

STATE OF LOUISIANA
DEPARTMENT OF STATE CIVIL SERVICE
BATON ROUGE, LOUISIANA

February 9, 2010

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General Circular No. 1796

To: Heads of State Agencies and Human Resource Directors

Subject: Announcement of Public Hearing Regarding Changes to Ch. 6 Merit Increase/Performance Adjustment Rules

Issue Date: February 9, 2010

Article X, Section 10 (C) of the Louisiana constitution requires any rule affecting wages adopted by the State Civil Service Commission to be approved by the governor before it may become effective. This constitutional requirement makes the governor a party to changes in rules affecting the pay of employees. Thus, any rule affecting pay adopted by the State Civil Service Commission must satisfy both the Commission and the governor.

On December 9, 2009, the Commission adopted a set of rules affecting pay. That set of rules included rule 6.13 providing for Performance Adjustments to replace the existing Merit Increases. On January 8, 2010, Governor Bobby Jindal disapproved the adopted rules, and asked the Commission to consider changing certain provisions of rule 6.13 regarding Performance Adjustments.

In an effort to meet the goals of both the Commission and the governor, the following changes to rule 6.13 as previously adopted by the Commission are proposed.

- Reduce the maximum increase allowed from 6% to 5%.
- Authorize the Director to grant exceptions to avoid or reduce layoffs.
- Require Commission review of the amounts established for increases at least once every three years.

The resulting proposed rule 6.13 Performance Adjustments is as follows.

PROPOSED NEW RULE 6.13

6.13 Performance Adjustment; Anniversary Dates; Department Rating Dates.

- (a) Performance adjustments may be granted to employees at the discretion of an appointing authority. Performance adjustments are not mandatory.
- (b) An employee's eligibility for a performance adjustment shall be based on his or her annual performance rating. Only employees who receive an official overall performance rating of "Achieves Expectations" or better may be eligible for a performance adjustment. An employee who is "Unrated" shall have the same eligibility as an employee who "Achieves Expectations".
- (c) The amounts of performance adjustments shall be:
 - 3% for employees who earn ratings of "Achieves Expectations"
 - 4% for employees who earn ratings of "Exceeds Expectations"
 - 5% for employees who earn ratings of "Outstanding"
- (d) The Director may authorize payments of lesser amounts when an appointing authority requests an exception to avoid or reduce layoffs.
- (e) The Department shall review the performance adjustment limits defined in (c) above based on an analysis of relevant economic indicators, such as the Consumer Price Index, Employer Cost Index, and appropriate market comparisons at least once every three years and make a recommendation to the Commission based upon the results.
- (f) An appointing authority may grant a new employee's first performance adjustment after six months of continuous classified service. This first eligibility date becomes the employee's anniversary date. Thereafter, an appointing authority may grant an employee a performance adjustment annually. When an appointing authority chooses not to award a performance adjustment to an employee on his or her anniversary date, the appointing authority may award the increase at any time within the twelve month period following the anniversary date.
- (g) An employee shall retain his or her anniversary date and performance adjustment eligibility when he or she:
 - 1. is appointed from a department preferred reemployment list within one year of the date of the layoff, or
 - 2. is returned from military service.Any former employee who returns to classified service following a break in service shall be given a new anniversary date.
- (h) An appointing authority may grant an employee on detail a performance adjustment calculated on his or her pay on detail.
- (i) An appointing authority may grant a lump-sum performance adjustment to an employee who:
 - 1. has reached the maximum of his or her pay band or band extension, and
 - 2. has been at the same pay rate for a period of two years.

Employees may not receive such a lump-sum performance adjustment more often than once every other year. Employees who are red-circled shall not be eligible for a lump-sum performance adjustment.

- (j) The Department shall review the performance adjustment limits defined in (c) above based on an analysis of relevant economic indicators, such as the Consumer Price Index, Employer Cost Index, and appropriate market comparisons at least once every three years and make a recommendation to the Commission based upon the results.

Both this rule and the rules that were promulgated on October 8, 2009 in [General Circular 1787](#) and published in the Louisiana State Register, Vol. 35, No. 10, will be considered for adoption by the Commission.

The State Civil Service Commission will hold a public hearing on **Wednesday, March 3, 2010**, to consider all of these proposed changes to the Civil Service Rules, i.e. Rule 6.13 as published in this document, all other rules in Chapter 6 and associated rules in Chapters 1, 17 and 24 as published in [General Circular 1787](#) and in the Louisiana State Register, Vol. 35, No. 10. The public hearing will begin at **9:00 a.m. and will be held in the Louisiana Purchase Room in the Claiborne Building, 1201 Third Street, Baton Rouge, Louisiana.**

Comments regarding these proposals may be mailed or emailed by to the following address.

Civil Service Commissioners
P.O. Box 94111, Capitol Station
Baton Rouge, La 70804
Email: civilservicecommission@la.gov

If you wish to address the Commission at the public hearing on these proposed rules, please notify the Department of Civil Service at 225-342-8272. If any special accommodations are needed, please notify us prior to this meeting.

Please post this General Circular prominently so that all employees will receive notice of this hearing.

Sincerely,

s/Shannon S. Templet
Director