

MEMORANDUM

TO: PERSONNEL MANAGEMENT LIAISONS DATE: September 11, 1998
REFERENCE CODE: 98-044

THIS MEMORANDUM SHOULD BE DISTRIBUTED TO:

Personnel Officers
Personnel Transactions Supervisors
Labor Relations Officers

FROM: Department of Personnel Administration
Classification and Compensation Division

SUBJECT: Excluded Salary Program

CONTACT: Jerri L. Judd, Personnel Management Consultant
(916) 324-9415, CALNET 454-9415
FAX: (916) 327-1886
OFFICE VISION: DPA(JERRIJUDD)
INTERNET: JERRIJUDD@DPA.CA.GOV

This memorandum is to notify departments that a 3 percent salary program has been approved for excluded employees.

The excluded salary program contains the following salary items effective July 1, 1998:

- The official salaries of statutory State officers will be increased by 3 percent in accordance with the applicable statutes.
- A 3 percent performance based salary program is approved for all exempt and civil service classes designated managerial, supervisory, E98, E99, and supervisory ranges in unassigned classes. All employees in CBID designations M, S, E48, E58, E59, E68, E78, E79, E98, and E99 shall be entitled to the 3 percent increase only if their performance is certified as successful by their appointing power. Employees whose performance is not certified as successful shall not receive an increase. Those employees whose old salary is below the minimum of the new salary range will, however, have his/her salary increased to the new range minimum.

- Classes designated E97 shall be increased by 3 percent. All employees shall be entitled to the 3 percent salary increase.
- Employees with CBID designations C, E, E67, E77, and E97 shall be entitled to a 3 percent Excluded Salary Differential (ESD). The differential is established to implement the 3 percent salary program for these classes because they include positions filled by both excluded and represented employees. Employees designated C16 and C19 are not eligible for the ESD as the salary ranges for Units 16 and 19 have been adjusted by 3 percent as authorized by Pay Letter 98-19.

Note: Employees designated E01, E02, E03, E04, E05, E06, E07, E08, E09, E10, E11, E12, E13, E14, E15, E17, E18, E20, E21, and E25 are not entitled to the 3 percent salary increase.

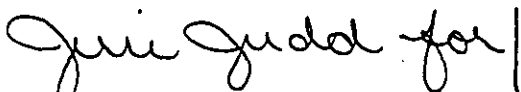
- The Career Executive Assignment (CEA) salary levels for determining departmental CEA salary caps are increased by 3 percent. The salary cap is calculated by adding the number of positions assigned to each level and multiplying them by the maximum rate of the level. The resulting totals for all levels are then added to determine the monthly CEA salary cap for the department.

DOCUMENTATION/PROCESSING FOR THE 3 PERCENT PERFORMANCE BASED SALARY PROGRAM: (EFFECTIVE 7/1/98)

- Employees designated M, S, E48, E58, E59, E68, E78, E79, E98, and E99 must be certified as having successful job performance prior to receiving a salary increase. Certification shall be based on the employee's performance appraisal report within the last 12 months preceding the effective date of the salary program. The appointing power shall certify the names of all successful and less than successful employees and keep these certifications on file. [Refer to Department of Personnel Administration (DPA) Memo, dated July 7, 1998 regarding the Units 16, 19, and Excluded Salary Programs.] The State Controller's Office (SCO) will process an employment history mass update for departments who request to be included in the process. Departments must submit to SCO substantiation of the performance certifications prior to the update. (Refer to SCO Personnel Letter #98-022 to be released today.) DPA Pay Letter 98-24 will be issued with further details.

- Employees who separated from State service prior to July 1, 1998 and have lump sum payments that extend beyond July 1, 1998, shall be eligible to participate in the Pay for Performance Salary Program. These employees shall be evaluated as if they had remained in State service.
- Employees on leave status shall be eligible to participate in the Pay for Performance Salary Program. These employees shall be evaluated and certified as if they were in active status and updated as of July 1, 1998.
- If there are processing delays in appraising or certifying successful employees, affected employees shall be entitled to the 3 percent adjustment retroactive to July 1, 1998.
- Employees who are not granted the 3 percent salary increase may be reconsidered at any future time that his/her current or future appointing power certifies that his/her job performance is successful. No change can be retroactive beyond the date of the reconsidered decision.

If you have any questions regarding the Excluded Pay Program, you may contact your department's Personnel Management Technician, and any questions regarding the CEA Salary Program should be addressed to your department's classification analyst, in the Classification and Compensation Division at DPA.



Mike Vargas
Program Manager

