

Office of Human Resources  
State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

**DIVISION OF ADMINISTRATION**

**PERSONNEL POLICY NO. 43**

**EFFECTIVE DATE:** July 1, 2018

**PREVIOUS VERSIONS:** June 26, 2001 (Original); February 27, 2003; September 9, 2003

**SUBJECT:** Pay Upon Demotion

**AUTHORIZATION:**

  
Barbara Goodson, Appointing Authority

**I. POLICY:**

The Division of Administration will allow employees the opportunity to demote voluntarily without a reduction in pay based on certain conditions discussed below when funds are available, when the new pay does not exceed the maximum allowable under Civil Service Rules and when recommended by the section head of the section into which the employee is demoting. In this policy this will be referred to as the “*conditional waiver of pay reduction.*”

**II. DEFINITIONS:**

Demotion – A change of an employee from a position in one job title to a different position allocated to a lower job.

Promotion – A change of a permanent status employee to a different position allocated to a higher job.

Reallocation - A change in the allocation of a position from one job to another.

Job Correction - A change in the allocation of a position as a result of revisions to the job specifications and/or the allocation criteria.

### III. AUTHORITY:

Civil Service Rule 6.10, Rate of Pay Upon Demotion, states that when an employee is demoted for any reason under any circumstances, his pay shall be reduced as follows:

- If the demotion is to a job within the same schedule or to a job in another schedule with a lower maximum his pay shall be reduced by a minimum of 7% and may be set at a lower rate in the range provided that it is no less than the minimum.

Civil Service Rule 6.10(d) also allows that an appointing authority may grant exceptions to this rule for voluntary demotions; however, no exception will allow the employee's pay to exceed the maximum of the pay range attached to the job title assigned to the employee. An appointing authority shall waive a pay increase on promotion, reallocation, or detail to special duty for an employee who has been demoted without a reduction in pay until such time the employee surpasses the pay level from which he demoted.

### IV. PROCEDURE:

#### A. A *Conditional Waiver of Pay Reduction* May Be Considered:

1. When the employee voluntarily demotes into a job within the same schedule or to a job in another schedule with a lower maximum and has not received a *conditional waiver of pay reduction* under this policy within the preceding twelve-month period.
2. When the employee voluntarily demotes into a job within the same schedule or to a job in another schedule with a lower maximum to avoid being laid off. An employee who demotes for this reason may receive a pay reduction waiver even if he/she has received a prior waiver in the preceding twelve-month period.
3. When a current permanent state employee is transferred into the Division of Administration into a job within the same schedule or to a job in another schedule with a lower maximum than the employee's current job with the losing department.

Circumstances that are not specifically described above must be presented, in writing, to the Office of Human Resources for review.

#### B. A *Conditional Waiver of Pay Reduction* Will Not Be Considered:

1. When the employee demotes with an effective date of demotion within the twelve (12) month period following a promotion. That is, a *conditional waiver of pay reduction* will NOT be granted to an employee who voluntarily demotes back to his/her former position or any other lower level position within twelve (12) months of a promotion.

2. When the employee demotes with an effective date that is within twelve (12) months of the effective date of a demotion for which there was a *conditional waiver of pay reduction*. That is, a *conditional waiver of pay reduction* will NOT be granted to an employee who demotes a second time within a twelve (12) month period, and who received a pay reduction waiver under this policy for the first demotion. One exception to this is discussed in IV.A.2 above, i.e., when the employee voluntarily demotes into a lower level position to avoid being laid off.
3. When the employee is involuntarily demoted as the result of official disciplinary action. That is, a *conditional waiver of pay reduction* will not be granted to an employee who is demoted as a result of an official disciplinary action.
4. When the employee's position is allocated to a job title that is at a lower grade in the same schedule or is in a grade with a lower maximum in another schedule than his current job title. Employees who are involuntarily "demoted" by means of a Civil Service action, which reallocates or assigns their position to a lower pay level, are not covered under this policy. The pay rates of employees affected by these actions are covered under Civil Service Rules 6.8, Pay Upon Reallocation, 6.8.1, Pay Upon Job Correction or Grade Assignment, and 6.15, Red Circle Rates.

**C. Nature of the CONDITION of the *Conditional Waiver of Pay Reduction*:**

1. The conditional aspect of the *conditional waiver of pay reduction* is as follows:

If the employee's position is reallocated, or if he/she accepts a promotion or a detail to special duty after the effective date of the *conditional waiver of pay reduction*, the employee's reallocation pay, promotion pay or pay upon detail to special duty shall be waived until such time the employee surpasses the pay level from which he demoted.

**V. EXCEPTIONS:**

Requests for exceptions to this policy must be submitted in writing to the appointing authority with specific and compelling justification. Any exceptions must be in accordance with State Civil Service Rules and guidelines.