



**North Carolina  
Department of Environment  
and Natural Resources**

**P R O C E D U R E S**

**Section: Human Resources**

**Number:**

**Subject: In-Range Adjustment**

**Approved By: DENR Secretary and State Personnel Commission**

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**Revised:**

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**Procedures, and policy, have been retained in the original format as approved by the State Personnel Commission for consistency in training managers and employees.**

**SEE ALSO:**

**In-Range Adjustment in Section 7 of the State Personnel Manual.**

# In-Range Adjustment

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## **IN-RANGE ADJUSTMENT POLICY**

### **PURPOSE:**

This policy provides a mechanism to adjust the salaries of permanent DENR employees in order to recognize job change, establish equitable salary relationships and/or respond to labor market conditions.

### **POLICY:**

The goal of the In-Range Adjustment policy is to recognize changes in duties which are not significant enough to reclassify the position; establish equitable salary relationships; respond to certain labor market conditions. An in-range salary adjustment is a change in an employee's salary within the current assigned salary range and should be used only when other established personnel policies have been considered and are not feasible.

DENR management is committed to administering this policy in a fair and equitable manner such as to prevent management from knowingly discriminating when adjusting salaries.

The appropriate DENR Assistant Secretary will be responsible for setting priorities concerning cross divisional issues in his/her area related to all salary increase programs and for assuring that the in-range adjustment program is carried out in a fair and consistent manner.

Division Directors will be responsible for identifying situations where in-range adjustments might be appropriate, setting priorities within the division concerning adjustments and other salary increase programs, and for recommending the initial amount of each in-range adjustment using a standardized technique.

The DENR Personnel Office will be responsible for designating a plan administrator; providing consultation on identifying situations and determining increase amounts for job change and labor market adjustments; assuring that situations and increase amounts are consistent across the department; monitoring the program to assure fairness; educating current and new employees; meeting Office of State Personnel reporting requirements; and revising the In-Range Adjustment Plan annually. The DENR Personnel Office will also be responsible for determining the situations and amounts for in-range adjustments based on equity that cross division lines, subject to review and approval by the appropriate Assistant Secretary and/or Deputy Secretary as necessary.

### **COVERED EMPLOYEES:**

DENR employees with a permanent or time-limited permanent appointment are eligible for in-range adjustments. DENR employees with a probationary, trainee, temporary or intermittent appointment are NOT eligible for in-range adjustments. Salary increases will not be allowed with inter-agency employee transfers.

### **CIRCUMSTANCES WARRANTING IN-RANGE ADJUSTMENTS:**

DENR employees may be granted in-range adjustments in the following circumstances:

1. **Change in Job Duties**

To compensate for significant changes in duties and responsibilities which:

- a. Are at a higher level, but not substantial enough to justify a higher salary grade through reclassification or a salary range revision; or,
- b. Are at approximately the same level, but the changes increase the variety and scope of duties and/or accountability of the employee. These duties are typically found in another job family rather than that of the current classification.
- c. Additional duties typically recognized at a lower salary grade can be used to justify an in-range adjustment if the salary grade is not significantly lower than the current salary grade and the additional duties clearly make the employee(s) more valuable to the organization.

The change in duties must have already occurred and be documented in both job description and work plan.

If the change in duties and responsibilities exists only for a limited time period, the employee's salary shall be reduced to the previous level when the additional duties and responsibilities are removed.

## 2. **Equity**

To establish equitable salary relationships in situations where the salaries of employees in a relevant work unit who are in the same class or closely related classes are not appropriately differentiated when considering ALL FIVE of the factors below:

- Education
- Skills
- Related work experience
- Length of service
- Performance level
- A relevant work unit is one in which the salaries of the employees are closely related due to similarities in work.
- Divisions will be able to recommend salary inequities between/among employees in closely related positions. Typically, consideration is given to salaries of employees within the same class; however, exceptions may be granted when there is a salary relationship among employees at different levels in a class series or employees in an employee/supervisor relationship.
- Salary relationships may be studied at individual or classification levels.

Further review by the DENR Personnel Office may be necessary to determine relationships with similar positions in other divisions.

- Once established, the relevant work unit for a class, class series, or employee/supervisor relationship should remain the same for the plan cycle.
- The goal of equity adjustments is to address significant inequities first.

Significant inequities include:

- ~ Situations where employees are relatively equal when considering the equity factors but whose salaries differ by more than 10%;
- ~ Situations where employees have approximately equal salaries but whose salaries should differ by more than 10% when the equity factors are considered; and
- ~ Situations where employees are more than 10% below their appropriate salary based on consideration of all the equity factors in relation to other employees.

- In establishing equitable salary relationships, priority must be given to

inequities with the largest salary differentials.

### **3. Labor Market Conditions**

To increase DENR employees' salaries in order to reduce turnover due to market or other conditions that may affect retention. Conditions to be met:

- Position duties are key to the accomplishment of DENR's mission.
- The knowledges, skills and abilities required of an incumbent are clearly identified as difficult to recruit, or the occupational group is acknowledged by the Office of State Personnel as having a critical labor market shortage.
- The use of established personnel policies/actions are not feasible alternatives to a special salary adjustment (promotions, reallocation, range revision, performance increase).
- Other management alternatives are not feasible.

### **LIMITATIONS ON THE AMOUNT OF IN-RANGE ADJUSTMENTS:**

1. No DENR employee shall be granted more than a 10% salary increase under this policy within a one-year period.
2. No DENR employee shall receive an in-range adjustment which will result in the employee's salary being above the maximum of the current salary grade.
3. No DENR employee shall receive an in-range adjustment for the addition of duties which are recognized in another position.
4. No DENR employee shall be granted an in-range adjustment based on duties and responsibilities which have already been recognized through a previous salary adjustment.
5. No salary increase shall create significant salary inequities with other employees.
6. In compensating DENR employees for changes in duties and responsibilities, the amount of the in-range adjustment shall be consistent with the employee's related training and experience AND the nature and magnitude of job change. This adjustment shall also be consistent with his/her division's policy on new hire/promotion increases.

### **RESPONSIBILITIES:**

#### **Assistant Secretaries and Deputy Secretary as needed:**

1. Set priorities in cross-divisional issues related to:
  - Promotional increases
  - New hire salaries
  - Reallocation increases
  - Labor market increases to include special entry rate and range revisions
  - In-range adjustments based on:
    - ~ Job change
    - ~ Correction of salary inequities
    - ~ Labor market
2. Assure that policies and procedures are in place to appropriately manage a fair and equitable in-range adjustment plan.

3. On at least a yearly basis, review reports generated from the in-range adjustment program which include information on the impact on all demographic groups, exceptions granted and the fiscal impact of administering the in-range adjustment program on DENR's budget.

**Division Directors:**

1. Set priorities within their division concerning:
  - Promotional increases
  - New hire salaries
  - Reallocation increases
  - Labor market increases to include special entry rate and range revisions
  - In-range adjustments based on:
    - ~ Job change
    - ~ Correction of salary inequities
    - ~ Labor market
2. Submit in priority order to DENR Personnel Office requests for in-range adjustments as recommended by immediate supervisor, section chief and/or personnel representative. The following shall be considered:
  - Job Change:
    - ~ Magnitude of change
    - ~ Criticality of job(s) to the DENR mission
  - Equity
    - ~ Size of the inequity
    - ~ Presence of management obstacles
  - Labor Market
    - ~ Extent of labor market problem
    - ~ Criticality of job(s) to DENR mission
  - Fairness considering the division population
3. Recommend the amount of in-range adjustments for job change and labor market considering internal equity, salary history, consistency and fairness within the work unit.
4. Identify funding source within division budget to cover requests and recommended amounts.

In-range adjustments will be made as far as possible recognizing that not all situations can be identified beforehand.

**DENR Division of Human Resources:**

1. Establishes procedures for management to identify in-range adjustment situations and place them in priority order. Provides guidance and consultation during the process.
2. Establishes an educational program to assure that all current and new employees understand the in-range adjustment policy and its relationship to other salary increase programs.
3. Designates an in-range adjustment administrator with responsibility for reviewing and monitoring the administration of the plan and providing to

management technical assistance in the administration of the plan.

4. Provides consultation to management on determining the amount of an in-range adjustment. Reviews all in-range adjustment requests to determine if all criteria have been reasonably considered and that consistency and fairness across DENR have been maintained.
5. Identifies relevant work units and identify situations in which salary inequities exist. Recommends remedial action to Division Directors and Assistant Secretaries.
6. Monitors and analyzes trends annually including the impact on demographic groups in granting increases, exceptions granted and the fiscal impact of administering the policy on the DENR budget.
7. Provides reports to the Office of State Personnel annually or as required.
8. Reviews and revises the DENR In-Range Adjustment Plan annually considering changing budgetary and organizational policies.

**IN-RANGE ADJUSTMENT PLAN**  
**Department of Environment and Natural Resources**  
**March 26, 1996**

The DENR In-Range Adjustment (IRA) Policy provides a mechanism to adjust the salaries of permanent DENR employees up to ten percent within a twelve month period to recognize job change, establish equitable salary relationships and/or respond to labor market conditions. The policy is intended to supplement existing policies allowing salary increases to employees through promotions, reallocations,

range revisions and special entry rates. The purpose of the In-Range Adjustment Plan is to provide a structure to manage the program both on a day-to-day and long term basis in order to achieve the following:

1. Wise use of limited funds

It is likely that the need for IRA will far exceed available funding from salary reserves. The program provides for both the identification of individual needs for adjustments and the establishment of priorities based on the severity of the need and organizational needs.

2. Fair and equitable treatment of employees so that unlawful discrimination is avoided.

3. Much needed movement within assigned salary ranges

There has been a critical lack of movement within salary ranges for many years due to lack of performance increases and other personnel mechanisms. This has resulted in stagnation within assigned salary ranges and inequities among new and experienced employees. These issues contribute greatly to poor morale and recruitment and retention problems which in turn cause costly training and inefficient program down time.

4. The State Personnel Commission's In-Range Adjustment Policy establishes agency requirements. The following is designed to meet those requirements.

**FUNDING:**

Managing limited funds requires that organizational decisions regarding the dispersion of funds among competing salary increase programs be made. Limited funds also require that, within the In-Range Adjustment program, decisions must be made on priorities within the three options (job change, labor market and equity). Finally, funding decisions must be made based on organizational priorities as they relate to the DENR mission.

**EMPLOYEE UNDERSTANDING:**

All new and current employees will be made aware of the IRA policy. Training sessions will be held to make Division Directors and Personnel Representatives aware of the program and its policy and procedures. DENR Position Management staff and/or division Personnel Representatives will provide training sessions for both current and new supervisors. Supervisors will be responsible for educating their assigned employees.

**PROCESS:**

**Step 1** Supervisor meets with division personnel representative and DENR classification analyst to discuss possible IRA.

**Step 2** Supervisor and division personnel representative complete IRA and PAR forms to include initial recommendation of salary increase amount.\*

**Step 3** IRA needs are compiled at the Division level.

- Step 4** The Division Director obtains budget information on funds available and puts in priority order the IRA requests in light of other salary reserve demands within the division.
- Step 5** The Division Director recommends to DENR Personnel in priority order all IRA requests he/she wishes submit.
- Step 6** Supervisors are notified as to which requests were forwarded to DENR Personnel.
- Step 7** DENR Personnel reviews requests for accuracy of information, appropriateness of amount requested, and overall organizational consistency and equity. Unusual requests will also be reviewed by appropriate Assistant Secretaries. Final approval will be determined and appropriate division employees notified.
- Step 8** Requests are routed through the system per existing DENR classification procedures.

DENR Personnel will be responsible for determining if the new job duties and responsibilities associated with Job Change IRA requests are representative of Higher Level work or Same Level work using standard job evaluation techniques. Higher Level duties are those typically associated with a higher level classification/salary grade within the N. C. Position Management system or the addition of significant supervisory responsibility. Same Level duties which increase the variety and scope of duties and/or accountability are typically lead worker responsibilities or those associated with a classification within the same salary range but in a different job family. Salary adjustments of up to 10% may be awarded for job change representing Higher Level duties. Salary adjustments of up to 5% may be awarded for increased variety and scope and/or accountability for duties at the Same Level. The degree of the significance of the job change and the location of the current salary in the assigned range shall be the major factors in determining the amount of salary adjustment awarded.

\*DENR Personnel may adjust amount of increase based on salary grade compression of class series, equity of other similar positions etc.

DENR Personnel may also lead reviews separate and apart from division requests to determine inequities that cross division lines and exist throughout the department. However, due to lack of funds, these may not be feasible when considering funding requests of individual divisions.

#### **DOCUMENTATION:**

Once the above process is completed and approved, justification for each adjustment shall be documented on the appropriate PD-105. These actions will be maintained in the employee personnel file at the division level by the division personnel representative.

#### **MONITORING PROGRAM TRENDS:**

The IRA program must be operated on fiscally sound basis. It must be operated consistently across DENR , and all employees and employee groups should have access to its benefits. In order to assure that these goals are accomplished, data must be collected and analyzed. Data similar to measures/data marked “U Internal” and “Survey Employees Involved in Process” on Attachment 3 (provided by OSP’s Operating Standards Team) will be continually collected and analyzed on at least an annual basis. This information will be reported annually to

OSP. Data will be captured by each division and forwarded to DENR Personnel Office so that the following shall be monitored, analyzed and reported:

- Impact on all demographic groups
- Exceptions granted
- Fiscal impact on DENR budget
- Requests not granted and reasons why not

**DENR PLAN ADMINISTRATOR:**

The DENR Classification Manager will administer the plan.

**Program Planning,  
Development and  
Maintenance**

- Develop and maintain the IRA plan.
- Attain and document management's commitment to fair and equitable implementation of salary adjustments.
- Ensure training mechanism to provide all employees an understanding of IRA policies and procedures.
- Ensure procedure for identifying the need for, and determining the priority and fiscal feasibility of implementing the IRA policy.
- Seek suggestions for improvement from employees and supervisors.
- Update and make revisions to the DENR IRA policy and plan.
- Submit changes/revisions to OSP for review and approval.
- Communicate all changes/approvals to all DENR employees.

**Program  
Monitoring/  
Reporting**

- Periodically review program statistics/reports to ensure that IRA increases are in compliance with criteria and limitations set forth in DENR and OSP policy.
- Administer the policy so that DENR does not engage in unlawful discrimination through periodic reviews with DENR EEO officer.
- Annually monitor, analyze and report trends on the following:
  - ~ Impact on all demographic groups
  - ~ Exceptions granted
  - ~ Fiscal impact on DENR budget
  - ~ Requests not approved and why not
- File an annual report (or as requested) with OSP regarding the administration of compensation and related policies.