

9575.0350 SALARY ADJUSTMENTS AND INCREASES.

Subpart 1. **Availability of funds.** Before salary increases and adjustments are made according to parts 9575.0300 to 9575.0370, or according to a negotiated collective bargaining agreement, the appointing authority shall have in its records and carry in its minutes a definite statement that funds for this purpose are available.

Subp. 2. **Plan requirements.** In agencies where there is no exclusive representative or collective bargaining agreement, negotiated adjustments in the rates of pay of incumbents of positions, in order to conform to a newly adopted or currently effective compensation plan, shall be in accordance with the following provisions:

A. If the rate of pay of an employee is below the minimum of the range prescribed for the employee's classification on the merit system compensation plan, the rate shall be adjusted to that minimum.

B. If the rate of pay of an employee is at or above the new minimum salary adopted for their class, the employee may receive the general merit system adopted adjustment, and if the employee's class was adjusted to a greater extent than the general adopted adjustment, the employee may receive the additional adjustment as provided in part 9575.0320, subpart 3 as long as the additional adjustment does not place the employee's salary over the new maximum adopted salary for the class.

C. In those situations where the appointing authority has determined that the general merit system adopted adjustment is inappropriate for its employees, it may grant a different adjustment; however, the authority must file with the supervisor the new salary steps by class. These adjustments shall at least place employees at the minimum salary and not over the maximum salary for their class.

D. Employees at the maximum salary for their class may be granted salary adjustments over the maximum salary prescribed for their class, only if such a merit system adjustment is adopted and only in the amount adopted for incumbents of that class.

E. If the rate of pay of an employee is higher than the maximum of the range prescribed for the employee's class of positions, the rate may remain the same as long as the employee retains the same classification.

F. If the rate of pay of an employee falls between the minimum and maximum of the salary range prescribed for the employee's class but does not correspond to any intervening steps in the range, due to the adoption of merit system general adjustment, such rate may remain the same. In the case of subsequent merit increases, the employee shall be placed back on a step in the adopted salary range for his or her class.

G. Employees at or above the maximum salary rate for their class may be granted a salary adjustment only in the amount adopted by the merit system for all employees whose positions are not covered by the terms and conditions of a collective bargaining agreement.

If an appointing authority wishes to grant a larger general adjustment to its employees than that adopted by the merit system, the appointing authority, by prior resolution, may grant that employee the annual equivalent of the difference between the merit system adopted adjustment for all employees and the agency adopted adjustment for its employees in the form of a single lump sum payment or lump sum salary payments commencing on the effective date of the general adjustment. The employee's base salary rate shall be equal to the employee's salary before the agency adjustment plus the merit system adopted adjustment.

H. An appointing authority may grant a salary increase within the salary range to an employee based upon unusual employment conditions that make the action necessary and the interests of the agency that will be served by the action. In granting this increase, the appointing authority shall give due consideration to the salary rates paid other employees in the same classification and shall not grant an increase that does not ensure equitable compensation for comparable work. Salary increases proposed according to this part are not based on employee performance or a general merit system adopted salary adjustment. The granting of such an increase shall not affect the employees' eligibility for subsequent merit increases or salary adjustments in accordance with merit system rules. If the unusual employment conditions giving rise to such an increase are of a temporary nature, the employee's salary shall be decreased to its previous level upon conclusion of those conditions. This decrease is not subject to part 9575.0370 or 9575.1180.

Subp. 3. **Recommended adjustment.** The merit system general adjustment recommended for incumbents is three percent for employees on the professional, support, clerical, and maintenance and trades salary schedules.

Subp. 4. **Salary differentials.** Intra-agency salary differentials between employees in the same class of positions, between employees in different classes of positions in the same occupational field, and between occupational fields in the same agency are recognized as important factors in the maintenance of satisfactory morale. If the general adjustments result in the reduction of the differential between employees in the same class of positions or between employees in different classes of positions in the same occupational field, adjustments may be made that will, insofar as practicable, maintain such differentials within the limits of the new plan. In maintaining such differentials, the appointing authority shall take into consideration the length of service and quality of performance of the employees affected.

Subp. 5. **Collective bargaining agreements.** In agencies where there is an exclusive representative and a negotiated salary schedule for employees in the bargaining unit, adjustments in the rates of pay of employees shall follow the wording of the contract or agreement.

Statutory Authority: *MS s 256.012*

History: 8 SR 1352; 9 SR 1339; 10 SR 1507; 11 SR 1075; 12 SR 1335; 14 SR 1806; 15 SR 452; 16 SR 2054; 17 SR 1829; 18 SR 2277; 19 SR 2090; 20 SR 2592; 22 SR 45; 23 SR 82; 23 SR 2404; 25 SR 556; 26 SR 811

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