

DEMOTION POLICY

PURPOSE: To establish a consistent method for determining salaries for employees who are demoted.

DEFINITION: The movement of an employee from one class to another class having a lower maximum salary.

STATEMENT OF POLICY: A demotion must result in a salary that is within the salary range of the new classification.

The salary of a demoted employee may remain the same OR may be reduced by 1% to 9%, as long as the resulting salary is within the new salary range.

In the event the change in pay range maximums is greater than 9%, the salary of the employee may be kept the same OR may be reduced by 1% to 15%, as long as the resulting salary is within the new salary range.

If an employee is demoting to a Nursing Matrix classification, agencies must follow the Nurse Hiring policy.

RESPONSIBILITIES: Agency management is responsible for the administration of this policy. When exercising discretion concerning the percentage of salary decrease, management shall consider the following factors:

The employee's salary history, work experience, education, and training; whether the demotion results from reclassification of the position in which the employee is incumbent; whether the demotion was initiated at the employee's request; whether the demotion results from a layoff; whether it is a disciplinary demotion; whether the employee has previously served in the new classification or in another classification in the same job category and skill level; pay ranges of the classifications involved; the number of skill levels between the old and new position; internal equity; the fiscal condition and policies of the agency and the state.

Agency management is responsible for advising employees of current salary policies and any adjustment to employees' salaries.

Any request for exception to this policy must be made in writing to the State Personnel Director and is also subject to review by the State Budget Agency.

The State Personnel Director retains the authority to approve or disapprove the salary consequences of any demotion.

RELATED POLICIES: Promotion Policy, Lateral Transfer Policy

REFERENCES:

IC 4-15-2.2-26
IC 4-15-2.2-27
IC 4-15-2.2-35

31 IAC 5-1-1(b)(1)
31 IAC 5-2-7
31 IAC 5-3-1
31 IAC 5-5-1
31 IAC 5-12-1

SUPERSEDES: Promotion Policy dated October 12, 2011

EFFECTIVE DATE: August 1, 2012

APPROVAL:



Daniel L. Hackler, Director

Aug. 1, 2012

Date