

NUMBER: 4.2.06

DATE: 07/01/00

REVISION: 12/29/2003

PAGE: 1 of 1

SECTION: HUMAN RESOURCES

AREA: COMPENSATION

SUBJECT: SPECIAL RATES OF PAY FOR LABOR MARKET CONDITIONS

PURPOSE

The State of Arkansas, Department of Finance and Administration (DF&A), and the Office of Personnel Management (OPM) have clearly defined uniform procedures under which special entry rates of pay may be requested for classifications. Justification for Labor Market Special Entry Rates is based upon market conditions, turnover within the classification, and difficulty in recruiting. The purpose of this policy is to inform all departments within the University of Arkansas for Medical Sciences (UAMS) of these procedures so that uniformity can be established throughout the campus.

PROCEDURES

1. A department requesting a special rate of pay for reasons as described above should contact the Office of Human Resource (OHR) for information.
2. OHR Compensation may conduct a salary survey of the local area and surrounding states.
3. The requesting department will be asked to provide historical information on turnover and difficulty in recruiting.
4. OHR will review and, upon approval, submit requests to OPM.
5. OPM may approve or deny the requests. For requests for salaries beyond the midpoint of Pay Level II, OPM must seek final approval through the Legislative Council. Final written approval or denial of the requests is generally received by OHR within a period of four to eight weeks.
6. If approved, a department may hire an **internal** employee at any rate from minimum of the grade up to and including the special entry rate for the specific classification. Likewise, an employee may be paid at any rate between minimum (Level I) and the special entry rate at the time of promotion or reclassification to a position approved for special rate.
7. The Office of Personnel Management (OPM) has imposed some restrictions on utilizing labor market rates for **external hires**. External hires may not be brought in at a level that exceeds the average salary for current incumbents within the classification in which they are hired. **External hires** may be hired at any rate from the minimum of the grade up to and including the UAMS average salary for the specific classification in which they are hired. A current list of approved hires rates for both internal and external hires is available on the OHR website at <http://www.uams.edu/ohr/>
8. Current employees who are in classifications with an approved entry rate may not be adjusted to the new rate unless approval to do so has been received from OPM. However, requests for movement of current employees may be submitted concurrently with the Labor Market request.
9. After OPM approval is received, OHR will notify the department to adjust the employee's salary to the approved special entry rate. using the SAP salary change transaction

A list of all classifications with approved special entry rates of pay for the current fiscal year are listed on the OHR website at: <http://www.uams.edu/ohr/>