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THOMAS B. STEPHENS SECRETARY

PERSONNEL MEMORANDUM 17-01

MEMORANDUM

To: Constitutional Officers

Cabinet Secretaries Agency Heads HR Administrators

From: Thomas B. Stephens, Secretary

Date: April 10, 2017

Re: Regulation Amendments: 101 KAR 2:034 and 101 KAR 3:045

On March 3, 2017, amendments to 101 KAR 2:034, Section 3, and 101 KAR 3:045, Section 3, the Classified and Unclassified Compensation Regulations, became effective. In short, the amendments pertain to special entrance rates. Agencies may use special entrance rates to counter market conditions where difficult recruitment or high turnover are at issue, particularly in job classes where public health, safety, or welfare is impacted. The amendments address a pay inequity where an employee completing initial probation could receive a salary greater than that of a more senior status employee, even when the entry pay for both was equal. Specifically, the changes eliminate eligibility for a discretionary salary adjustment for an employee on initial probation at the time a special entrance rate is established. The changes also require agencies that implement a discretionary salary adjustment to do so on the same date as the implementation of the special entrance rate. The Personnel Cabinet's Department of Human Resources Administration (DHRA) has already provided guidance to HR Administrators on these changes.

Please direct questions to Mary Elizabeth Bailey, Commissioner, Department of Human Resources Administration, at MaryE.Bailey@ky.gov or (502) 564-7571, or Lesley Bilby, Executive Director, Office of Legal Services, at Lesley.Bilby@ky.gov or (502) 564-6779.