

11—53.6 (8A) Payroll transactions.

53.6(1) *Pay at least at minimum.* If a transaction results in an employee's being paid from a different pay plan or pay grade, the employee shall be paid at least the minimum pay rate of the class to which assigned, except as provided in subrules 53.5(3) and 53.5(4).

53.6(2) *Pay not to exceed maximum.* If a transaction results in an employee's being paid from a different pay plan or pay grade, the employee's pay shall not exceed the maximum pay rate of the class to which assigned, except as provided in subrule 53.6(3) or 53.6(13) or rule 53.8(8A).

53.6(3) *Red-circling.* If the pay of an employee in a noncontract class exceeds the maximum pay for the class to which assigned, the employee's pay may be maintained (red-circled) above the maximum for up to one year. Requests to change the time period or the red-circled rate must first be submitted to the director for approval. If approved, the appointing authority shall notify the employee in writing of any changes in the time period and the pay. If an employee's classification or agency changes, a request to rescind the red-circling may be submitted by the appointing authority to the director for approval. The director may also require red-circling in certain instances.

53.6(4) *Pay plan changes.* If a transaction results in an employee's being paid from a pay plan without steps, the employee shall be paid at the employee's current pay rate, except as provided in subrules 53.6(1) and 53.6(2). When the transaction results in an employee's being paid from a pay plan with steps, the employee shall be paid at a step in the pay plan that is closest to but not less than the employee's current pay rate, except that for demotions the employee's pay shall be at the discretion of the appointing authority so long as it is not greater than it was prior to the demotion. For setting eligibility dates, see subrule 53.7(5).

53.6(5) *Pay grade changes.* If a transaction results in an employee in a noncontract class being paid in a higher pay grade, the employee's pay may be increased by up to 5 percent for each grade above the employee's current pay grade, except as provided in subrules 53.6(1) and 53.6(2). The implementation of pay grade changes for employees in contract classes shall be negotiated with the applicable collective bargaining representative. For setting eligibility dates, see subrule 53.7(5).

53.6(6) *Promotion.* For setting eligibility dates, see subrule 53.7(5).

a. Noncontract classes. If an employee is promoted to a noncontract class, the employee may be paid at any rate in the pay grade of the pay plan to which the employee's new class is assigned, except as provided in subrules 53.6(1) and 53.6(2).

b. Contract classes. If an employee is promoted to a contract-covered class without steps, the employee shall receive a 5 percent pay increase. If promoted to a contract-covered class with steps, the employee shall receive a one-step pay increase, except as provided in subrules 53.5(1), 53.6(1), 53.6(2), and 53.6(4).

c. Leadworker. If an employee who is receiving additional pay for leadworker duties is promoted, the pay increase shall be calculated using the employee's new base pay plus the leadworker pay.

53.6(7) *Demotion.* If an employee demotes voluntarily or is disciplinarily demoted, the employee may be paid at any step or pay rate that does not exceed the employee's pay at the time of demotion, except as provided in subrules 53.6(1), 53.6(2) and 53.6(4). For setting eligibility dates, see subrule 53.7(5).

53.6(8) *Transfer.* If an employee transfers under these rules to a different class, the employee shall be paid at the employee's current pay rate, except as provided in subrules 53.6(1), 53.6(2) and 53.6(4).

53.6(9) *Reclassification.* If an employee's position is reclassified, the employee shall be paid as provided for in subrule 53.6(6), 53.6(7) or 53.6(8), whichever is applicable. For setting eligibility dates, see subrule 53.7(5).

53.6(10) *Return from leave.* If an employee returns from an authorized leave, the employee shall be paid at the same step or pay rate as prior to the leave, including any pay grade, pay plan, class or general salary increases for which the employee would have been eligible if not on leave, except as provided for in subrules 53.6(1) and 53.6(2). For setting eligibility dates, see subrule 53.7(5).

53.6(11) *Recall.* If an employee is recalled in accordance with 11—subrule 60.3(6), the employee shall be paid at the same step or pay rate as when laid off or bumped, including any pay grade, pay

plan, class or general salary increases, except as provided in subrules 53.6(1) and 53.6(2). For setting eligibility dates, see subrule 53.7(5).

53.6(12) *Reinstatement.* When an employee is reinstated, the employee may be paid at any step or pay rate for the class to which reinstated.

53.6(13) *Change of duty station.* If an employee is promoted, reassigned or voluntarily demoted at the convenience of the appointing authority and a change in duty station beyond 25 miles is required, the employee may receive a one-step or up to 5 percent pay increase. The pay may exceed the maximum pay for the class to which assigned. Notice must first be given to the director. Subsequent changes in duty station may result in the additional pay being removed.