated pursuant to Wis. Adm. Code section Pers 3.02 (2) to a classification with a lower pay range maximum than their current classification carries shall retain their current rate of pay, subject to Wis. Adm. Code section Pers 5.03 (3).

(3) **RED CIRCLE RATES.** In accordance with section 16.07 (2) (f), Wis. Stats., if a position in the classified service is reclassified or reallocated to a classification with a lower pay rate or pay range maximum, or if a position in the unclassified service is brought under the classified service and allocated to a classification having a lower pay rate or pay range maximum than the incumbent's current pay rate, the effect shall be as follows:

(a) If the incumbent is serving a probationary period for an original appointment in the affected class or position, he or she shall continue to be compensated at his or her present rate of pay as long as it does not exceed the pay range maximum for the classification to which his or her position is allocated.

(b) If the incumbent has previously attained permanent status in class but is serving a probationary period in the affected class or position because he or she was promoted or transferred within the agency, the appointing authority, pursuant to section 16.22 (1) (d), Wis. Stats., shall restore the incumbent to his or her former position or a similar position allocated to a classification in the same pay range if the incumbent requests such action in lieu of continuing in the reallocated position. In such action the employe shall be paid the

same rate he or she received prior to the promotion or transfer except for the addition of intervening servicewide adjustments.

(c) If an incumbent has previously attained permanent status in class but is serving a probationary period in the affected class or position because he or she was promoted or transferred between agencies, the incumbent shall be compensated at his or her present rate of pay as long as it does not exceed the pay range maximum for the classification to which the position is allocated.

(d) If the incumbent of such position has permanent status in class in the class to which his or her position is allocated and his or her present pay is within the pay range for the classification, he or she shall continue to be compensated at their present rate of pay.

(e) If the incumbent of such position has permanent status in class in the class to which his or her position is allocated and his or her present pay is above the maximum of the range for the classification, he or she shall continue to receive their present rate of pay until the maximum pay rate for the classification exceeds their present rate of pay. The employe shall not be eligible to receive any pay adjustments other than the cost of living adjustments under section 16.085, Wis. Stats.

(f) Subsequent position movement (except reassignment as provided in subsection (g)). If the incumbent under the provisions of subsection (e) moves to a position in a different classification his or her pay shall be immediately adjusted to a certifiable rate for which he or she is eligible within the pay range for that classification.

(g) If the incumbent under the provisions of subsection (e) moves by reassignment (i.e. to a different position in the same class in the same employing unit) or between employing units of the same agency, he or she shall retain their red circle rates.

(h) In any action resulting in the red circling of an employe pay rate every effort shall be made by the appointing authority and the bureau to restore the employe to a position commensurate to his or her former status. Any such employe with the approval of the director shall be placed on the appropriate employment lists. (See Wis. Adm. Code chapter Pers 16.)

(4) PROMOTIONAL INCREASE. See Wis. Adm. Code section Pers 14.04.

(5) MERIT INCREASES. See section 16.086 (5) and (7), Wis. Stats.

(6) MERIT INCREASES, INTENT. (a) *Policy.* The state's policy on merit increases is to establish a system of evaluation through performance standards consistent with good personnel management practices so that merit increases may be granted solely in recognition of and to encourage meritorious service, and provide justification to the employe for either the award or denial of merit increases.

(b) *Application.* Each department shall adopt a plan for the distribution of merit increases to accomplish the legislative intent and the policy expressed in this rule. The plan thus adopted may be drawn up by the bureau or it may be one drafted by the given department to fit its own needs and circumstances.

(c) *Reporting of departmental plan.* Appointing officers shall report to the director their plan of employe evaluation for increase purposes, including method and procedures, and furnish any supplementary forms or related information as the director may require

for his evaluation on the operation of the state's merit increase program.

(7) **MERIT INCREASES, ADMINISTRATION.** (a) *Fiscal year merit increases.* Appointing authorities shall file with the director and the department of administration their annual merit increase reports in the manner and form prescribed by the director.

1. Funds available. Pursuant to section 16.086 (5) (a) 1. a., Wis. Stats., the funds available for distribution of merit increases shall not exceed 4% of the applicable gross payroll as defined by the director.

2. Four percent of the applicable gross payroll is defined as: 80% of the amount which would be required if every employe eligible for a merit increase on July 1 were to receive an increase equal to one intermediate step or the portion thereof required to reach the maximum in the range; but if such 80% is not an exact multiple of \$1, it shall be increased to the next higher \$1 multiple.

(b) *Interim merit increases.* Pursuant to section 16.086 (5) and (7), Wis. Stats., and the limitations below, appointing authorities may grant merit increases throughout the fiscal year.

1. Funds available. Merit increase money distributed to employes on July 1, who have subsequently terminated their employment with the agency during the fiscal year shall be available for interim increases to eligible employes. However, merit increases granted to employes who are subsequently laid off shall not be included in the determination of funds available for interim merit increase.

2. Reports. Appointing authorities shall report information relating to each such interim merit increase as the director may require.

3. Effective dates. Such interim merit increases shall be effective at the beginning of the pay period following receipt of such written notice by the director on the form prescribed by him.

(8) **SIMULTANEOUS PAY INCREASES, ORDER OF APPLICATION.** Pay adjustments resulting from personnel transactions that have the same effective date shall occur in the following order:

(a) Reallocation

(b) Reclassification

(c) Probationary increase

(d) Promotional increase

(e) Compensation plan adjustment pursuant to section 16.086 (3), Wis. Stats.

(f) Merit increase

(g) Retroactive salary increase or decrease. Except for action in accordance with section 16.05 (1) (e), Wis. Stats., or to correct an error, no pay increases or decreases shall be retroactive.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.04 Supplementary compensation.** (1) **DEFINITION.** Supplementary compensation, established in the compensation plan under section 16.086 (1) (c), Wis. Stats., shall not be considered part of an employe's base pay. Supplementary compensation shall apply as provided in the compensation plan and shall be discontinued by the appointing authority when no longer applicable. Such supplementary compensation shall be separately recorded by the director and by the employing agency.

(2) NIGHT DIFFERENTIAL COMPENSATION. (a) *Definition.* Extra compensation for regularly scheduled shift hours worked of not less than 2 hours duration between 6 p.m. and 6 a.m. by employes in permanent and seasonal positions (as defined in chapter Pers 8) whose employment regularly equals or exceeds one-half time on a daily, weekly or monthly basis.

(b) *Rate for night differential.* 1. Night differential compensation shall be at the rate specified in section 16.086 (1) (c) 2., Wis. Stats.

2. Subject to 3., night differential work that is compensable shall be on an hour-for-hour basis for each regularly scheduled hour worked between 6 p.m. and 6 a.m. as authorized and certified by the appointing authority.

3. No employe shall be eligible for such extra compensation unless he or she has worked for a period of 2 or more qualifying hours on a regularly scheduled shift basis between 6 p.m. and 6 a.m.

4. Night differential payment shall be considered separately from an employe's base pay rate and such payment shall be separately recorded on the payroll.

5. Night differential compensation shall not be paid to an employe absent on leave with pay (vacation, sick leave, military leave, etc.) during the period in which the employe would otherwise be regularly scheduled to work between 6 p.m. and 6 a.m.

6. Night differential compensation shall not be authorized for irregularly scheduled hours of work.

7. Any night differential compensation shall cease to be payable without the right of appeal whenever the employe's regularly scheduled hours of work on a shift between 6 p.m. and 6 a.m. are reduced to under 2 hours.

8. For purposes of this section the following interpretation shall apply:

a. REGULARLY SCHEDULED HOURS shall mean work hours repetitively occurring on a standard, split, or rotated shift basis.

b. IRREGULARLY SCHEDULED HOURS shall mean work hours not scheduled on a permanent and repetitive basis.

c. FRACTIONAL HOURS. In computing total shift hours worked each day between 6 p.m. and 6 a.m. any remaining fractional work period of 30 or more minutes shall be rounded off to the next highest full hour. Fractional periods of less than 30 minutes shall not be compensable.

d. SUBSTITUTION. Night differential compensation shall be paid to an employe who is temporarily assigned to fill a position that requires regularly scheduled work hours between 6 p.m. and 6 a.m. provided that substitute employe works for 2 or more hours within the prescribed time period.

(3) MEALS WHILE ON DUTY. As provided under section 16.086 (1) (c) 3., Wis. Stats., when a state agency provides meals to employes who are required as a condition of employment to take such meals in the performance of employer assigned duties or responsibilities, said meals shall be provided without charge to the employe. All of the following conditions must be met for an employe to be eligible for such meals:

(a) An employe works a straight 8-hour shift without an unpaid lunch period.

(b) Meals eaten while on duty must be taken at the employe's assigned work post.

(c) Meals are presently delivered to the assigned work post or would have been if so requested and facilities are in operation at the time the meal is to be consumed.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.05 Compensation from other sources.** Regardless of the source of funds, all compensation for services in a given position shall be combined to the end that the total compensation of any employe for any period shall not exceed the amount payable at the rate prescribed for the class of the position concerned except as provided by section 16.086, Wis. Stats.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.06 Overtime.** (1) **DEFINITION.** (a) *Overtime.* Time that an employe works in excess of 40 hours per each 7 consecutive calendar day period.

(b) *Regular rate.* Rate based on the basic pay rate plus the total paid in night differential compensation, responsibility pay and specialty pay.

(c) *Premium rate.* Compensation in cash at a rate of one and one-half times the regular rate paid the employe for the workweek in which overtime is worked or compensation in time off at a rate of one and one-half the number of hours worked.

(d) *Continuing overtime.* Overtime which can be anticipated within 3 or more weeks in advance of its occurrence and which is expected to require 40 or more hours of overtime for any one employe within any 10 week period.

(2) **GENERAL POLICY ON OVERTIME.** (a) Overtime work is to be held to a minimum consistent with the needs of the service.

(b) All overtime work for either compensatory time off or for cash payment must be authorized by the appointing authority.

(c) Bureau of personnel approval is also required for cash payment when the conditions of employment are expected to require continuing overtime.

(d) Additional pay for overtime work shall not be considered as a part of an employe's base pay.

(e) All cash overtime payments shall be separately recorded on the payroll.

(f) Any additional cash compensation shall cease to be payable without the right of appeal whenever the employe's scheduled hours of work are reduced to 40 hours per week.

(g) Compensatory time off for overtime hours shall be used as soon as possible after the time is earned. If compensatory time off is to be granted to an included employe, it must be granted within the pay period that it is earned except that if requested by an included employe who is not an employe of a hospital, nursing home, school or institution of higher education, compensatory time off may be granted in accordance with provisions under subsection (4) pertaining to exempt employes. If compensatory time off is to be granted to an exempt employe, it must be granted within the calendar year earned, except that with the approval of the appointing authority, compensatory time off may be used within the first 6 months of the ensuing calendar year. Within the time limitations specified herein, the appointing authority shall respect the wishes of employes relative

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to the time at which compensatory time off may be used, insofar as he determines the needs of the service will permit.

(h) The state is considered as one employer for the purposes of determining the number of hours worked.

(i) Employees shall be categorized as "included" or "exempt" from requirements of premium pay for overtime according to the standards established by the director.

(3) PROVISIONS FOR INCLUDED EMPLOYEES. Included employees shall be paid at a premium rate for all hours worked in excess of 40 hours per workweek.

(4) PROVISIONS FOR EXEMPT EMPLOYEES. (a) The pay rates for exempt employees are generally intended to compensate for all required employment work hours. However, compensation in cash or time off at up to a straight time basis for work hours over 40 per week may be granted at the discretion of the appointing authority for emergency, scheduled, or non-regular overtime work.

(b) If continuing overtime work is required by the nature of the function to be performed and in the judgment of the appointing authority payment for such overtime in cash or compensatory time off at up to one and one-half times the basic rate is in the best interest of the service, or if cash or compensatory time off at a rate in excess of straight time at up to one and one-half times the basic rate for non-continuing overtime is considered appropriate by the appointing authority the appointing authority shall submit a request to the director for authorization of such payment. Each such request shall be considered based on the facts in each situation and a decision shall be made by the director to authorize or not authorize such payment, consistent with the needs of the service and fair treatment of employees.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.07 Additional employment.** (1) DEFINITION. Additional employment is work performed by an employe outside of his or her regular full-time position. Additional employment is of 2 types:

(a) Employment in the same employing unit but in a different class of position than that of the employe's regular position.

(b) Employment in a different employing unit of the same agency or in a different agency in the same or different class of position than that of the employe's regular position.

(2) POLICY ON ADDITIONAL EMPLOYMENT. (a) Included employees shall be paid a premium rate for additional employment work hours which together with regular employment hours exceed 40 hours of work per week according to Wis. Adm. Code section Pers 5.06 (3). It shall be the responsibility of the agency employing a person on additional employment to determine the total hours worked by the employe and to pay the premium rate when applicable.

(b) Exempt employees shall be paid the straight time rate for the additional employment except that in exceptional cases a rate at up to one and one-half times the basic rate may be authorized by the director at the request of an appointing authority.

(3) PROCESSING. Additional employment is limited term employment and shall be processed subject to the provisions of Wis. Adm. Code chapter Pers 10.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.08 Joint employment.** (1) **DEFINITION.** Joint employment is employment of a person in more than one permanent position by more than one agency during the same workweek.

(2) **POLICY.** When an employe works on joint employment the hiring agencies shall coordinate with each other the total number of hours worked by the employe in any workweek. If any premium pay is required, the costs of such additional pay shall be shared on the basis of time worked for each department or on some other basis agreeable to the agencies involved.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.09 Total remuneration.** The rates of pay as prescribed under the appropriate pay schedules shall constitute total remuneration except for: approved overtime; lawful reimbursement for necessary expenses authorized and incurred incident to employment; special equipment; clothing; or services considered necessary for performance of the job.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.10 Length of service pay.** (1) **STATUTORY AUTHORITY.** As provided under section 16.086 (1) (am), Wis. Stats., an eligible employe shall be paid an annual length of service payment. It is the intent of this subsection that no employe shall be granted more than one length of service payment for the 12-month period beginning January 1 and ending the following December 31.

(2) **ELIGIBILITY.** All employes, except employes paid on a prevailing rate and employes on part-time (which is less than half-time, on a daily, weekly or monthly basis), short-term, project and student employments, who have completed 5 or more years continuous service as defined in Wis. Adm. Code section Pers 18.02 (2) prior to December 31, shall be paid a length of service payment specified under section 16.086 (1) (am), Wis. Stats. To be eligible an employe must have completed the required number of years of continuous service prior to or during the calendar year in which the payment is to be made.

(3) **COMPUTATIONS.** Computations for determining such continuous service and number of years of service shall be made according to provisions of Wis. Adm. Code section Pers 18.02 (2) and (3).

(4) **PAYMENT.** (a) When the rate of length of service payment changes during the 5th, 10th, 15th, 20th, or 25th calendar year, such payment shall be based upon the highest rate for which eligibility has been gained during the calendar year.

(b) The length of service payment for eligible employes shall be prorated according to the number of paid work hours during the period specified in subsection (1) above excluding time considered to be overtime as defined in Wis. Adm. Code section Pers 5.06 or additional employment as defined under Wis. Adm. Code section Pers 5.07. Any absences without pay totaling 30 calendar days or less in a calendar year may be included in computing paid work hours.

(c) Pursuant to section 16.086 (1) (am), Wis. Stats., such payment shall be made on a date in December as determined by the director.

(d) Upon termination, retirement, or death of an eligible employe

the length of service payment shall be prorated and paid on a date as determined by the director in accordance with section 16.086 (1) (am), Wis. Stats.

(5) **TRANSFER OF CREDITS.** Transfer of length of service credits shall be consistent with Wis. Adm. Code section Pers 18.04 (2).

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.11 Pay for military service.** See section 16.30 (3) (a), Wis. Stats.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.12 Pay for jury service.** See section 16.30 (3) (c), Wis. Stats.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.13 Reimbursement for applicant's travel expenses.** As provided by section 20.916 (2), Wis. Stats., an applicant may be reimbursed for all or part of his or her actual, reasonable and necessary travel expenses consistent with the applicable provisions of section 20.916, Wis. Stats., and any regulations prescribed thereunder, which are incurred in connection with reporting for an oral examination or employment interview by the employing agency, provided the director, upon request of the appointing authority, determines that reimbursement for expenses is a necessary part of the effective recruitment process and prior authorization for such reimbursement has been given to each applicant to be reimbursed before the expenses are incurred.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.14 Maintenance provisions.** Except as provided in Wis. Adm. Code section Pers 5.04 (3), where full or part maintenance such as laundry, meals, lodging or quarters is furnished for the employe or the employe and his family, the employe shall be charged for the value of the allowance as established by the director based upon recommendations made by the employing agencies prior to implementation. Any exception to this policy shall require the approval of the director. The director shall review these rates as required.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.15 Audit of records.** As provided in sections 16.04 (2) and 16.37 (1), Wis. Stats., the director shall have access to all records kept by agencies relating to personnel and employment processes.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.

**Pers 5.16 Hazardous duty pay; workmen's compensation.** See Wis. Adm. Code chapter Pers 28.

**History:** Cr. Register, October, 1972, No. 202, eff. 11-1-72.