

## **POLICY 31: OPTIONAL PAY and POLICY 48: PREMIUM PAY**

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### ***Am I eligible for Optional Pay?***

This policy applies to all permanent classified employees of LHC with a minimum “Successful” overall rating or the equivalent on their most recent annual Performance Evaluation.

In accordance with State Civil Service Rule 6.16.2 Optional Pay Adjustments, the Executive Director may, at his own discretion, grant individual pay adjustments for the recruitment and retention of employees.

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### ***What are the types of Optional Pay?***

#### **Matching a job offer.**

An employee deemed by the Executive Director to be essential may receive a base pay increase of up to 10% of the employee’s base salary to match a written and verified salary offer from a private employer, for an unclassified position at another state agency, or a position at a non-state government entity.

#### **Recruitment.**

The Executive Director may grant a base pay increase of up to 10% to an employee, in addition to any other compensation granted under State Civil Service Rule 6.7, to recruit employees into a position for which recruiting is difficult.

#### **Compression.**

The Executive Director may grant a base pay increase of up to 10% to an employee to reduce pay compression. Salary compression may occur when managers/ supervisors are paid at a rate lower than those they supervise. Salary compression may also be caused when there is only an insignificant difference in pay between employees in the same job series, despite significant differences in merit factors such as length of total state service, time in current job series, skills and experience, education/ credentials, and/ or performance.

#### **Additional duties.**

Permanent additional duties. The Executive Director may grant a base pay increase or lump sum of up to 5% to an employee who is assigned additional duties on a permanent basis. Such permanent duties shall be documented in an official position description and processed by State Civil Service within thirty (30) days prior to granting the adjustment. An employee may not receive more than 10% in base pay increases for additional duties within three (3) consecutive years.

Temporary additional duties. The Executive Director may grant a lump sum payment of up to 5% to an employee who is assigned additional duties on a temporary basis. Payment of such a lump sum may be made in one payment at the end of the duration of the duties or may be spread among pay periods for the duration of the assignment not to exceed one year.

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### ***How is Optional Pay posted and reported?***

The policy is posted on the HR SharePoint page. A hard copy can be requested through Human Resources. Notice of employees who receive payments according to this policy are posted by Human Resources.

An annual report shall be submitted to the Department of State Civil Service by July 31 detailing payments made to employees under State Civil Service Rule 6.16.2 during the previous fiscal year ending June 30<sup>th</sup>.

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### ***Am I eligible for Premium Pay?***

Only the employees in the positions listed below in the Compliance department are eligible for premium pay of up to \$1.00 per hour for all hours worked.

Job titles include: Administrative Program Specialist C; Building Plans Examiner 1, 2, and 3; Housing Finance Specialist 1, 2, and 3; and Housing Finance Supervisor.

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### ***Why do only those employees receive Premium Pay?***

Personnel are required to perform scheduled and random field exams. These exams require both internal and external elements, involving exposure inclement weather and during times of extreme hot or cold weather. These exams involve exposure to various building issues, such as mold, moisture, extreme heat, out of compliance construction, and other faulty construction issues and safety hazards. The employees are also exposed to insects, vermin, hostile pets, and, the most significant hazard, humans.

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### ***What is the process for requesting Premium Pay?***

- Premium Pay requests for eligible employees shall be submitted by the supervisor to Human Resources when the employee begins conducting field examinations. The request shall document the date the field examinations began.
- Premium Pay begins at the beginning of the pay period following approval of the request.
- Human Resources shall maintain a record of all positions eligible to receive premium pay and all employees who occupy positions eligible to receive premium pay.
- Premium Pay ends when an employee vacates a position designated to receive premium pay by separation or when transferring to another department.

This document is for information and training purposes only. It does not include all of the provisions of LHC's Optional Pay and Premium Pay Policies. The policies can be viewed, in their entirety, through the Human Resources page on SharePoint or by requesting copies from Human Resources.