

State Human Resources Policy #E24-102.09

Salary Decreases

THE LANGUAGE USED IN THIS DOCUMENT DOES NOT CREATE AN EMPLOYMENT CONTRACT BETWEEN THE EMPLOYEE AND THE AGENCY. THIS DOCUMENT DOES NOT CREATE ANY CONTRACTUAL RIGHTS OR ENTITLEMENTS. THE AGENCY RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS DOCUMENT, IN WHOLE OR IN PART. NO PROMISES OR ASSURANCES, WHETHER WRITTEN OR ORAL, WHICH ARE CONTRARY TO OR INCONSISTENT WITH THE TERMS OF THIS PARAGRAPH CREATE ANY CONTRACT OF EMPLOYMENT.

DEFINITIONS

Agency – The South Carolina Military Department/Office of the Adjutant General

Base Salary - The rate of pay approved for an employee in their position exclusive of any additional pay, such as supplements, bonuses, longevity pay, temporary salary adjustments, shift differential pay, on-call pay, call back pay, special assignment pay, or market or geographic differential pay.

Covered Employee - A Full-Time or Part-Time employee occupying a part or all of an FTE position who has completed the probationary period and has a “Successful” or higher overall rating on the employee’s performance evaluation and who has grievance rights. If an employee does not receive an evaluation before the performance review date, the employee must be considered to have performed in a satisfactory manner and be a covered employee. This definition does not include employees in positions such as temporary, temporary grant, or time-limited employees who do not have grievance rights.

FORMS

All forms noted for use in accordance with this Policy may be found at <https://scmd.sc.gov/state-operations/forms> under the “Human Resources” Section.

POLICY

1. The South Carolina Military Department may decrease an employee’s salary based on a variety of factors such as voluntary, involuntary or non-disciplinary reasons, disciplinary or performance, failure to attain permanent status, removal of additional job duties or responsibilities, assignment of lower level responsibilities, downward pay band changes, etc.

2. Authority for Salary Decrease Approval

a. The Chief of Staff for State Operations has the authority to approve salary decreases up to 7% provided such decrease does not place the employee’s salary below the minimum of the pay band.

b. The Deputy Adjutant General for State Operations has the authority to approve salary decreases up to 10% provided such decrease does not place the employee’s salary below the minimum of the pay band.

c. The Adjutant General has the authority to approve salary decreases up to 15% provided such decrease does not place the employee’s salary below the minimum of the pay band.

d. For a decrease of more than 15%, the Agency must submit written justification to Director of the Division of State Human Resources (DSHR) for approval. Such increase shall not place the employee’s salary below the minimum of the new pay band.

3. Program Managers, Department Heads, or their designated representatives will consult with the South Carolina Military Department State Human Resources Officer (State HRO) prior to initiating any salary decrease actions.

4. In Band Salary Decreases

a. Voluntary

(1) The Agency may decrease the pay of an employee who is voluntarily assigned lower level responsibilities or voluntarily moved to a position in their current pay band with lower level responsibilities than their current position to a rate within the pay band equal to or below the current salary.

(2) The decrease shall not place the employee's salary below the minimum of the pay band.

(3) The employee must sign a written statement indicating agreement to the salary decrease. The Program Manager, Department Head, or their designated representative will forward the statement to the State HRO for retention.

b. Demotion or Assignment of Lower-Level Responsibilities.

(1) The Agency will immediately reduce the salary of an employee who is demoted or assigned lower level responsibilities by no more than 15% or to the midpoint of the pay band, whichever is lower, following the assignment of lower level responsibilities.

(2) The decrease shall not place the employee's salary below the minimum of the pay band.

(3) For a decrease of more than 15%, the Agency must submit written justification to Director of the DSHR for approval. Such increase shall not place the employee's salary below the minimum of the new pay band.

c. Performance

(1) The Agency may decrease an employee's salary based upon performance in accordance with the South Carolina Code of Laws, Section 8-1-160f. The Agency will determine the amount of the decrease.

(2) The performance decrease must not place an employee's salary below the minimum of the pay band.

(3) The Agency will base the decrease on the results of an Employee Performance Evaluation System (EPES) evaluation. The Program Manager, Department Head, or their designated representative will forward a copy of the evaluation to the State HRO.

d. Removal of Additional Job Duties or Responsibilities

(1) Should the additional job duties or responsibilities which justified an additional job duties or responsibilities increase be removed from an employee, the Agency may reduce the employee's salary by up to the amount of the additional job duties or responsibilities increase.

(2) The decrease shall not place the employee's salary below the minimum of the pay band.

(3) Such decrease in salary is not grievable or appealable under the State Employee Grievance Procedure Act.

5. Salary Decreases Resulting from Downward Band Changes

a. Voluntary

(1) The Agency may decrease the pay of an employee who voluntarily has their position reclassified to a class with a lower pay band or is demoted to a position in a lower pay band to a salary equal to or below the current salary.

(2) The rate must be within the lower pay band and the employee must sign a written statement agreeing to the salary decrease. The Program Manager, Department Head, or their designated representative will forward the statement to the State HRO for retention.

b. Involuntary or Non-Disciplinary Reason

(1) The Agency may immediately reduce the employee's salary by no more than 15% or to the midpoint of the pay band, whichever is lower.

(2) The decrease shall not place the employee's salary below the minimum of the pay band.

(3) For a decrease of more than 15%, the Agency must submit written justification to Director of the DSHR for approval. Such increase shall not place the employee's salary below the minimum of the new pay band.

(4) If the Agency allows the employee's salary to remain above the maximum of the lower pay band, the employee will not be eligible for pay increases unless:

- Subsequent pay adjustments establish the maximum of the pay band above the employee's rate of pay; or
- The employee is subsequently promoted or their position is reclassified and their current rate of pay is below the maximum for the pay band for the class to which promoted or reclassified.

c. Disciplinary or Performance Reason

(1) The Adjutant General has the discretion to reduce the salary of an employee who, as the result of a disciplinary action or unsatisfactory rating on an EPES evaluation, has their position reclassified to a class with a lower pay band or is demoted to a position in a lower pay band.

(2) The Adjutant General may reduce the employee's salary to a rate equal to or below the current salary, but within the lower pay band. The decrease shall not place the employee's salary below the minimum of the pay band.

(3) The Program Manager, Department Head, or their designated representative will forward a copy of the evaluation and/or disciplinary action to the State HRO.

d. Failure to Attain Permanent Status. The Agency will reduce the salary of an employee who is promoted or their position is reclassified upward, and is subsequently demoted or their position is reclassified downward prior to attaining permanent status in a class of a higher pay band, as follows:

(1) When an employee is demoted or their position is reclassified to the previous class or to a class with the same pay band held prior to promotion or reclassification, or to a class with a lower pay band, the Agency will reduce the employee's salary by the amount previously received upon promotion or upward reclassification provided the salary will not exceed the maximum of the pay band for the class to which demoted or downwardly reclassified.

(2) When an employee is demoted or their position is reclassified downward to a class having a higher pay band than the original position, the Agency will reduce the employee's salary by the amount previously received upon promotion or reclassification and establish the employee's new salary in accordance with Section 19-705.04 D.

e. Downward Pay Band Reallocations

(1) When a class is reallocated to a lower pay band, the Agency will not change the pay of an employee as a result of this action for a period of six (6) months from the date of the action unless the Director of the DSHR approves an exception.

(2) After the expiration of the six-month period, the Agency may reduce the employee's salary by no more than 15% or to the midpoint of the pay band, whichever is lower.

(3) If the Agency allows the employee's salary to exceed the maximum of the new pay band, the employee will not be eligible for pay increases of any type unless:

- Subsequent pay adjustments establish the maximum of the pay band above the employee's rate of pay; or
- The employee is subsequently promoted or his position is reclassified, and his current rate of pay is below the maximum of the pay band for the class to which promoted or reclassified.

PROCEDURE

1. The requesting Program Manager or Department Head (or their authorized representative) will document the request on a *Request for Salary Change Form* and submit the form, along with a *Personnel-Payroll Action Request (PAR) Form*, to the State HRO along all other required or necessary supporting documentation.

2. The State HRO will verify that the requested decrease is in accordance with this Policy and with State Human Resources Regulations.

3. The State HRO will maintain the records of all salary decrease actions.