

## Reallocation

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**Contents:**

[Definition](#)  
[Salary Rate to Higher Grade](#)  
[Equity](#)  
[Minimum Salary Increase](#)  
[Delayed Increases to the Minimum](#)  
[Optional Salary Increases](#)  
[Optional Increases for Classes with SMR](#)  
[Optional Increases for Classes with Geo Diff](#)  
[Delayed Optional Increases](#)  
[Salary Increase Authorization Cancelled](#)  
[Reallocation Within 12 Months of a Reduction](#)  
[Performance Increases](#)  
[Salary Rate to Same Grade](#)  
[Salary Rate to Lower Grade](#)  
[Exceptions](#)  
[Determining Effective Date](#)  
[Qualifications](#)

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**Definition**

Reallocation is the assignment of a position to a different classification, documented through data collection and analysis according to customary professional procedure and approved by the Human Resources Director.

For purpose of the Salary Adjustment Fund, the following references are considered reallocations:

- Reallocation – assignment of a graded or banded position to a higher level classification to recognize higher level duties.
  - Grade-Band Transfer – initial reallocation of graded positions to banded classes where salary increases are required to recognize higher level duties. (See Career Banding Salary Administration Policy.)
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**Salary Rate for Reallocation to a Higher Grade**

The purpose of a reallocation pay increase is to reward the employee for more responsible and more difficult duties than those in the current classification. Subject to the availability of funds and satisfactory performance, salary increases, not to exceed the maximum of the range, may be given in accordance with the provisions outlined below.

## Reallocation (continued)

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### Equity

Agency management is responsible for assuring that inequities are not created.

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### Minimum Salary Increase

When an employee's position is reallocated upward, if funds are available and if there are no performance or personal conduct issues involved, the salary shall be increased to the minimum of the new range effective on the date of the reallocation.

If funds are not available to increase to the minimum, see "Delayed Increases to Minimum." For increases larger than those authorized above or for increases to salaries that are already above the new minimum, see "Optional Salary Increases."

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### Delayed Increases to the Minimum

If funds are not available, the increase shall be given from the first available funds and may be made retroactive to the effective date of the reallocation. If the increase is denied because of performance or personal conduct, the increase may be given on a current basis if/when the issue is resolved.

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### Optional Salary Increases

If it is determined that a salary increase is justified, the amount of increase shall be determined consistent with the employee's related training and experience and the nature and magnitude of the change in jobs, taking into consideration prior performance increases, work unit equity, and any other salary related considerations.

Unless a reduction in grade has occurred as explained under "Reallocation Within 12 Months of a Reduction," the maximum salary increase shall be determined by one of the following methods:

- in accordance with the policies for New Appointments,
- up to 5% for each grade provided by the reallocation if reallocated to a position within the same classification series or occupational group, or

## Reallocation (continued)

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- up to 5% if to a different classification series or occupational group as long as the employee meets the new minimum qualifications.

Salaries established using the New Appointment Policy must include the justification for the salary decision on the personnel action forms.

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### Optional Increases for Classes with SMR

If a position is reallocated to or from a class that has a special minimum rate (SMR) which has been implemented by the agency, the following applies:

- If from a class without a SMR to a class with a SMR, the employee's salary may be increased by the amount of the reallocation increase plus the maximum in-grade adjustment amount (MIA).
  - If from a class with a SMR to a class without a SMR, any MIA balance from the previous class cannot be given.
  - If from a class with a SMR to another class with a SMR, the employee's salary may be increased by the amount of the reallocation increase plus the difference in the amount of the MIA previously given and the amount of the MIA of the new class.
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### Optional Increases for Classes with Geographical Differential

If a position is reallocated from or to a class which has a geographic differential, the following applies:

- If from a geographic differential class to a non-geographic differential class, the employee's pay rate must first be reduced. The reduction is the amount of the dollar difference between the current minimum of the geographic differential salary grade and the current minimum of the class without the geographic differential. Then, the increase is determined from the lower salary grade in accordance with the reallocation policy.
- If from a non-geographic differential class to a geographic differential class, the increase is granted in accordance with the reallocation policy and all salary administration policies are applied as if the classification were at the higher level.

## Reallocation (continued)

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### Delayed Optional Increases

If increases within the range are recommended, they should be given on the effective date of the reallocation. If the desired amount of increase is not given on the effective date, increases, up to the full allowable amount, may be given at later dates on a current basis.

If increases are to be given at later dates, a notation must be entered on the form showing the dollar amount of the allowable increase, the amount given, and the balance that may be given later. The personnel actions submitted later must state "Reallocation Increase" in the description of action block, which will denote that this is a delayed increase.

If no increase is to be given at a later date, no notation is necessary.

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### Salary Increase Authorization Cancelled

If a subsequent promotion, reallocation up or down, demotion or reassignment, or horizontal transfer to a different class occurs, this cancels the authorization to grant additional increases as a result of the previous reallocation.

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### Reallocation within 12 Months of a Reduction

If an employee has been reduced to a lower salary grade through demotion, reassignment, reallocation or salary range revision, but without a corresponding reduction in salary, and within twelve months of the reduction the employee is reallocated:

- The employee shall not be considered for a reallocation increase unless the reallocation is to a grade higher than the grade held prior to the reduction.
- If reallocated to a higher grade, the number of grades in the original reduction shall be considered to have been compensated and shall not be considered in setting the salary if using the method which provides 5% for each grade. With justification, the policy for New Appointments may be used.

## Reallocation (continued)

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Example: If demoted with no change in salary and reallocated back to the same level, the salary shall remain unchanged and treated as if the demotion had not occurred; or if reallocated back to a level higher than before the demotion, the difference in the grade before the demotion and the new higher grade will be the basis for determining the reallocation increase.

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### Performance Increases

If an employee is to receive a performance salary increase (interpreted to mean a cost-of-living adjustment, career growth recognition award, or performance bonus) on the same day as the reallocation, the increase shall be given before a reallocation increase is considered.

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### Salary Rate for Reallocation to Same Grade

When an employee's position is assigned to the same grade level, the employee's salary shall remain the same. Exception, if reallocated from a geographic differential class to a non-geographic differential class, the employee's rate must be reduced by the amount of the dollar difference between the current minimum of the geographic differential salary grade and the current minimum of the same class without the geographic differential.

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### Salary Rate for Reallocation to a Lower Grade

When an employee's position is assigned to a lower grade, one of the options listed below shall be implemented. It is a management responsibility to avoid creation of salary inequities among employees. Each case must be evaluated to determine which of the salary administration alternatives is most appropriate, based on the circumstances as documented to the Office of State Human Resources, on appropriate forms, by the employing agency.

**Reallocation (continued)**

When reduction in level results from:	the salary:
removal of duties and responsibilities because of change in demonstrated motivation, capability, acceptance of responsibility or lack of performance,	shall be reduced at least to the maximum as required by the Demotion/Reassignment Policy.
position redesign because of management decisions on program changes, reorganization, or other management needs not associated with the employee's demonstrated motivation, capability, acceptance of responsibility or lack of performance,	may remain above the new maximum as long as the employee remains in the same classification or is promoted to a higher level position.
a change in the labor market or some other reason not related to change in the duties and responsibilities of the position, though the position must be reallocated to the approved classification and grade,	may remain unchanged by election of management to maintain the employee's current classification and grade by working the employee against the lower level position, so long as the employee continues to occupy the same position or is in the same classification. When vacated, it shall be filled at the lower level.
an employee moving from a geographic differential class to a non-geographic differential class,	is reduced by the dollar difference between the current minimum of the geographic differential and the current minimum of the same class without the geographic differential. Then, one of the options listed above shall be implemented.

Note: When an employee is reallocated down from a class with a SMR to a class without a SMR, the authorization to grant the MIA balances is canceled.

**Exceptions**

Only with the prior approval of the Human Resources Director and in extreme circumstances relating to critical positions and well-documented labor market conditions

## Reallocation (continued)

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will salary increases above that allowed by the above provisions be considered. Personnel forms must include the justification.

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### Determining Effective Date

Reallocation shall be made effective on the first day of the pay period. Forms PD-118 should be submitted to the Office of State Human Resources as established in the guidelines of the Agency Special Processing Agreement. Otherwise, submit Forms PD-118 thirty days prior to the proposed effective date to allow adequate time for study and processing of the request. Requests received after the first day of the month are subject to be made effective no earlier than the first of the following month, and requests can be effective only after complete information is available to make a decision. If any party is delayed in carrying out its responsibilities, the employee should not be caused to suffer delay; and the effective date will be revised to the most reasonable date consistent with the time that complete information would have been available to make the decision on reallocation of the position.

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### Qualifications

When an employee's present position is reallocated upward, the employee must ordinarily possess the minimum recruitment standards, or their equivalent, as set forth in the class specification. If a classification audit has verified that duties, skills, and knowledge are being demonstrated at a higher level and the position is reallocated, the employee may be reallocated by waiver of the stated education and experience requirements.

If reallocation downward is made to a position within the same field of work, the employee automatically qualifies. However, if a reallocation down is to a different field of work, the employee must meet the minimum recruitment standards, or their equivalent, as set forth in the class specification.

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