

MANAGEMENT DIRECTIVE

Commonwealth of Pennsylvania Governor's Office

Subject: Appointments Above the Minimum	Number: 520.9 Amended
Date: January 23, 2019	By Direction of:  Michael Newsome, Secretary of Administration
Contact Agency: Office of Administration, Office for Human Resources and Management, Office of Talent Management, Bureau of Organization Management, Telephone 717.783.8141	

This directive establishes policy, responsibilities, and procedures for agency heads authorized to appoint management, confidential, and other non-represented employees at a salary above documented minimum pay within the appropriate pay scale group under certain conditions.

1. **PURPOSE.** To establish policy, responsibilities, and procedures for appointments above the minimum, which includes delegation of authority to agency heads to appoint management, confidential, and other non-represented employees above the minimum pay scale level of the appropriate pay scale group.
2. **SCOPE.** This directive applies to all departments, boards, commissions, offices, and councils (hereinafter referred to as "agencies") under the Governor's jurisdiction.
3. **OBJECTIVES.**
 - a. To ensure that agency heads understand their authority and responsibilities for setting the salary upon appointment for management, confidential and other non-represented employees.
 - b. To ensure that agency heads understand their role in maintaining equitable pay relationships among all management employees within their agency.

4. DEFINITIONS.

- a. **Agency Head.** The highest executive position within an agency. For the purposes of appointments above the minimum, agency heads may delegate their authority to a Deputy Secretary for Administration (or equivalent) or the Human Resource (HR) Delivery Center Manager or HR Director, as appropriate. This delegation of authority must be in writing and, upon request, it must be presented to the Office of the Budget, Office for Comptroller Operations, Bureau of Commonwealth Payroll Operations (BCPO).
- b. **Appointment Above the Minimum.** The hiring of an applicant to a position within an agency under the Governor's jurisdiction at a rate of pay that exceeds the minimum pay scale level of the pay scale group assigned to the job; or the rehiring of an former employee to a position within an agency under the Governor's jurisdiction at a rate of pay that exceeds that provided for in Sections 5.13 or 5.14 of [Management Directive 505.7, Personnel Rules.](#)

5. POLICY.

- a. Agency Heads are delegated the authority to set salaries for appointments to civil service and non-civil service positions at a salary above the minimum for management, confidential, and other non-represented employees except for those in centralized staff positions functioning in communications, policy, legislative liaison, and legal offices.
- b. For entry level management jobs, agency heads are delegated the authority to set salaries for appointment to civil service and non-civil service positions up to and including seven (7) pay scale levels (PSL) above the minimum. Appointments above the minimum for entry-level management jobs should be made by utilizing the Salary Determination Process and worksheet provided as Appendix A of this directive, when special circumstances exist such as outstanding qualifications, special training, or recruitment difficulties. Any request to set a salary beyond PSL 7 requires the approval of the Office of Administration (OA), Office of Talent Management (OTM).
- c. This authority does not supersede previous policies wherein above the minimum salaries have been stipulated (e.g., Engineering Trainees, Pennsylvania Management Interns, Human Resource Management Trainees).
- d. The authority to set salaries for appointments does not replace current policies contained in [Management Directive 515.10, Selection and Appointment to Non-Civil Service Positions](#), which requires the approval of certain appointments by the OA, OTM.
- e. Each agency is responsible for maintaining internal pay equity. OA will not approve salary adjustment requests made to correct internal pay inequities created by appointments above the minimum.

6. RESPONSIBILITIES.

- a. The Secretary of Administration, in conjunction with OA, Office for Human Resources and Management,** shall monitor appointments on an ongoing basis to ensure that agencies are adhering to sound management practices and the policy outlined in this directive.
- b. BCPO** shall monitor all electronic actions for appointments (Action Code ZA, New Hire, Reason Code 02, Appointment Above Minimum; or Action Code ZB, Rehire, Reason Code 02, Payrate Exception) to ensure that all appointments above the minimum are in compliance with this directive.
- c. HR Delivery Centers and Agency HR Offices** shall maintain copies of required agency approval and salary determination documents for audit purposes.

7. PROCEDURES.

- a. HR staff supporting the appointing authority,** submits an E-PAR to OA, Human Resources Service Center (HRSC), to appoint the applicant, and attaches agency head or equivalent approval to the E-PAR.
- b. Agency HR Offices or HRSC** processes the appointment transaction, Action Code ZA, New Hire, with a Reason Code 02, Appointment Above Minimum; or Action Code ZB Rehire, with a Reason Code 02, Payrate Exception.

This directive replaces, in its entirety, *Management Directive 520.9*, dated October 21, 2014.

Salary Determination Process

For New Hires in Management-Level Externally Posted Positions For Internal Management-Level Placements to Bureau Director or Equivalent and Above

1. **Ensure position description is current and accurate and that the position is properly classified prior to posting.** The position description clearly describes the specific work assigned to the position and should reflect a current date. If work responsibilities assigned to the position have changed, the position should be reviewed for proper classification. The posting should include the pay scale group or salary range associated with the position.
2. **Identify the final candidate.** After the posting and interviewing process, and the final candidate is identified, the HR analyst should confer with the hiring manager as the subject matter expert in accordance with the considerations listed below in item 3.
3. **Consider the type of position and requirements to perform the work.**
 - Beyond the minimum experience and training requirements, would additional education, experience, and/or training be useful in enabling the candidate to perform the work in a more efficient or effective manner?
 - How much and what type of experience is needed to gain proficiency (i.e., can individuals gain proficiency in a matter of months or will it take years)?
 - What are the desired attributes or character traits necessary for successful performance in the position?
 - What level of management experience is necessary to perform the responsibilities of the position?
4. **Evaluate the candidate relative to the position.** Using the chart below, how do the candidate’s experience, education, training, and other factors compare to the position considerations in Step 3? Candidate may not meet all criteria listed, but justification supports the requested salary placement.
 - What pay scale level (PSL) or portion of the pay scale group (minimum, low, middle, high) appears to be most appropriate given the candidate’s qualifications?

Minimum*	Low*	Middle	High
External Candidate: PSL 1	External Candidate: 2%-14% above min PSL 2 - 7	External Candidate: 14%-30% above min PSL 8 – 13	External Candidate: 30%-50% above min PSL 14 – 20
Internal Candidate: Normal Pay Rules	Internal Candidate: Normal Pay Rules plus up to 2 PSLs	Internal Candidate: Normal Pay Rules plus up to 4 PSLs	Internal Candidate: Normal Pay Rules plus up to 8 PSLs
<ul style="list-style-type: none"> • Has little to no prior experience aligned to duties • Meets minimum experience qualifications • Meets minimum educational requirements • Requires additional training • Requires supervision 	<ul style="list-style-type: none"> • Has some years of prior experience aligned to duties • Meets minimum experience qualifications • Meets minimum educational requirements • May require training • May have ability to work independently with supervisory guidance 	<ul style="list-style-type: none"> • Has multiple years of demonstrated experience aligned to duties • May have relevant education beyond the minimum required • Possesses ability to perform core duties independently • May not know the work of the agency 	<ul style="list-style-type: none"> • Highly experienced • Has relevant advanced education or degrees beyond the minimum required • Subject matter expert • Deep knowledge of the core competencies and/or understanding of government or the work of the agency

* Minimum and low salary placements are decentralized to Agency Head or designee.

Salary Determination Process Worksheet
For New Hires in Management-Level Externally Posted Positions
For Internal Management-Level Placements to Bureau Director or Equivalent and Above

1. When the final candidate is identified, complete the form below to determine salary placement. Minimum and low salary placements are decentralized to Agency Head or designee. Recommendations for middle or high salary placements are approved by the Talent Management Office.
2. Evaluate the first three factors in the worksheet below using the “Salary Determination Process” guidance document and the METs of the job. Select the appropriate column and include relevant data on the worksheet (i.e. years of experience, degrees, certifications, etc.). Complete the “Other Considerations” factor and provide an explanation of the additional information.
3. Use the ratings of all criteria to determine the salary determination. This rating should be determined based on the relative value of each of the factors to the position and may not necessarily be an average.
4. Determine pay scale level (PSL) placement based on the overall evaluation.
 - a. Minimum = PSL 1
 - b. Low = PSL 2 - PSL 7
 - c. Middle = PSL 8 - PSL 13
 - d. High = PSL 14 - PSL 20

Candidate Name:				
Position and Pay Scale Group:				
Factors	Minimum	Low	Middle	High
Overall comparison of candidate’s experience and education to the METs (Minimum=Meets METs through High=Significantly Exceeds METs)				
Amount of Training and Supervision Necessary (Minimum=Significant through High=Little/None/SME)				
Level of Agency Knowledge				
Other Considerations (i.e., desired attributes or character traits necessary for successful performance in the position)				
Salary Determination				
Pay Scale Level Placement:				

If placement determination results in placement at Pay Scale Level 8 or above, attach the request, a copy of the worksheet, and all relevant information used to determine pay placement recommendation to the hire form in NEOGOV. There will be a SL_PAY approval step in the hire form approval workflow, which will route to the OA, Classification and Compensation group for approval. If placement determination results in placement at Pay Scale Level 2-7, delete the SL_PAY approval step and attach the worksheet to the hire form *after* all NEOGOV hire form approvals are granted.