

**DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF HUMAN RESOURCES**

November 2, 1999

CIVIL SERVICE BULLETIN 5.15A

TO: Commissioners, Department Heads, Directors of Administrative Services,
Human Resource Representatives, EEO Officers

SUBJECT: **MERIT AND SPECIAL MERIT INCREASES**

Reference: State of Maine, *Civil Service Rules*, Chapter 5, Section 3., B., 1.
Collective Bargaining Agreements
Civil Service Bulletin 10.4C (with attachments)
Human Resource Memorandum 2-89

Civil Service Bulletin 5.15A is intended to implement technical revisions to C.S. Bulletin 5.15 (12/03/98), relating to procedures governing the use and administration of Merit Increases and Special Merit Increases. C.S. Bulletin 5.15A supersedes C.S. Bulletin 5.15.

1. STATEWIDE POLICY REGARDING MERIT STEP INCREASES: Salary progression from one step to the next, within an employee's established salary range, is based on the character of performance, measured in accordance with the performance management system. When the character of performance during an annual rating period indicates that a merit increase is appropriate, and the employee is not at the maximum step of his or her salary range, the employee progresses to the next step of the salary range. A merit increase may not exceed more than one step in each rating period, and shall not occur more often than once every twelve months, except as authorized in Sections 5-8 of this bulletin.¹

2. MERIT INCREASE ELIGIBILITY: Merit increases are granted once annually to eligible employees, corresponding with the employee's annual Salary Review Date. Employees who are at the maximum step of their salary range must continue to be evaluated even though they are not eligible for a merit increase.

A. To be eligible for a merit increase:

1. Employee must not be employed in a project, or appointed on an acting capacity basis, or have worked less than 3120 hours as an Intermittent employee.
2. Employee must not be on initial or promotional probation, or any extension of probation.
3. Employee must not be at the maximum step of the salary range.²
4. Employees who are eligible for a merit increase, but are "Redlined" at a salary that exceeds the higher step, the merit increase is applied for purposes of future salary calculation only. [Note: The employee remains "Redlined" until the employee's actual salary schedule meets or exceeds the "Redline" salary.]

B. Temporary Compensation (Reference H.R. Memorandum 2-89):

1. If an employee is in Temporary Compensation in another classification, the Salary Review Date for the permanent classification remains the same.
2. If the Performance Review Date occurs during the Temporary Compensation appointment, and if the employee is at the top step of the permanent classification, but not at the top step of the classification for which Temporary Compensation is

¹ Teacher classifications revert to a biennial progression after Step 10. Teacher-related classifications revert to a biennial progression after Step 8.

² Each employee must be evaluated annually, even if at the top step of the salary range.

**DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF HUMAN RESOURCES**

being paid, the Salary Review Date for the permanent classification should be used to advance the Temporary Compensation.

3. If the Performance Review Date falls during the Temporary Compensation appointment, and if the employee is at the top step of both the permanent classification and the Temporary Compensation, there is no further salary progression.

C. Exceptions:

1. Appointees whose salary is subject to approval by the Governor must be processed from the Governor's Office through the State Budget Officer.

2. Certain boards and commissions have the authority, by law, to set and adjust salaries within a salary range for designated employees. In these cases, the documentation required to implement a salary change would be a memorandum from an appropriate authority or copies of board/commission meeting where the salary adjustment was authorized. Questions regarding these positions should be directed to the Bureau of Human Resources.³

3. The salaries of certain other positions, such as Assistant Attorneys General and Deputy Secretaries of State, are governed by specific statutory authority. Questions regarding these positions should be directed to the Bureau of Human Resources.

3. ESTABLISHING THE SALARY REVIEW DATE:

A. A new Salary Review Date must be established for new hires and promotions.

B. Full-time employment:

1. The Salary Review Date for full-time employees is established one calendar year from the date of hire or promotion.

2. When the Salary Review Date is established in B.1., it continues thereafter as long as the employee remains in the position. [Note: For transfers and demotions see Section F.]

3. Time on disciplinary suspension or unpaid leaves, during which an employee is not in pay status, will advance any new or established Salary Review Date. Unpaid leaves that do not advance the Salary Review Date are Military Leave, Voluntary Cost Savings Leave, and Family Medical Leave.

C. Part-time employment:

1. The Salary Review Date for part-time employees is established by the completion of 2,080 authorized position hours. [Note: Not 2,080 hours actually worked.]⁴

2. When the Salary Review Date is established in C.1., it continues as the salary review date as long as the employee remains in the part-time position. [Note: For transfers and demotions see Section F.]

3. Time on disciplinary suspension or unpaid leaves, during which an employee is not in pay status, will advance any new or established Salary Review Date.

³ Examples of these cases, which are subject to legislative change, currently include the Workers' Compensation Board, the Public Utilities Commission, the Maine Arts Commission, the Historic Preservation Commission, and the Maine Library Commission.

⁴ If a part-time employee's authorized position hours are less than 20 hours per week, probation takes more than one year. In this particular circumstance, the annual Salary Review Date will be established as the end of probation date. [Reference Civil Service Bulletin 10.4C, Attachment 3, Section 4.]

**DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF HUMAN RESOURCES**

Unpaid leaves that do not advance the Salary Review Date are Military Leave, Voluntary Cost Savings Leave, and Family Medical Leave.

D. Seasonal Employment:

1. The Salary Review Date for Seasonal employees is established by the completion of 2,080 authorized position hours. [Note: Not 2,080 hours actually worked.]
2. When the Salary Review Date is established as in D.1., it continues as the Salary Review Date for each season thereafter. [Note: For transfers and demotions see Section F.]
3. Time on disciplinary suspension or unpaid leaves, during which an employee is not in pay status, will advance any new or established Salary Review Date. Unpaid leaves that do not advance the Salary Review Date are Military Leave, Voluntary Cost Savings Leave, and Family Medical Leave.

E. Intermittent Employment:

1. Intermittents are the only class of employees where the completion of probation, the Salary Review Date, and salary progression is based on the hours actually worked rather than authorized position hours.
2. Intermittent employees do not have fixed position hours and, hence, do not have a fixed Salary Review Date.
3. Intermittent employees must complete 1,040 hours of actual work prior to being placed on initial probation.
4. Intermittent employees may be removed from probation after an additional 1,040 hours, which equals a total of 2,080 hours actually worked.
5. Intermittent employees are eligible for a merit increase after an additional 1,040 hours actually worked, or 3,120 hours actually worked.
6. After completing 3,120 hours of actual work in E.4., an Intermittent employee is eligible for a merit increases each 2,080 hours of actual work thereafter.

F. Transfers and Demotions:

1. The Salary Review Date will remain the same in cases of transfer or demotion, except in F.2., below.
2. If an employee is placed on probation upon transfer or demotion, and the established Salary Review Date falls during the probationary period, a new Salary Review Date is established on the day following the End of Probation date.
3. Time on disciplinary suspension or unpaid leaves, during which an employee is not in pay status, will advance any new or established Salary Review Date. Unpaid leaves that do not advance the Salary Review Date are Military Leave, Voluntary Cost Savings Leave, and Family Medical Leave.

4. MERIT INCREASE EFFECTIVE DATE:

A. Employees in the MSEA bargaining units and Confidential employees:

1. When the Salary Review Date falls on the first day of the pay week through Wednesday, the merit increase is effective on the first day of the pay week in which the Salary Review Date falls.
2. Otherwise, the merit increase is effective on the first day of the next pay week.

B. Employees in the AFSCME Bargaining Unit and the Maine State Troopers Association:

**DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF HUMAN RESOURCES**

1. If the Salary Review Date falls on the first day of the pay week, it is effective that day.
2. Otherwise, the merit increase is effective on the first day of the pay week following the Salary Review Date.

5. AUTHORITY FOR SPECIAL MERIT INCREASES: The *Civil Service Rules* provide authority for a second step increase in addition to the regular step increase. The additional step increase is called a "Special Merit Increase."

A. A Special Merit Increase must be based on truly exceptional performance or extraordinary accomplishments that the established performance management system does not adequately recognize.⁵

B. Since special merit increase requests originate at the agency level, upon the recommendation of supervisors and managers, each shall develop a mechanism to process and evaluate special merit requests fairly and equitably.

C. A Special Merit Increase requires final approval by the Director, Bureau of Human Resources.⁶

6. ELIGIBILITY FOR SPECIAL MERIT INCREASES: An employee is eligible for special merit consideration at any time after the completion of initial or promotional probation.

7. SPECIAL MERIT INCREASE EFFECTIVE DATE: A Special Merit Increase may be effective concurrently with regular merit increases or on any other date during the rating period. For ease of processing, the effective date for Special Merit Increases should coincide with the first day of a pay week.

8. SPECIAL MERIT INCREASE PROCESSING REQUIREMENTS: Requests for the authorization of a Special Merit Increase shall be made in writing to the Director, Bureau of Human Resources. If the proposed Special Merit Increase does not originate from the appointing authority, the request must indicate that the request for a Special Merit Increase is endorsed by the appointing authority. Requests must include:

A. The employee's name, classification, current salary step, established Salary Review Date, and work location or work unit.

B. A detailed explanation of the exceptional circumstance(s) that initiated the request.

C. A detailed explanation addressing how the employee's performance, or what extraordinary accomplishments, were exceptional in relation to other incumbents in the same classification and work unit or work location.

⁵ The exceptional performance should be sustained over an entire rating period. A Special Merit Increase at the end of initial probation would only be approved under the most exceptional of circumstances.

⁶ Performing a significant number of duties associated with a higher classification should not be considered as justification for a Special Merit Increase. This is a classification issue rather than a merit pay issue. Position classification matters are governed by *Civil Service Rules* and the various collective bargaining agreements. Managers must ensure that employees are not assigned duties of a higher classification. Failure to do so may result in significant fiscal impact on program activities.

**DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF HUMAN RESOURCES**

D. The proposed effective date of the Special Merit Increase. (Note: Special Merit requests should be processed at the time that the recognition is earned and, to the extent possible, agencies should not request a Special Merit Increase to be retroactive by more than two months.)

E. A brief explanation of the method used to evaluate Special Merit Increase requests.

F. Upon receipt, each request for a Special Merit Increase will be reviewed by the Director, Bureau of Human Resources. If the request is incomplete, clarification will be requested. The Director's final decision regarding the request will be forwarded to the department or agency.

A handwritten signature in black ink, appearing to read 'Donald A. Wills', written in a cursive style.

Donald A. Wills, Director
Bureau of Human Resources

DAW/pjs