



POLICY STANDARDS

Requirements for establishing a Premium Pay Policy under Civil Service Rule 6.16(a) include the following:

- Agencies should submit a letter and policy detailing the need and justification for the amount of Premium Pay requested along with the [Premium Pay Questionnaire](#) to the Compensation Division for Commission approval.
- Agencies may choose to implement a flat rate or “up to” premium pay policy.

All premium pay policies with a flat rate must contain the following language:

“This policy is not intended to create any property rights. The agency may re-assess “need” and the allocation of funding resources at any time and may rescind or change the amount given with prior State Civil Service approval. Sufficient notice must be provided to the employee.”

All premium pay policies with “up to” must contain the following language:

“This policy is not intended to create any property rights. The agency may re-assess “need” and the allocation of funding resources at any time and may rescind or change the amount given at any time. Sufficient notice must be provided to the employee and notification must be sent to State Civil Service of any changes in the amount paid.”

IMPLEMENTATION GUIDELINES

- Agencies must be aware that Premium Pay is discontinued if an employee leaves the position authorized for the special pay or if the employee stops performing the associated hazardous or extraordinary duties. Agency personnel should put measures in place to ensure that only employees that occupy positions authorized for premium pay and employees actually performing the duties necessitating premium pay actually receive this additional payment.
- Premium pay rates may be for regularly scheduled hours worked only, or for all hours, including overtime hours. Agencies should specify in their request how the rate will be implemented. Many agencies have found that restricting Premium Pay to hours worked only is a great tool to decrease absenteeism.
- State Civil Service may also proactively establish Premium Pay rates in recognized problem areas.