GOVERNMENT OF THE DISTRICT OF COLUMBIA
D.C. Department of Human Resources

District Personnel Manual Issuance System

E-DPM Instruction No. 11B-71

SUBJECT: Setting-Pay Provisions for Positions Paid under *OPEN RANGE* Salary Schedules

Date: June 29, 2009

Note: This Electronic-District Personnel Manual (E-DPM) instruction supersedes DPM Instruction No. 11B-60, *same subject*, dated May 30, 2008, for the main purpose of providing a revised form for agencies to complete when requesting approval of salary exceptions for positions paid under open range salary schedules (see Paragraph 4 below).

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1. Purpose and Applicability

This instruction informs agencies of the pay-setting rules for appointments (new and otherwise) to positions paid under the three (3) <u>open range salary schedules</u> (see *Definitions*) described below, to include:

- Appointments at grade levels CS-15 and above to non-union positions in the <u>Career Service</u>;

- Appointments to positions in the <u>Excepted Service</u>;

- Appointments to positions in the <u>Management Supervisory Service</u>; and

- Movements <u>from</u> salary or rate schedules with steps, <u>to</u> open range salary schedules.

2. Open Range Salary Schedules

- *Career Service Open Range Salary Schedule for Grade Level 15 and above within the Non-Union General Career Service Schedule ("Non-Union General CS Schedule")*

- *Excepted Service Open Range Salary Schedule ("ES Schedule")*

- *MSS Open Range Salary Schedule ("MS Schedule")*

Note: E-DPM instructions that are strictly procedural in nature have direct applicability only to agencies and employees under the personnel authority of the Mayor. Other personnel authorities or independent agencies may adopt any or all of these procedures or guidance materials for agencies and employees under their respective jurisdictions.

Inquiries: Compensation & Classification Administration, DCHR (202) 442-9700
Distribution: Heads of Departments and Agencies, HR Advisors and DPM Subscribers
Retain Until Superseded

3. **Pay-Setting Provisions for Open Range Salary Schedules**

Type of Appointment	Pay-Setting Policy
New (Initial) Appointment with District government	The rate of pay of *"new hires"* normally will be set at the minimum rate of the range for the *grade* or *pay level* for the position. Agencies may set the initial pay at any amount up to the representative rate of the grade or pay level for the position, which in the case of open range schedules is the midpoint range. The following should be considered when setting the rate of pay for initial appointments: • Candidate's current salary (proof required); • Skill sets the candidate brings to the job in addition to minimum qualifications; • Effect on agency budget and budget limitations; • Market value of the position; or • Compensation internal relationships (salary of new hire compared to others in the agency). In extraordinary circumstances where a subordinate agency wants to make an appointment at a salary above the representative rate (salary exception), the agency must request the approval of the D.C. Department of Human Resources (DCHR). Before requesting a salary exception for a *new hire*, the agency must complete *DCSF No. 11B-01* (copy attached) and submit the form and the information/ documentation listed below to the DCHR: • Candidate's current salary (proof required); • Documentation of candidate's expertise/specialized skills; • Effect of proposed salary on agency's budget; • Documentation that the position has been designated *hard- to-fill*; • Recruitment plan(s) and proof of recruitment efforts; • Market value analysis of the position; or • Comparative analysis of the proposed compensation to other internal pay relationships within the employing agency. Such requests must include: a copy of the candidate's D.C. 2000 – Employment Application; written justification; position description; and any other supporting documentation justifying the rate of pay requested.

Pay-Setting Provisions for Open Range Salary Schedules (Continued)

Type of Appointment	Pay-Setting Policy
Promotion	At the discretion of the personnel authority, the rate of pay of an employee promoted within or to an open range salary schedule will be set by adding 10% to the employee's current rate of basic pay.
Change to Lower Grade (Demotion) – **Non-Disciplinary Reasons**	There will be no change to the rate of pay of an employee upon a change to lower grade for non-disciplinary reasons; provided that the employee's current salary is within the range of pay for the new (lower) grade or pay level. If the employee's current salary is over or at the maximum rate for the new (lower) grade or pay level, the rate of pay will be set at the maximum rate for the new (lower) grade or pay level.
Change to Lower Grade (Demotion) – **Disciplinary Reasons/Performance**	The rate of pay of an employee changed to a lower grade for disciplinary/performance reasons will be set at an amount 10% lower than the employee's current rate but in no case lower than the minimum nor higher than the maximum of the new rate range.
Reassignment	There will be no change to the rate of pay of an employee upon reassignment.
Reclassification*	**Reclassification to Lower Grade/Pay Level Position:** The rate of pay of an employee whose position is reclassified to a lower grade or pay level will be set in the new grade range at an amount nearest his/her current rate but in no case lower than the minimum nor higher than the maximum of the new rate range. **Reclassification to Higher Grade/Pay Level Position:** The rate of pay of an employee whose position is reclassified to a higher grade or pay level will be set in the new rate range at an amount nearest his/her current rate but in no case lower than the minimum nor higher than the maximum of the range of the new grade.

* *The pay-setting policy in this instruction for the term "Reclassification" is to be used for positions on the open range salary schedule only.*

4. **Rescission of** *D.C. Standard Form No. 11B-09*; **and Revised** *D.C. Standard Form 11B-01*

   a. *D.C. Standard Form (DCSF) No. 11B-09, Request for Salary Exception under Open Range Salary Schedule,* has been "rescinded;" and the original *DCSF No. 11B-01, Request for Superior Qualifications Appointment,* has been revised and renamed as *"Request for*

Superior Qualifications Appointment/Salary Exception (Open Range Salary Schedule)."
Thus, effective immediately, agencies requesting DCHR's approval of either a *Superior Qualifications* appointment or a salary exception for a position paid under an open range salary schedule must use the revised *DCSF No. 11B-01*.

b. In addition to combining the two (2) forms into one (1), the revised/renamed *DCSF No. 11B-01* is now available as an electronic fillable form. Agencies may access the form on the DCHR's Intranet website at www.dcop.in.dc.gov under the heading "*Services,*" by clicking on "*Forms.*"

5. <u>Definitions</u>

For the purposes of this instruction, the following terms have the meaning ascribed:

Appointment – initial (new) appointment with the District government; reassignment; change to lower grade; promotion; or transfer action.

Change to lower grade – (1) the change of an employee to a <u>lower grade</u> when <u>both the old and new positions are under the same salary/rate schedule;</u> or (2) the change of an employee to a position in a <u>different salary/rate schedule</u> with a <u>lower representative rate.</u>

Market-salary analysis – an analysis of the pay levels for similar work paid by other employers within the market area. This analysis is often used to help determine the salary of a particular District government position.

Open range salary schedule – A pay schedule where each pay/grade level of a salary schedule has an open range with no steps, only a "minimum," "midpoint," and "maximum" as reference points of the range.

Personnel authority – an individual or entity with the authority to administer all or part of a personnel management program. The Director, D.C. Department of Human Resources (DCHR), is delegated the Mayor's personnel authority over subordinate agencies.

Promotion – (1) the change of an employee to a position at a <u>higher grade level</u> within the same job classification system and salary/rate schedule; or (2) the change of an employee to a position in a <u>different salary/rate schedule</u> with a <u>higher representative rate.</u>

Rate of basic pay – the pay rate fixed by law, Wage Order, or Mayor's Order for the position held by an employee before any deductions and excluding additional pay of any kind, except as otherwise provided.

Reassignment – the change of an employee from one position to another position with the same (exact) representative rate.

Reclassification – a change in title, series, or grade of a position resulting from either planned management action or accretion of duties.

Representative rate – the rate used to determine the <u>nature of a job change</u> when the job

change involves *different salary or rate schedules*. Specifically, the representative rate is used to determine if the job change is a promotion, change to lower grade, or reassignment, by comparing the representative rates of the salary/rate schedules involved in the job change. The representative rates for the various salary and rate schedules are as follows:

- *4th step* for salary schedules with *10 steps*;
- *3rd step* for rate schedules with *6 steps*; and
- *Midpoint range* for *open range salary schedules*.

Salary compression – pay differentials too small to be considered equitable. The term may apply to differences between (1) the pay of supervisors and subordinates; (2) the pay of experienced and newly hired incumbents of the same position (job); or (3) pay-range midpoints in successive job grades/pay levels.

Subordinate agency – an agency under the direct administrative control of the Mayor (for the list of subordinate agencies, *see* D.C. Official Code § 1-603.01 (17)).

6. References

The rules on open-range salary schedules are contained in Chapter 11 of the D.C. personnel regulations, Classification and Compensation.
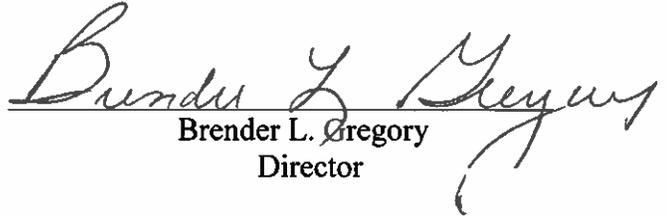
Brender L. Gregory
Director

Attachments:

- *D.C. Standard Form No. 11B-01, Request for Superior Qualifications Appointment/Salary Exception (Open Range Salary Schedule)* (Rev. 6/09)
- Examples on Setting Pay under Open Range Schedules

GOVERNMENT OF THE DISTRICT OF COLUMBIA
D.C. Department of Human Resources

REQUEST FOR SUPERIOR QUALIFICATIONS APPOINTMENT / SALARY EXCEPTION (OPEN RANGE SALARY SCHEDULE)

Section 1 – Designated Office Within DCHR/Type of Appointment

To: D.C. Department of Human Resources	DCHR NO./AGENCY NO.	DATE (Month, Day, Year)

Attn:

Type of Appointment [Initial App. / Reappointment]

Superior Qualifications Appointment

- ☐ Career Appt. (Prob./Perm./Reinstatement) (Grades 1 – 14 Only)
- ☐ Career Appt. (Prob./Perm./Reinstatement) (Wage Grade)
- ☐ Career Appt. (Temporary/Term) (Grades 1 – 14 Only)
- ☐ Career Appt. (Temporary/Term) (Wage Grade Only)
- ☐ MSS Appt. (Wage Grade Only)

Salary Exception (open range)

- ☐ Career Appt. (Prob./Perm./Reinstatement) (Grades 15 & Above)
- ☐ Career Appt. (Temporary/Term) (Grades 15 & Above)
- ☐ Excepted Service
- ☐ MSS Appt. (White-Collar Positions Only)

Section 2 – Agency Submitting Request:

Agency Name

Address

City, State, Zip Code

For Information Call: (Name/Tel. No.)

Title   Date

Signature of Agency Official Requesting this Action

Section 3 – Information on Candidate/Position Being Considered For/Proposed Salary

Pay Plan Designation

Name of the Candidate: _____

Title of the Position Being Considered for: _____

Grade and Series of the Position: _____

Proposed Salary/ Step: _____

- ☐ CS   ☐ MW
- ☐ ES   ☐ RW
- ☐ MS   ☐ LW
-        ☐ SW

Section 4 – Justification for Superior Qualifications / Salary Exception

Submit via email/ scanned copies of the candidate's completed D.C. 2000 – Employment Application; written justification; position description; and any other supporting documentation or statements.

Section 5 – To Be Completed by DCHR Representatives

Recommendation:
- ☐ Approve
- ☐ Disapprove

Final Determination:
- ☐ Approved
- ☐ Disapproved

Supvy, HR Specialist   Date

Director, DCHR (or Designee)   Date

D.C. Standard Form No. 11B-01 (Rev. 6/0'

Agency:

- *Complete sections 1 through 4*

- *Under section 1, include the name of the Supervisory HR Specialist within the Recruitment & Staffing Group, the D.C. Department of Human Resources (DCHR)*

- *The written justification required under section 4 must include all information and documentation the agency considers relevant for the DCHR to determine whether the request should be approved, including a detailed analysis of the candidate's superior qualifications and how they compare to those of other candidates/applicants; existing salary, if applicable (include proof such as pay stubs), etc.*

  ☐ Candidate's Current Salary (include pay stubs);

  ☐ Documentation of candidate's expertise/specialized skills;

  ☐ Effect of proposed salary on agency's budget;

  ☐ Documentation that the position has been designated *hard-to-fill*;

  ☐ Recruitment plan(s) and proof of recruitment efforts;

  ☐ Market value analysis of the position; or

  ☐ Comparative analysis of the proposed compensation to other internal pay relationships within the employing agency.

  [The regulations on superior qualifications appointments and setting pay for positions paid under open range salary schedules are contained in Chapter 11 of the D.C. personnel regulations, Classification and Compensation.]

DCHR:

- *Assign a "DCHR No./Agency No." (Section 1) to each DCSF No. 11B-01 received*

- *Sign and date the form (DCHR representative making the recommendation and approving or disapproving the request)*

- *File the original DCSF No. 11B-01 approving the request on the right hand side of the employee's official personnel folder (OPF) along with the personnel action effecting the appointment (the DCSF No. 11B-01 becomes a permanent personnel record)*

- *Return the original DCSF No. 11B-01 and supporting documentation disapproving the request to the hiring agency, and keep a copy of the request*

EXAMPLES

Example No. 1 –

This is an action moving a Career Service non-union employee in a position at grade level CS-11, to a Management Supervisory Service (MSS) position at grade level MS-11:

(1) **Employee's Rate of Basic Pay at Grade Level CS-11:**	**$53,758 (Step 3)**
(2) **Nature of Job Change** (determined by comparing the representative rate for grade CS-11 in the *Non-Union General CS Schedule*, and the representative rate for grade MS-11 in the *MS Schedule*): **Representative Rate** for non-union CS-11 positions (4th step) = **$55,382** **Representative Rate** for MS-11 positions (midpoint range) = **$68,088**	**Job Change =** **Promotion**
(3) **Employee's Rate of Basic Pay at Grade Level MS-11:** Because the nature of the job change is a *Promotion*, the salary is set by adding 10% to the employee's rate of basic pay at grade level CS-11: **$53,758 + $5,376 = $59,134**	**$59,134**

Example No. 2 –

This is an action moving a MSS employee in a position at grade level MS-13, to another MSS position at grade level MS-14:

(1) **Employee's Rate of Basic Pay at Grade Level MS-13:**	**$107,794**
(2) **Nature of Job Change**	**Promotion** **(movement within the same salary schedule)**
(3) **Employee's Rate of Basic Pay at Grade Level MS-14:** Because the nature of the job change is a *Promotion*, the salary is set by <u>adding 10%</u> to the employee's rate of basic pay at grade level MS-13: **$107,794 + $10,779.40 = $118,573**	**$118,573**

Example No. 3 –

This is an action moving a MSS employee in a position at grade level MS-15 level, to an Excepted Service position at pay level ES-9:

(1) Employee's Rate of Basic Pay at Grade Level MS-15:	**$104,000**
(2) Nature of Job Change (determined by comparing the representative rate for grade MS-15 in the *MS Schedule*, and the representative rate for pay level ES-9 in the *ES Schedule*): Representative Rate for MS-15 positions (midpoint range) = **$117,942** Representative Rate for ES-9 positions (midpoint range) = **$115,875**	**Job Change =** ***Change to Lower Grade** **[Non-Disciplinary Reasons]**
(3) Employee's Rate of Basic Pay at Pay Level ES-9: <u>No change</u> Because the nature of the job change is a *Change to Lower Grade for Non-Disciplinary Reasons*, and the employee's current salary is within the range of pay for the new (lower) pay level, there will be <u>no change</u> to the employee's rate of basic pay at pay level ES-9.	**$104,000**

* When processing the personnel action, the appropriate *nature of action* to be used is "Conversion to Excepted Appointment."

Example No. 4 –

This is an action moving a MSS employee in a position at grade level MS-11, to an Excepted Service position at pay level ES-5:

(1) Employee's Rate of Basic Pay at Grade Level MS-11:	**$79,436**
(2) Nature of Job Change (determined by comparing the representative rate for an MS-11 in the *MS Schedule*, and the representative rate for an ES-11 in the *ES Schedule*): Representative Rate for MS-11 positions (midpoint range) = **$68,088** Representative Rate for ES-5 positions (midpoint range) = **$64,375**	**Job Change =** ***Change to Lower Grade** **[Non-Disciplinary Reasons]**
(3) Employee's Rate of Basic Pay at Pay Level ES-5: Because the nature of the job change is a *Change to Lower Grade for Non-Disciplinary Reasons*, and the employee's current salary is <u>over</u> the maximum range of pay for the new (lower) grade, the rate of pay will be set at $77,250, the <u>maximum</u> range for the ES-5.	**$77,250**

* When processing the personnel action, the appropriate *nature of action* to be used is "Conversion to Management Supervisory Service Appointment."

Example No. 5 –

This is an action moving a Career Service employee in a position at grade level CS-14, to another Career Service position at grade level CS-15/16:

(1) Employee's Rate of Basic Pay at Grade Level CS-14:	**$106,921 (Step 9)**
(2) Nature of Job Change (determined by comparing the representative rate for grade CS-14 and the representative rate for grades CS-15/16 in the *Non-Union General CS Schedule*): **Representative Rate** for CS-14 positions (step 4) = **$93,286** **Representative Rate** for CS-15/16 positions (midpoint range) = **$108,895**	**Job Change =** **Promotion**
(3) Employee's Rate of Basic Pay at Grade Level CS-15/16: Because the nature of the job change is a *Promotion*, the salary is set by adding 10% to the employee's rate of basic pay at grade level CS-14: **$106,921 + $10,692 = $117,613**	**$117,613**

Example No. 6 –

This is an action reassignment/transfer of an employee in a MSS position at grade level MS-12, to another MSS position at grade level MS-12:

(1) Employee's Rate of Basic Pay at Grade Level MS-12:	**$70,000**
(2) Nature of Job Change	**Job Change =** **Reassignment/transfer to position of same Grade level**
(3) Employee's Rate of Basic Pay at Grade Level MS-12: Since this is a reassignment/transfer to another position with the same grade (comparable internal worth), no salary increase is given.	**$70,000**

Example No. 7 –

This is an action moving an Excepted Service employee in a position at pay level ES-9, to another Excepted Service position at pay level ES-8:

(1) Employee's Rate of Basic Pay at Pay Level ES-9:	$115,600
(2) Nature of Job Change	**Change to Lower Grade** **[Non-Disciplinary Reasons]** **(movement within the same salary schedule)**
(3) Employee's Rate of Basic Pay at Pay Level ES-8: <u>No change</u> Because the nature of the job change is a *Change to Lower Grade for Non-Disciplinary Reasons*, and the employee's salary is within the range for the new (lower) pay level, there will be no change to the employee's rate of basic pay at the pay level ES-8.	$115,600

Example No. 8 –

This is an action moving a Career Service (union) employee in a CS-14 grade level, to a MSS position at a MS-13 grade level:

(1) Employee's Rate of Basic Pay at Grade Level CS-14:	$109,648 (Step 10)
(2) **Nature of Job Change** (determined by comparing the representative rate for grade CS-14 in the *Union Professional & Scientific CS Schedule,* and the representative rate for grade MS-13 in the *MS Schedule*): <u>Representative Rate</u> for union CS-14 position (professional & scientific salary schedule (step 4) = **$93,286** <u>Representative Rate</u> for MS-13 positions (midpoint range) = **$92,395**	**Job Change =** **Promotion**
(3) **Employee's Rate of Basic Pay at Grade Level MS-13:** The nature of the job change in this case is a *Promotion*; however, the employee's rate of basic pay at grade level MS-13 must be set at **$107,794**, which is the <u>maximum rate for a MS-13 position</u>. Adding 10% to the employee's salary at the CS-14 would take the salary over the maximum rate of pay for a MS-13 position (**$109,648 + $10,965 = <u>$120,613.00</u>**).	$107,794

Example No. 9 –

This is an action moving a MSS employee in a position at grade level MS-15, to another MSS position at grade level MS-14:

(1) Employee's Rate of Basic Pay at Grade Level MS-15:	$137,599
(2) Nature of Job Change	**Change to Lower Grade** **[Disciplinary Reasons/Performance]** **(movement within the same salary schedule)**
(3) Employee's Rate of Basic Pay at Grade Level MS-14: The nature of the job change is a *Change to Lower Grade for Disciplinary Reasons/Performance*. Therefore, the employee's Salary would be reduced by 10% and placed on the MS-14 salary schedule at $123,839. $137,599 - $13,759.90 = $123,839	$123,839

Example No. 10 –

This is a reclassification action moving a MSS employee from a position at grade level MS-15 to a position at grade level MS-16:

(1) Employee's Rate of Basic Pay at Grade Level MS-15:	$98,285*
(2) Nature of Job Change	**Reclassification to Higher-Graded Position**
(3) Employee's Rate of Basic Pay at Grade Level MS-16: The employee's rate of basic pay at grade level MS-16 will be set at $109,062, which is the minimum rate of pay for that grade.	$109,062

*$98,285 is the minimum rate for a MS-15 position.

Example No. 11 –

This is a reclassification action moving a MSS employee from a position at grade level MS-12 to a position at grade level MS-13:

(1) Employee's Rate of Basic Pay at Pay Level MS-12:	$80,000
(2) Nature of Job Change	**Reclassification to Higher-Graded Position**
(3) Employee's Rate of Basic Pay at Pay Level MS-13: Since the pay range for the MS-13 encompasses the employee's current salary, the pay remains unchanged for the employee.	$80,000

Example No. 12 –

This is an initial appointment placing an employee from the private sector to a position at the grade level MS-13 above the minimum range but less than the representative rate.

(1) Employee's Rate of Basic Pay at the Outside (XYZ Co.)	$80,500
(2) Nature of Job Action.	**Initial Appointment**
(3) Employee's Rate of Basic Pat at Grade Level MS-13: Because the appointee is currently earning over the MS-13 minimum of $76,996 and comes to the job with above minimum training and experience, the agency director can exercise his or her discretion to place the employee's salary at any rate up to the representative rate of the grade. The agency director would also need to review the appointee's salary in comparison to the current salaries of existing agency employees to ensure that the salary would not cause internal alignment/equity problems. In this example, the agency director decided to approve placement of the salary at 5% higher than the new employee's current salary. The representative rate (range midpoint) of MS-13 is $92,395; therefore, the initial pay of $84,525 is within policy and appropriate. **$80,500 + 4,025 = $84,525**	$84,525

Example No. 13 -

This is an initial appointment to a MSS position at the grade 13 in which the hiring agency sought and was granted approval by the Director of Human Resources to place a new employee's salary above the representative rate based on the extraordinary needs of the agency and/or the individual's extraordinary qualifications and value to the District government.

(1)Employee's Rate of Basic Pay at Current Outside Job (John Doe Corp.)	**$93,000**
(2) Nature of the job action.	**Initial Appointment**
(3) New Employee's Basic Rate of Pay At Grade MS-13: An initial appointment to a position above the grade's representative rate requires approval of the Director of Human Resources, and this approval is granted in very unusual cases such as where recruiting is difficult, turnover is unacceptably high, and the employee's skills are critical to the District government. In this example: R. A. Wizard has a Ph. D. and three times the experience required to qualify for the job and twice that of any other person hired into this job class within the past several years. He is one of only three persons not yet retired who possess the skills required to make needed adjustments to the software package currently used to operate the City's public safety communications systems. The agency has been recruiting for this position for seven months during which time no other qualified applicants were identified despite the agency conducting specialized recruitment to attract qualified candidates for the position. The position was deemed hard-to-fill due to the difficulty in finding qualified applicants. Mr. Wizard has agreed to accept the position for a salary of $96,720, 4% above his current salary of $93,000. The representative rate for a MS-13 is $92,395.	**$96,760**