



Administrative Policy No. 18.28

Title: Compensation

Applies To: All Washington General Service (WGS) classified employees who are not subject to a Collective Bargaining Agreement. Applies to Washington Management Service (WMS) when referenced.

Information Contact: DSHS Human Resources

Authorizing Sources: [RCW 38.52](#)
[RCW 41.06](#)
[RCW 43.03.125](#)
[WAC 357-28](#)
[WAC 357-19](#)
[WAC 296-126](#)
[SAAM Manual](#)

Resources: [Step M Q&A for Non-Represented Employees](#)

Effective Date: July 1, 2005

Revised: April, 30, 2014ⁱ Housekeeping 11/17/14

Approved By: original signed by David L. Stewart
Senior Director, DSHS Human Resources

Purpose:
This policy describes the compensation practices for the department's Washington General Government (WGS) employees subject to [WAC 357](#) and [WAC 296-126](#). Except where specifically stated otherwise, Administrative Policy 18.28 does not apply to positions or employees included in the Washington Management Service (WMS).

Scope:
All WGS classified employees who are not subject to a Collective Bargaining Agreement.

Definitions:

Anniversary date: Unbroken service date plus prior state service, minus leave without pay that exceeds fifteen consecutive calendar days as provided in [WAC 357-31-345](#).

Appointing Authority: An individual lawfully authorized to appoint, transfer, layoff, reduce, dismiss, suspend or demote employees.

Base Salary: Dollar amount of the salary within the salary range to which the employee is entitled, before any deductions, and exclusive of additional compensation of any kind, such as premiums.

Demotion: Movement of an employee from a position in one class to a position in another class that has a lower salary range maximum.

Director: The state human resources director within the office of financial management.

Elevation: An employer-initiated action that moves an employee to a position in: (1) A higher class in which the employee held permanent status prior to a demotion; or (2) A class in the same class series which is between the current class and the class from which the employee demoted.

Flexible schedule: Alternative to 8-5, 40 hour work week.

Full-time employee: An employee scheduled to work 40 hours in a workweek.

Meal period: Required after an employee works over five consecutive hours in a work day.

New Employee: An employee that is newly appointed to a Washington State government position.

Overtime eligible employee: An employee who is covered by the overtime provisions of the Fair Labor Standards Act.

Overtime exempt employee: An employee in a position that is exempt from the overtime provisions of the Fair Labor Standards Act.

Part-time employee: An employee scheduled to work less than full-time.

Part-time employment: Is compensated on the basis of the ratio of hours worked to those worked in a full-time appointment unless otherwise adjusted per special pay and/or assignment pay provisions.

Periodic Increment Date (PID): The annual date upon which an employee is scheduled to move to a higher salary step within the salary range for the current class.

Premium: Pay added to an employee's base salary on a contingent basis in recognition of special requirements, conditions or circumstances associated with the job.

Promotion: The appointment to a class with a higher salary range maximum that results in a salary increase.

Reassignment: An employer-initiated move of an employee within the same agency from one position to another in the same class.

Rest period: The stoppage of work activities for personal rest and relaxation. Rest periods are considered hours worked.

Reversion: The voluntary or involuntary movement of an employee during his or her trial service period, to the previous job classification or to a position at or below the previous job classification's salary range for which the employee meets the required skills and abilities.

Reallocation: The assignment of a position to a different class.

Reallocation (Upward): The assignment of a position to a class with a higher salary range.

Reallocation (Downward): The assignment of a position to a class with a lower salary range.

Transfer: An employee-initiated move from a position to another position within or between employers in the same class or a different class with the same salary range.

Workweek: A fixed regular recurring period of 168 hours beginning at a time determined by the appointing authority and continuing for seven consecutive 24-hour periods. The work week may begin on any day and at any hour of the day.

Work schedule: Hours an employee is scheduled to work within the workweek.

Policy:

A. Compensation Administration

1. The appointing authority must ensure their pay practices for employees covered by this policy are in accord with federal and state law, and approved DSHS practices and procedures described in this policy.
2. Compensation for General Government employees may not exceed the salary range for the assigned classification as described in the compensation plan unless authorized in this policy.
3. Compensation policies for WMS are in Administrative Policy 18.58 unless specifically referenced here.
4. The appointing authority may adjust an employee's base salary range to address issues related to documented recruitment, retention or other business related reason, such as equity, alignment or competitive market conditions. The appointing authority must provide a written justification for the salary adjustment which will be included in the payroll file. ([WAC 357-28-090](#))

B. Periodic Increment Date

1. An employee's increment date is determined as specified in [WAC 357-28-055, WAC 357-28-060](#).
2. The appointing authority, in consultation with HRD, may adjust the timing and amount of regularly scheduled increases by resetting the periodic increment date based on the nature of the work or training requirements as long as the employee receives a minimum two-step increase annually until their salary reaches Step L or Step T (Step T is for nursing employees). Step M and Step U is achieved 6 years after being appointed to Step L or Step T.

Examples of changes in the nature of work might include but are not limited to, increased duties and responsibilities assignment of “lead” responsibilities, special projects, changes in reporting relationship, etc. An example of changes based on meeting/completing training requirements might include, but are not limited to completing training that results in certification, registration, or licensure, as required by the appointing authority or designee.

C. Hours of Work

1. The Appointing Authority or designee must designate the workweek and work schedule for each employee in the employee’s appointment letter or schedule change notice. The workweek for fulltime employees is 40 hours in a 168 hour period. The standard workweek begins at 12:00 a.m. Sunday and ends at 11:59 p.m. Saturday. The standard work schedule is 8:00 a.m. to 5:00 p.m. Monday through Friday.
2. The appointing authority may assign or reassign any employee or group of employees to a flex-time schedule as described in [WAC 357-28-252](#).
3. Employees may request assignment to a flex-time schedule and the supervisor may grant or deny such assignment. ([WAC 357-28-235](#))
4. The flex schedule must be provided to the employee(s) in writing. The flex schedule must not exceed 40 hours in a workweek; example a 9/80 schedule would begin at noon on the employee’s eight hour day and end at 11:59 a.m. the following week. The employee would have one day off every other week.
5. The appointing authority may change an overtime eligible employee’s assigned hours under the circumstances described in [WAC 357-28-252](#).
6. The appointing authority or designee may assign work hours outside of regularly scheduled shifts.
7. Paid holidays during the employee’s regular work schedule are considered time worked. ([WAC 357-28-200](#))
8. Leave (paid and unpaid) is not counted as time worked. ([WAC 357-28-265](#))

D. Meal Period

1. Employees shall be allowed a meal period of at least 30 minutes, which begins no less than two hours nor more than five hours from the beginning of the shift. Meal periods are not considered time worked. During meal periods the employee will be free from work.
2. No employee shall be required to work more than five consecutive hours without a meal period.
3. Employees working three or more hours longer than a normal work day shall be allowed at least one 30-minute meal period prior to or during the overtime period.
4. Meal periods shall be considered work time when the employee is required by the employer to remain on duty on the premises or at a prescribed work site in the interest of the employer.

5. The supervisor must make every effort to provide an employee with an uninterrupted meal period.
6. The appointing authority or designee may allow an employee to waive a meal period when a request is submitted in writing.

E. Rest Period ([WAC 296-126-092](#))

1. Employees shall be allowed a rest period of not less than 15 minutes, on the employer's time, for each four hours of working time.
2. Rest periods shall be scheduled as near as possible to the midpoint of the work period. No employee shall be required to work more than three hours without a rest period.
3. Where the nature of the work allows employees to take intermittent rest periods (mini breaks) equivalent to 15 minutes for each four hours worked, scheduled rest periods are not required.
4. Rest periods may not be added to the meal period to extend the meal period.
5. Meal periods and rest periods may not be combined to shorten the scheduled work day.
6. Supervisors must ensure employees are permitted meal and rest periods.

F. Overtime (OT) Designation

1. The Classification and Compensation Unit (CCU) will assign an OT designation to each position ([WAC 357-28-240](#)).
2. Appointment letters must inform employees of the OT designation on their position.
3. Employees will be notified if the OT designation is changed.
4. The CCU will seek the approval from State Human Resources Director before changing the OT designation of a position from OT eligible to OT exempt ([WAC 357-28-245](#)).

G. Overtime (OT) Administration

1. An OT eligible employee must be paid for all of the time considered to be hours worked; all time that is hours worked must be counted when determining OT hours worked. The amount of OT pay due an employee will be determined once the total hours worked each workweek is known. Hours worked over 40 in a workweek will qualify for OT.
2. OT must be pre-approved by a supervisor. The appointing authority or designee must ensure OT eligible employees are not permitted to work over 40 hours in a work week without compensation.
3. Part-time employees will not receive overtime until they exceed 40 hours in a workweek. Compensation for holidays will be determined as described in [WAC 357-31-020](#).
4. OT worked by an overtime-eligible employee must be compensated at a rate of one and one-half times the employee's regular rate for the following conditions. [WACs 357-28-255](#) [357-28-260](#)

- a. Work on a scheduled day off when assigned by the appointing authority or designee.
- b. When an overtime-eligible employee experiences a schedule change which causes an overlap in workweeks and requires work in excess of forty hours in either the previous or current workweek, the employee must receive overtime compensation.
- c. Supervision of offenders assigned to assist in forest fire suppression and other emergent incidents, subject to the approval of the State Human Resources Director.
- d. Work on a designated holiday as listed in chapter WAC [357-31](#). Employees receive premium pay at the OT rate for all hours worked on the holiday.

OT-exempt employees are expected to work as many hours as necessary to accomplish their assignments or to fulfill their responsibilities. OT exempt employees may be required to work specific hours as deemed appropriate by the supervisor. The salary paid to OT exempt employees is full compensation for all hours worked. OT-exempt employees do not qualify for overtime.

H. Compensatory Time

1. An overtime-eligible employee must receive monetary payment as compensation for overtime worked. With the mutual agreement of the appointing authority/designee and the employee, compensatory time off at one and one-half times the overtime hours worked may be granted in lieu of pay. ([WAC 357-28-275](#)) Compensatory time must be used in accordance with Administrative Policy [18.31](#) and WAC [357-28-280](#)
2. Compensatory time must be paid in cash in the following conditions: ([WAC 357-28-285](#))
 - a. The accumulation of unused compensatory time of any amount that exceeds two hundred forty hours (240), or four hundred eighty hours (480) for employees engaged in public safety or emergency response activity, must be paid in cash at the regular rate earned by the employee at the time the employee receives such payment.
 - b. Upon termination of employment, an employee must be paid for unused compensatory time in accordance with applicable state and federal law.

I. Time and Attendance Reporting

1. Employees will complete the approved time and attendance form, sign the form and provide it to the supervisor for review, approval, and processing. Missed rest periods may result in overtime pay if they accumulate at the end of a pay period when all work hours exceed 40 hours in a work week.

J. Salary Setting- WGS

1. Entry Salary:

- a. The appointing authority may offer to new employees as a starting salary step A-D of the assigned salary range.
 - b. Salary setting must be based on the presence of one or more years of relevant experience.
 - c. Employees appointed at step A will receive a periodic increment increase six months after appointment.
2. Employees appointed at step B-D will receive a periodic increment increase 12 months after appointment and annually thereafter.
 3. Requests to appoint a new employee above step D must be justified in writing to the Appointing Authority from the hiring manager. Appointing Authority will follow administration process for approving above Step D.
 4. A non-represented nurse may be initially appointed to Step U if the nurse has 26 years of experience.
 5. Longevity Step:
 - a. Step M is a longevity Step. An employee cannot be appointed to Step M upon initial hire or progress to Step M upon promotion. ([WAC 357-28-082](#))

K. Promotion ([WAC 357-28-110](#))

1. Employees promoted to a position in a salary range less than six ranges above the pre-promotion range will receive a minimum two step increase not to exceed Step L.
2. The appointing authority may grant up to two additional steps if:
 - a. Significant increases in duties and responsibilities, as documented by the employer, warrant greater compensation.
 - b. The increase is necessary for internal salary alignment, retention of the employee, or other documented business needs, OR
 - c. The increase is necessary to bring the employee to the minimum of the salary range for the position.
3. Employees promoted to a position in a salary range six or more ranges above the pre-promotion range will receive a four step increase upon promotion, not to exceed the top of the salary range.
4. When an employee promotes to a permanent position while in a nonpermanent appointment, salary will be determined in accordance with [WAC 357-28-110](#).

L. Reallocation

1. Employees in positions reallocated to a different class will have their salary affected as follows:
 - a. Reallocation - Higher salary range
The employee's salary will be set in accordance with [WAC 357-28-115](#).
 - b. Reallocation – Same or lower salary range
The employee's salary will be set in accordance with [WAC 357-28-120](#).

2. The appointing authority may approve salaries above the employee's previous base salary if it is above Step L of the new salary range as permitted in [WAC 357-28-120](#). Under no circumstance may an employee's salary exceed their previous base salary.

M. Transfer ([WAC 357-28-140](#))

1. The employee keeps their current base salary, unless their current base salary was Y-rated, then their salary will be set at the top step (Step L) of the salary range for the new position.

N. Reassignment

1. The employee keeps the same base salary as specified in WACs [357-28-145](#), [357-19-177](#).

O. Appointment due to layoff action ([WAC 357-28-135](#))

1. The base salary of an employee appointed to a position due to a layoff action must be determined as follows:
 - a. An employee who accepts a layoff option to a different position with the same salary range keeps the same base salary.
 - b. An employee who accepts a demotion in lieu of layoff or accepts a layoff option to a position with a lower salary range maximum must be placed within the new range at a salary equal to the employee's previous base salary. If the previous base salary exceeds the new range, the employee's base salary must be set equal to step L of the new salary range. If the employee's previous base salary was at step M of the salary range the employee must be placed at step M of the new salary range.
 - c. An employee who is appointed from a layoff list to a position with the same salary range from which they were laid off will be placed within the salary range at a salary equal to the employee's previous base salary. The employee will receive any general wage adjustments (cost of living) that occurred during the time they were laid off.
 - d. Employees who are appointed from an internal layoff list to a position with a lower salary range than the position from which they were laid off will be paid an amount equal to the salary they were receiving at the time they were laid off, provided it is within the salary range of the new position. In those cases where the employee's prior salary exceeds the maximum amount of the salary range for the new position, the employee will be compensated at the maximum salary of the new salary range.

P. Demotion

1. For reasons other than in lieu of layoff or reallocation downward of position ([WAC 357-28-155](#))

- a. The employee will retain their base salary unless their base salary exceeds Step M of the lower classification. If the employee's previous base salary was at step M of the salary range the employee must be placed at step M of the new salary range.

Q. Reversion (WAC [357-28-150](#))

1. The employee's base salary is set at the step the employee would be at if he/she had not left the position. If the employee is returned to a class with the same salary range maximum, the employee's base salary will be retained.
2. When an employee is reverted following a voluntary demotion, the employee will be returned to a vacant position for which the employee satisfies the skills and abilities, which is allocated to a class that has the same or lower salary range maximum as the class from which the employee is reverting.
 - a. If the employee is returned to a class where permanent status was attained the base salary will be determined as specified in WAC [357-28-160](#).
 - b. If the employee is returned to a new class at the same range the base salary will be retained if it falls within the range. The employee's base salary may not exceed the salary range maximum.
3. If the employee is returned to a new class with a lower salary range maximum, the employee will retain their current base salary unless their current base salary exceeds the new range maximum. In this case, the employee's base salary will then be set at Step L.

R. Elevation (WAC [357-28-160](#))

1. The employee's salary will be set as described in the rules governing promotion.

S. In-Training Appointment- Salary and Work Period Designation

1. The salary and overtime status of an employee in an in-training appointment will be determined as specified in WAC [357-19-260](#)

T. Washington Management Service to Washington General Service

1. WMS Employee Appointed to WGS position. A WMS permanent employee may accept a non-permanent appointment in WGS.
 - a. WMS Employee Appointed to WGS position. A WMS permanent employee may accept a non-permanent appointment in WGS.
 - b. If the salary maximum for the WGS position is lower than the salary standard for the WMS position the employee will maintain their salary if it falls within the range of the lower class; if the employee's salary is above the maximum, the employee's salary will be reset to the maximum of the range.
 - c. If the salary standard for the employee's WMS position and the salary maximum of the WGS position are the same, the employee's salary will not change.

2. Return from Acting WMS appointment WAC [357-19-353](#). Upon return to a permanent WGS position in the same class or salary range, the employee's pre-appointment salary will be reinstated if it is within the salary range. If the pre-appointment salary exceeds the range, the employee's salary will be set at the salary range maximum.
3. Conversion of position from WMS to WGS. The employee's base salary at time of conversion will not be less than the base salary of the permanent WMS position held at the time of conversion.
4. See Administrative Policy [18.58](#) (H) for additional policies pertaining to compensation for WMS employees.

U. Return to Classified Service from Exempt

1. The employee's base salary will not be less than the employee's previous base salary in classified service, adjusted according to any changes to salary range that occurred while the employee was in exempt service.
2. If the employee was at Step L at the time they accepted the exempt appointment and they are returned to Step L of the same pay range, time spent in exempt service will count towards the six years to qualify for Step M.

V. Conversion of position from exempt service to Classified Service

1. The employee's base salary will be set in accordance with WAC [357-28-165](#).

W. Premium Pay

Additional pay is added to an employee's base salary on a contingency basis in recognition of special requirements, conditions, or circumstances associated with the job. Premium pay may be authorized as long as the circumstances it is based on are in effect.

1. Additional compensation for recruitment/ or retention [WAC 357-28-090](#), [357-28-095](#), [357-28-100](#).
 - a. The appointing authority may authorize additional pay to support the recruitment or retention of the incumbent or candidate for a **specific position**.
 - b. At the discretion of the appointing authority up to a fifteen percent premium may be added to the employee's base salary for positions designated as hard to fill or paid on a lump sum basis. An employee may not receive more than fifteen percent of his/her annual base salary over a twelve month period under the provisions of this section. The adjustment may not exceed the employee's current salary range ([WAC357-28-090](#)). Following are examples of recruitment and retention issues where appointing authorities may consider granting a pay increase of up to fifteen (15%) percent:
 - (1) Recruitment efforts for hard to fill positions which results in a minimal number of qualified applicants;

- pay for the holiday. In addition, employees must receive premium pay at the overtime rate for all hours worked on the holiday.
- b. The employer may offer compensatory time in lieu of monetary payment.
 - c. Overtime-exempt employees do not qualify for holiday premium pay unless the employer determines otherwise.
5. Shift premium (WAC [357-28-190](#))
 - a. Non-represented employees will receive the [shift premium rate](#) identified in the State Human Resources Compensation Plan.
 6. Standby pay (WAC [357-28-205](#))
 - a. The standby rate for General Government OT eligible employees is seven percent of an employee's base hourly rate [WAC 357-28-210](#). If the appointing authority or designee approves standby for OT exempt employees the rate is \$25 per day
 7. Supplemental shift premium
 - a. The rate for registered nurses and related jobs that require licensure as a registered nurse shall be paid as specified in WAC 357-28-195 and the shift premium rate specified in the State Human Resources Compensation Plan.

X. Relocation Compensation ([WAC 357-28-310](#))

1. Payment of moving expenses of a qualified employee hired in a permanent position who must move to accept state employment, pursuant to mutual agreement with the employee, may be made in advance of such employment.
 - a. Relocation compensation will be considered for employees hired in a permanent executive level or hard to fill professional position who must move to accept state employment. This payment will not exceed 10% of the annual salary.
 - b. Prior approval must be granted before the offer of relocation compensation is made to a prospective employee.
 - c. Relocation compensation payment will not be authorized for transfers within the Department
2. Requests must be submitted in writing to the Chief Financial Officer (CFO).
 - a. Request must include the following documentation:
 1. Prior recruiting efforts made to fill the position;
 2. The number of candidates available;
 3. Salary differences between the state position and comparable positions in the industry or other states;
 4. The distance the applicant needs to move in order to accept state employment;
 5. Other related evidence which supports the need to pay moving expenses;
 6. The critical nature of the work; and
 7. The financial ability of the program to pay the moving expenses.

- b. If approval is received, the payment of expenses must meet the requirements in Chapter 60 of the Office of Financial Management, [SAAM Manual](#). No offer or agreement for payment of moving expenses is to be made for a new employee in classified service ([RCW 41.06](#)) prior to certification from an eligible candidate pool, provided through the Department of Enterprise Services or other recruiting source.
- c. Payment of moving expenses is a taxable item and payment of such must be reported to Financial Services Administration Payroll for tax reporting purposes.
- d. The CFO may authorize a lump sum relocation payment, within existing resources, whenever per ([RCW 43.03.125](#))
 1. It is reasonably necessary that a person make a domiciliary move in accepting a transfer or appointment; or
 2. It is necessary to successfully recruit or retain a qualified candidate or employee who will have to make a domiciliary move in order to accept the position; or
 3. Inability to fill a lower level position and the filling of the position is essential to carrying out the critical work of the department.
- e. If the employee receiving the relocation payment terminates or causes termination of his or her employment with the state within one year of the date of employment, the State will be entitled to reimbursement for the moving costs which have been paid and may withhold such sum as necessary from any amounts due the employee. ([WAC 43.03.120](#)) Termination as a result of layoff or disability separation will not require the employee to repay the relocation compensation.

Y. Emergency/Disaster Operations Compensation

1. Employees dispatched to emergency response duty under an incident command system as defined in [RCW 38.52.010](#) will be informed of any temporary eligibility to receive overtime compensation. ([WAC 357-28-250](#))
2. Employees dispatched to emergency response duty under an incident command system as defined in [RCW 38.52.010](#) are eligible for holiday premium pay. ([WAC 357-28-200](#))
3. Employees who are working in response to an emergency or disaster under Level III or Level IV activation as designated by the Washington State Emergency Operations Center (SEOC) will be compensated as follows:
 - a. Overtime eligible employees will be paid at one and one-half (1-1/2) times the sum of their regular hourly rate for those hours worked in excess of forty (40) hours in a workweek as a result of full-time work in support of a Washington state-level emergency declared under a Governor's Proclamation; a federally declared disaster that affects operations at the employee's work location; or if the employee is deployed to another state under the national Emergency Management Assistance Compact (EMAC) or other governmental mutual aid arrangement, in response to a disaster there. (Deployments under EMAC are 100% federally reimbursable.)

- b. OT exempt employees dispatched to emergency response duty under an incident command system as defined in RCW [38.52.010](#) will be eligible for temporary emergency/disaster compensation after working 45 hours in a workweek in conditions described in Administrative Policy [9.11](#).
- c. All emergency and disaster overtime compensation will be limited to cash payments and no comp time or exchange time may be authorized.
- d. For those hours worked during the activation, one dollar (\$1.00) is added to an employee's regular rate in lieu of any other forms of additional compensation including, but not limited to, callback, standby, shift differential, split shift differential, assignment pay, and/or schedule change.
- e. All employees who are expected to remain available for work while not on duty during Level III or Level IV activations by the SEOC will receive a lump sum of twenty-five dollars (\$25.00) for each 24-hour period while on standby or otherwise subject to callback.
- f. Unless otherwise noted in writing, employees will retain their assigned workweek while supporting emergency and disaster response or recovery operations. However, employees' assigned work hours may be different from their regularly assigned work hours.
- g. The provisions in this section are limited to qualifying work performed in: any DSHS office or residential facility or otherwise in support of delivery of a DSHS vital service; the State Emergency Operations Center; a Joint Field Office; a Joint Information Center; DSHS headquarters or regional Emergency Operations Center; a shelter or assistance center; or other location as necessary or established in response to the emergency or disaster.
- h. Assignments to any state or federal level location, such as those named in 'd' above, and any deployments under EMAC other governmental mutual aid agreement must be coordinated through the DSHS Office of Emergency Management so that overall response priorities are addressed first.
- i. Any exception to Level III or Level IV activations must be approved by the Secretary.

Z. DSHS is not Participating in the following programs:

- 1. Performance recognition pay ([WACs 357-28-295, 357-28-300](#)) or
- 2. Accelerated or deferred increment increases based on performance. ([WAC 357-28-075](#))

ⁱ Housekeeping – changed “range” to “step” in two instances, K.2 & K.3