



STATE OF OKLAHOMA
OFFICE OF PERSONNEL MANAGEMENT

"Working for Oklahoma"

OPM 06-17

DATE: July 20, 2006

TO: All Appointing Authorities

FROM: Oscar B. Jackson, Jr., IPMA-CP
Administrator and Cabinet Secretary for Human Resources
& Administration

A handwritten signature in black ink, appearing to read "Oscar B. Jackson, Jr.", is written over the printed name in the "FROM:" field.

RE: Permanent Amendments to the Productivity Enhancement Program ("PEP"), Merit, and Voluntary Payroll Deduction Rules

Please find enclosed the text of permanent amendments to the Productivity Enhancement Program ("PEP"), Merit, and Voluntary Payroll Deduction Rules. These amendments became effective July 15, 2006. All currently effective Rules are available on the Office of Personnel Management website at www.opm.ok.gov under the "HR Rules and Statutes" link.

The following is a summary of the permanent amendments to the Productivity Enhancement Program ("PEP") Rules that became effective July 15, 2006:

Subchapter 1—Makes permanent an emergency amendment to **345:10-1-2** that provides definitions for the PEP program as required by a statutory change made during the 2005 Legislative Session.

Subchapter 3—Makes permanent an emergency amendment to **345:10-3-1** regarding the structure and membership of the Incentive Awards for State Employees Committee as required by a statutory change made during the 2005 Legislative Session.

Subchapter 5—Makes permanent an emergency amendment to **345:10-5-2** regarding individual incentive compensation as required by a statutory change made during the 2005 Legislative Session.

The following is a summary of the permanent amendments to the Merit Rules that became effective July 15, 2006:

Subchapter 3—Makes permanent an emergency amendment to **530:10-3-22** that allows coursework approved for training credit for civil rights officers to also be available as training credit for discrimination complaints investigators.

Subchapter 5—Makes permanent an emergency amendment to **530:10-5-52** that provides a review process prior to a demotion resulting from a position audit or reclassification as required by statutory change made during the 2005 Legislative Session.

Subchapter 7—Makes permanent an emergency amendment to **530:10-7-19** that outlines OK Health Incentive Pay packages. Amendment to **530:10-7-21** authorizes appointing authorities to implement a relocation incentive plan. Makes permanent an emergency amendment to **530:10-7-24** that clarifies the impact of skill-based pay adjustment upon an employee's base pay.

Subchapter 13—Makes permanent an emergency amendment to **530:10-13-35** that requires a copy of a RIF implementation plan to be distributed to OSF and any state employee association. This amendment is required by a statutory change made during the 2005 Legislative Session.

Subchapter 15—Makes permanent an emergency amendment to **530:10-15-11** addressing accrual of annual leave as required by a statutory change made during the 2005 Legislative Session.

Subchapter 17—Makes permanent an emergency amendment to **530:10-17-31** that reflects various administrative and statutory changes made during the 2005 Legislative Season. An amendment to **530:10-17-113** modifies the program requirement from 4 projects to 3 projects consistent with the new 3 level format. Amendments to **530:10-17-115** and **530:10-17-138** allow the Administrator the flexibility to set the fees for the training according to current costs.

Appendix A—An amendment to the emergency rule to implement the 2.5% upward increase recommended in the FY 2006 Annual Compensation Report to bring state salaries closer to the competitive labor market.

Permanent amendments were made to the emergency amendments to **530:15-1-1**, **530:15-1-2**, **530:15-1-9**, and **530:15-3-8** in Voluntary Payroll Deduction that reflect changes from the 2005 legislative session, which allow state employees to make voluntary payroll deductions to banks and savings associations with at least one office in the State of Oklahoma.

The following is a summary of the permanent amendments to the Oklahoma State Employee's Direct Deposit Rules that became effective July 15, 2006:

Subchapter 1—Makes permanent an emergency amendment to **530:20-1-2** to remove all references that centralize the direct deposit function to the Office of Personnel Management. Makes permanent an emergency amendment to **530:20-1-3** to implement statutory changes from the 2005 Legislative session mandating employee participation in the direct deposit system. Makes permanent an emergency amendment to **530:20-1-4** to provide exceptions to the mandatory participation in the direct deposit system. Makes permanent emergency amendments to **530:20-1-14** and **530:20-1-16** to remove references that centralize the direct deposit function in the Office of Personnel Management. An amendment to **530:20-3-7** reflecting statutory change from the 2005 Legislative Session regarding confidentiality of personal records.

**TITLE 345. COMMITTEE FOR INCENTIVE AWARDS FOR STATE
EMPLOYEES
CHAPTER 10. PRODUCTIVITY ENHANCEMENT PROGRAM**

SUBCHAPTER 1. GENERAL PROVISIONS

345:10-1-2. Definitions

The following words and terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise.

"Committee" or "program Committee" or "statewide PEP Committee" or "PEP Committee" means the Incentive Awards for State Employees Committee described in Section 345:10-3-1.

"Coordinator" or "program coordinator" or "statewide PEP coordinator" or "PEP Coordinator" means the Productivity Enhancement Program coordinator described in Section 345:10-3-2.

"PEP" means the Productivity Enhancement Program.

"Title 74" means Title 74 of the Oklahoma Statutes.

SUBCHAPTER 3. ORGANIZATION

345:10-3-1. Incentive Awards for State Employees Committee

(a) **Structure of the Committee.** The Productivity Enhancement Program will be managed by a seven-member committee. The members of the Committee will be appointed to represent state employees, management, and business. The Committee will be comprised of:

- (1) *The Director of ~~Public Affairs [Department of Central Services]~~ Central Services or designee who shall be the chairperson;*
- (2) *The Director of State Finance or designee;*
- (3) *The Administrator of the Office of Personnel Management or designee;*
- (4) *The chief administrative officer of a state executive agency, department, commission, or office who shall be appointed by the Governor;*
- (5) *A state employee who does not occupy a supervisory position, to be appointed by the Governor;*
- (6) *A person who is not a state officer or employee, to be appointed by the President Pro Tempore of the Senate; and*
- (7) *A person who is not a state officer or employee, to be appointed by the Speaker of the House of Representatives. [74:4112]*

(b) **Term of Members.** *Each member who is appointed by the Governor shall serve on the Committee at the pleasure of the Governor. Those members not appointed by the Governor shall serve on the Committee at the pleasure of their respective appointing authority. [74:4112]* Apart from the Committee, the chairman will appoint or identify a Productivity Enhancement Program coordinator to handle administrative details, to act as an advisor to the Committee, and to act as secretary to the Committee at all meetings. The program coordinator shall have no vote.

(b)(c) **Role of the Committee.** It shall be the responsibility of the Committee to:

- (1) Promulgate rules and regulations and adopt policies and procedures to implement the Productivity Enhancement Program pursuant to the provisions of the Incentive Awards for State Employees Act. [74:4113]
- (2) Review all nominations and evaluations brought before it by the program coordinator.
- (3) Assure that each nomination is thoroughly and fairly investigated and reported upon by:
 - (A) Calling upon any state employee or officer for information on the evaluation or implementation of any nomination;
 - (B) Requesting any further information and investigation it deems appropriate.
- (4) Encourage employees to make nominations, and explain the program to agencies and groups upon request.
- (5) Periodically review and update the program rules as necessary, and waive procedural rules in individual cases in the interest of fairness and equity.
- (6) Authorize awards and the amounts of awards. [74:4117]
- (7) Prepare and submit to the Governor, Speaker of the House of Representatives and the President Pro Tempore of the Senate, a comprehensive annual status report on the activities, decisions, awards and recommendations of the Committee with respect to the Productivity Enhancement Program.

~~(e)~~(d) **Operations of the Committee.**

- (1) The Committee chair may cancel regularly scheduled Committee meetings if there is no business before the Committee. When meetings are canceled, the required public notices will be filed with the Secretary of State and publicly posted.
- (2) The Committee may consider "revenue generation" in evaluating cash nominations.

SUBCHAPTER 5. TYPES OF AWARDS

345:10-5-2. Individual incentive compensation

(a) **Definition.** An individual incentive compensation award will consist of a ~~one lump sum~~ payment equal to at least twenty-five percent (25%) of the amount determined by the Committee to be the total unit dollar savings to the state for the level of services rendered, but shall not exceed ~~five thousand dollars (\$5,000)~~ ten thousand dollars (\$10,000). The individual incentive compensation shall be paid in one lump sum if the twelve-month period mirrors the fiscal year, [otherwise, it shall be paid in two separate payments]. The calculation for two payments shall be based on the number of months in the first fiscal year of implementation for the first payment. The second payment shall come at the end of the first twelve (12) months of implementation, which falls in the second fiscal year. [74:4117]

(b) **Eligibility of employees to participate.** All employees except state agency heads eligible to participate in the individual incentive awards program (see Section 345:10-5-1) shall be eligible to participate in the individual incentive compensation program. Eligibility of state agency supervisors and managers for cash awards will be reviewed on a case-by-case basis according to Section 345:10-7-1(2).

(c) **Eligibility of employees to receive individual incentive compensation.** This type of award may be made to eligible employees, nominated for such compensation who, at a

minimum, must have made an exceptional contribution similar to, but greater than, that required for an individual incentive award. Individual incentive compensation awards will be made only for proposals that result in real cost savings or revenue generation to an agency.

(d) **Funding.** Individual incentive compensation awards shall be paid from the accrued savings in the operating budget of the nominating agency, department, commission, or office ~~for the eligible fiscal year.~~ [74:4117] Incentive pay awards shall be exempt from retirement contributions and shall not be included for the purpose of computing a retirement allowance pursuant to any public retirement system of the state. [74:4119]

**TITLE 530. OFFICE OF PERSONNEL MANAGEMENT
CHAPTER 10. MERIT SYSTEM OF PERSONNEL ADMINISTRATION RULES**

**SUBCHAPTER 3. AFFIRMATIVE ACTION AND EQUAL
EMPLOYMENT OPPORTUNITY**

PART 2. DISCRIMINATION COMPLAINTS INVESTIGATIONS

530:10-3-22. Training requirements for discrimination complaints investigators

(a) Unless otherwise provided by state or federal law, all persons who are designated to investigate complaints of employment discrimination in executive branch agencies shall complete:

- (1) four days of initial discrimination complaints investigator training either conducted by the Office of Personnel Management or approved by the Administrator; and
- (2) a minimum of one investigation under the guidance of a senior EEO investigator, designated by the Administrator. The senior EEO investigator shall advise and support the investigator in developing competency in investigating complaints of discrimination; and
- (3) a minimum of six hours of classroom instruction or 0.6 Continuing Education Units (CEUs) in training related to the subjects listed in subsection (b) of this section or section (a)(1) of OAC 530:10-3-78 each calendar year and other annual training that may be announced by the Administrator. Persons who complete annual training shall submit proof of completion that is acceptable to the Administrator no later than December 31st of each year.

(b) Discrimination complaints investigator training shall provide participants with a current knowledge of:

- (1) Oklahoma and federal equal employment opportunity laws and rules;
- (2) theories of discrimination and burdens of proof;
- (3) planning and conducting complete and impartial investigations;
- (4) techniques for interviewing witnesses;
- (5) collecting relevant evidence;
- (6) documenting the record of investigation; and
- (7) preparing the written report of investigation.

(c) A person who has completed the initial training requirements established in (a)(1) of this Section and who is conducting an investigation under the guidance of a senior EEO

investigator required in (a)(2) of this Section shall be considered as conditionally meeting the training requirements of the Administrator and shall be considered to be in compliance of this Part for that investigation.

(d) The Administrator will certify that a person has completed the training requirements for investigating complaints of discrimination after the Administrator:

- (1) determines the person has completed the initial training requirements established in (a)(1) of this Section, and
- (2) receives recommendation from the senior EEO investigator under whose guidance one or more investigations have been conducted as required in (a)(2) of this Section that the person seeking certification has demonstrated competency in conducting investigations; or the Administrator waives the recommendation requirement.

(e) The Administrator shall send notice of certification to the person certified and to the certified person's Appointing Authority if the person is a state employee.

(f) Discrimination complaints investigators who do not complete the annual training described in (a)(3), or who fail to report such training by January 15th of the following year, will be placed on an "inactive" list and shall not conduct discrimination complaints investigations until the training requirement for the previous year has been met and reported.

SUBCHAPTER 5. POSITION ALLOCATION AND EMPLOYEE CLASSIFICATION SYSTEM

PART 5. AUDITS OF POSITIONS

530:10-5-52. Demotion resulting from position audit or reclassification

If an employee in the classified service is demoted as a result of a position audit or reclassification, the agency shall provide notice, to include all position description documentation, of such demotion to the Office of Personnel Management. The Office of Personnel Management shall review the findings of the agency prior to such demotion occurring, to ensure compliance with the law. The Office of Personnel Management shall complete the review and respond within ten (10) business days of receipt of notice. The provisions of this subsection shall not apply to demotions that are a result of a position audit or reclassification performed by the Office of Personnel Management.
[74:842-6.5(B)]

SUBCHAPTER 7. SALARY AND PAYROLL

PART 1. SALARY AND RATES OF PAY

530:10-7-19. OK Health Incentive Pay

(a) Agencies may elect to participate in OK Health, the Employees Benefits Council's wellness mentoring program, a program designed to lower employee health care utilization by improving overall health. [74:1383]. Appointing Authorities may pay incentives to employees who participate in OK Health. The pay incentive shall consist of three separate lump sum payments payable to an employee upon completion of specified

steps in the program and shall be available for only the first twelve months of an employee's participation in the program.

(b) A participating Appointing Authority may select one of the three following incentive packages:

(1) Bronze Plan: \$100.00 total financial incentive payable as follows:

- (A) \$25.00 for completing enrollment process;
- (B) \$25.00 for completion of twelve-week process; and,
- (C) \$50.00 for completion of year-end follow up evaluation.

(2) Silver Plan: \$300.00 total financial incentive payable as follows:

- (A) \$75.00 for completing enrollment process;
- (B) \$100.00 for completion of twelve-week process; and,
- (C) \$125.00 for completion of year-end follow up evaluation.

(3) Gold Plan: \$500.00 total financial incentive payable as follows:

- (A) \$100.00 for completing enrollment process;
- (B) \$175.00 for completion of twelve-week process; and,
- (C) \$225.00 for completion of year-end follow up evaluation.

(c) The Employees Benefits Council shall certify to the Appointing Authority employee completion of the enrollment process, the twelve-week process, or the year-end follow up evaluation on a form prescribed by the Council.

(d) ~~Agencies shall select a specific incentive package once per calendar year.~~ Once an Appointing Authority has selected an incentive package, it may not be modified within the same calendar year.

(e) Should an employee begin the OK Health program at one agency and subsequently become employed by a different agency, the employee is entitled to payment pursuant to the incentive plan elected by the current employing agency if the agency is a participating agency.

530:10-7-21. Relocation Incentive

(a) Appointing Authorities may implement a pay incentive plan intended to encourage employees to relocate when it is determined that there is difficulty recruiting qualified candidates for the position. The plan must be approved by the Administrator of the Office of Personnel Management and must identify the job family or families to which the incentive will be applicable. The plan will also identify factors that establish the need for the incentive, which may include, but need not be limited to, one or more of the following:

- (1) Recent turnover in similar positions in the locality involved;
- (2) Employment trends and labor-market factors that may affect the agency's ability to recruit candidates for the locality involved;
- (3) Special or unique qualifications required for the position;
- (4) Failure of non-pay authorities, such as special training or work scheduling flexibilities, to resolve difficulties in recruiting candidates;
- (5) The desirability of the duties, work or organizational environment, or geographic location of the position; and
- (6) Other supporting factors.

The plan must contain a certification that the additional costs associated with the proposed incentive can be accommodated within the agency's existing budget. The plan shall be signed by the Appointing Authority, and this signature requirement may not be delegated. No payment shall be made under this Section until the plan has been reviewed and accepted by the Administrator.

(b) A position is considered to be in a different geographic area if the worksite of the new position is 50 or more miles from the worksite of the position held by the employee immediately before the move. The employee must establish a residence in the new geographic area before an appointing authority may pay a relocation incentive.

(c) The relocation pay incentive shall not exceed 20% of the employee's base pay in the new position. The determination to pay a relocation incentive must be made before the employee enters on duty in the position. An agency may pay a relocation incentive:

(1) As an initial lump-sum payment at the commencement of a 2-year service period required by a service agreement;

(2) In installments throughout the 2-year service period; or

(3) As a final lump-sum payment upon the completion of the 2-year service period.

(d) To receive the incentive, employees shall be required to sign an agreement form acknowledging they are obligated to repay the entire incentive, including tax withholdings on the incentive, if they leave state employment or accept employment with another state agency prior to the expiration of 2-year service period.

(e) An employee may receive no more than two relocation pay incentives during his or her state employment. A relocation pay incentive will not be approved if an earlier relocation pay incentive was approved within the previous five-year period.

530:10-7-24 (a) An Appointing Authority may develop skill-based pay programs upon the approval of the Administrator.

Such programs shall be related to the acquisition or possession of additional skills and abilities which can be applied to the work to be performed and which will increase the value of the employee to the agency. The skills or abilities must be verifiable through certification, licensure, diploma, or some other method and must be beyond the qualifications required to perform the primary or essential functions and responsibilities of the employee's position. Requests to establish skill-based pay programs shall include a complete description of the training or education required, how it will benefit the agency, the proposed salary adjustment, and any other information that will assist in evaluating the request.

(b) Skill-based pay adjustments may be provided as a differential over and above an employee's base pay or as lump-sum payment. Lump sum skill-based pay adjustments may be awarded upon initial certification and any subsequent recertification as may be required by the certifying organization and identified in the agency's skill-based pay plan. Lump sum payments shall be limited to **10%** of an employee's annual salary, and differentials shall be limited to **10%** of an employee's monthly salary for employees paid on a monthly basis, and **10%** of an employee's biweekly salary for employees paid on a biweekly basis. Employees whose base pay is at or exceeds the maximum of the pay band shall not be eligible for a differential, but may receive a lump-sum payment. At no time shall a differential pursuant to this section cause an employee's base pay to exceed the pay band maximum. Except as provided in Subsection (c), skill-based pay adjustments

shall be paid only as long as the employee occupies a position to which the skill is applicable in accordance with the agency's salary administration plan. An employee may receive multiple skill-based pay differentials so long as the combined total of all skill-based pay differentials does not exceed **15%**.

(c) Skill-based pay differentials paid to an employee shall become permanent after **24** continuous months and shall be included as a part of the employee's base pay, except as provided in 530:10-7-10. [74:840-2.17]

SUBCHAPTER 13. REDUCTION-IN-FORCE

PART 3. REDUCTION-IN-FORCE PLAN REQUIREMENTS

530:10-13-35. Reduction-in-force implementation plan

As provided in Section 840-2.27C of Title 74 of the **Oklahoma Statutes** and OAC 530:10-13-3, Appointing Authorities of executive branch agencies shall post the reduction-in-force implementation plan in all offices of the agency within **5** business days after posting the reduction-in-force notice. A copy of the implementation plan shall be provided to the Office of Personnel Management, ~~and~~ the Oklahoma Merit Protection Commission, the Director of State Finance and any state employee association representing state employees at such time and as defined at OAC 530:15-1-2, no later than the time it is posted in the agency. The reduction-in-force implementation plan is not subject to the approval of the Administrator or the Commission. In addition to the information required by 530:10-13-3(b), the reduction-in-force implementation plan shall include:

- (1) a statement of the conditions necessitating the reduction-in-force;
- (2) the estimated time schedule for the reduction-in-force;
- (3) a description of the displacement process, and limits;
- (4) listings of affected positions and employees, to include the following information (or if such lists are not posted, the location of the office where they are available for review):
 - (A) all occupied and vacant positions to be abolished, showing in each case: geographical and administrative location, job family, level, and pay band for the position; the name, job family, level, and pay band, of the incumbent; and, for permanent employees, retention points and other lateral or lower level job families in which the employee previously held permanent status, listed in the reverse order in which they were held;
 - (B) all positions and employees which are subject to displacement, showing the same information;
 - (C) other occupied and vacant positions and employees in affected job families, showing the same information. The agency may include all other positions in the agency in affected job families or may limit posting to ten percent of positions occupied by employees with the least number of retention points based on longevity dates in affected job families, and
 - (D) all retained funded vacant positions anywhere in the agency;
- (5) the schedule and procedure to be followed if an eligible employee chooses to accept a displacement offer for transfer or voluntary demotion in lieu of separation;

(6) the agency policy on issues related to partial payment of moving expenses for transferred employees in accordance with Section 500.51 of Title 74 of the **Oklahoma Statutes**;

(7) such other information as the Appointing Authority deems appropriate; and

(8) the method established by the Appointing Authority to break ties in retention points.

SUBCHAPTER 15. TIME AND LEAVE

PART 3. ANNUAL AND SICK LEAVE POLICIES

530:10-15-11. Annual leave

(a) Annual leave is intended to be used for vacations, personal business, and other time off work not covered by other paid leave or holiday provisions. An employee may charge family and medical leave, taken in accordance with 530:10-15-45, against annual leave accumulations.

(b) Eligible employees shall accrue annual leave based upon hours worked (excluding overtime), paid leave, and holidays [74:840-2.20] in accordance with 530:10-15-10 and the provisions in this subsection, not to exceed the total possible work hours for the month. The hourly rate is equal to the annual accrual divided by the number of work hours in the current year. Annual leave earned during one month shall not be available for use until the beginning of the next month.

(1) Annual leave shall be applied for by the employee and shall be used only when approved by the Appointing Authority.

(2) Part-time employees shall accrue annual leave in an amount proportionate to that which would be accrued under full-time employment [74:840-2.20].

(3) Annual leave earned during a pay period shall be prorated based upon the number of hours (excluding overtime hours) an employee is on the payroll [74:840-2.20].

(4) An Appointing Authority may require an employee to take annual leave whenever in the administrative judgment of the Appointing Authority such action would be in the best interests of the agency; except that the employee shall not be required to reduce accrued annual leave below **5** days. An Appointing Authority shall not apply this rule in lieu of 530:10-11-120. Leaves of absence for internal investigatory purposes shall be administered according to 530:10-11-120.

(5) Unused accrued annual leave shall be accumulated for no more than the maximum leave accumulation limits specified in 530:10-15-10, except as provided in this paragraph. ~~At the discretion of the Appointing Authority, employees~~ Employees may accumulate more than the maximum annual leave accumulation limits shown in the schedule, provided that such excess is used during the same calendar year in which it accrues or within twelve months of the date on which it accrues, at the discretion of the Appointing Authority. Employees shall not be paid for excess leave above the accumulation limit; such excess accumulations shall be used for leave purposes in the agency where it was accrued or, if an employee was transferred to an agency by statute or executive order, in the agency to which the employee was transferred regardless of where the leave was accrued, only while the employee is continuously employed.

(6) Annual leave shall not be taken in advance.

(7) An employee who transfers to another agency may have accrued annual leave transferred at the option of the Appointing Authority to which transferred, or such Appointing Authority may require that all or a portion of the annual leave be paid by the agency from which the employee is transferred before the transfer. The amount of annual leave paid by the agency from which the employee is transferred and the amount of annual leave transferred with the employee shall not exceed the accumulation limits established in Section 840-2.20 of Title 74 of the **Oklahoma Statutes**.

(8) Any employee who is separated from the state service shall be paid or shall have payment made to the employee's estate for any annual leave accumulated up to and including the accumulation limit except as otherwise provided in the Merit Rules. ~~Employees who resign from a classified position to accept an unclassified position within the same agency, and employees who resign an unclassified position to accept a classified position within the same agency, are ineligible for payment of accrued annual leave.~~ At no time shall any employee resigning from one position to accept another position within the same agency be paid for accrued annual leave unless there has been a break in service of more than thirty days.

(9) Annual leave shall be charged against an employee's annual leave balance based on the amount of time an employee is absent from work during the employee's assigned work schedule. Holidays falling within a period of annual leave shall not be charged to annual leave.

(10) Any probationary or permanent employee who leaves the employ of an agency shall receive payment for the accrued number of hours of annual leave in accordance with the hourly rate. Payment may only be withheld pending settlement of a legal debt to the agency. If a person is reemployed by the State within a period of **30** calendar days from the date of separation, any portion of the accumulated annual leave which has not yet been paid may be reinstated.

SUBCHAPTER 17. PERFORMANCE EVALUATION AND CAREER ENHANCEMENT PROGRAMS

PART 3. EMPLOYEE PERFORMANCE MANAGEMENT SYSTEM

530:10-17-31. Employee performance management system

(a) *The Office of Personnel Management shall make available one standard performance management system that shall be used by all agencies for completing employee ~~service rating~~ performance evaluations. The purpose of this employee performance management system is to evaluate the performance of each classified, unclassified and exempt employee in the executive branch of state government except those in the exempt unclassified service as specified in paragraphs 1 and 2 of subsection A of Section 840-5.5 and those employees employed by the institutions under the administrative authority of The Oklahoma State System of Higher Education [74:840-4.17(A)].*

(b) *The employee performance management system shall provide for the following:*

(1) *An objective evaluation ~~of the employee~~, by the immediate supervisor, of the performance of the employee within the assigned duties of the job. The evaluation shall contain the agency number, date of review, and employee identification number;*

- (2) ~~The identification of the strengths and deficiencies of~~ by the immediate supervisor of accountabilities and behaviors upon which the employee will be evaluated;
- (3) ~~Corrective actions, if necessary, to correct deficiencies~~ A mid-term interview with the immediate supervisor for the purpose of discussing the progress of the employee in meeting the accountabilities and behaviors upon which the employee will be evaluated;
- (4) Identification of performance strengths and performance areas for development;
- (5) ~~A~~ A final interview with the employee by the immediate supervisor who shall provide the employee with a copy of the ~~service ratings~~ performance evaluation; and
- (5) ~~(6)~~ The opportunity for the employee to submit written comments regarding the ~~service rating~~ performance evaluation. [74:840-4.17].
- (c) ~~Each employee shall be rated at least thirty (30) days prior to the end of the probationary period. Thereafter each employee shall be rated no less than once each year~~ Each classified employee in probationary status shall be rated at least thirty days prior to the end of the probationary period. All unclassified and permanent classified employees not otherwise exempt from this requirement shall have an evaluation period of no more than twelve months. Supervisors may perform as many additional evaluations as they deem necessary in order to effectively manage the performance of a subordinate.
- (d) The immediate supervisor shall hold a meeting in person with the employee at least three times during a 12-month evaluation period.
- (1) One meeting shall take place at the beginning of the evaluation period in order to communicate the accountabilities and behaviors upon which the employee will be evaluated. A copy shall be provided to the employee.
- (2) One meeting shall take place during the rating period for the purpose of discussing the progress of the employee in meeting the accountabilities upon which the employee will be evaluated.
- (3) One meeting shall take place at the end of the review period to provide the final evaluation. A copy of the evaluation shall be provided to the employee, and the employee shall have the opportunity to provide written comments.
- (e) ~~The agency shall use the available~~ service ratings performance evaluations of current or former state employees in decisions regarding promotions, appointments, demotions, performance pay increases, and discharges. Reductions-in-force shall not be considered discharges [74:840-4.17].
- (f) ~~The agency shall retain a copy of the~~ service rating performance evaluation for each employee of the agency. A copy of the ~~service rating~~ performance evaluation shall be retained in the employee's personnel file [74:840-4.17].
- (g) The basic document to be used in conducting performance evaluations is the Performance Management Process form (OPM-111), a form prescribed by the Administrator. The form contains spaces for the supervisor to describe a list of accountabilities on which the employee will be evaluated. The form also lists behaviors on which state employees will be evaluated. The form provides spaces for the supervisor to enter an overall accountability rating, an overall performance rating, and a summary/development plan. The form requires signature by the employee, the supervisor, and the reviewer.
- (h) On or before each March 31st, Appointing Authorities shall report their agency's compliance with the requirements of 74:840-4.17 to the Administrator. The report shall

be conveyed on a form prescribed by the Administrator and shall include information from the most recent annual review period used by that agency.

(i) The Administrator of the Office of Personnel Management shall conduct an annual random audit of state agencies to determine whether they are in compliance with this section (840-4.17). Any agency deemed to be out of compliance shall submit a written plan to the administrator detailing the efforts the agency will make to come into compliance at the earliest possible date [74:840-4.17].

SUBCHAPTER 17. PERFORMANCE MANAGEMENT SYSTEM AND CAREER ENHANCEMENT PROGRAMS

PART 11. CERTIFIED PUBLIC MANAGER PROGRAM

530:10-17-113. Program requirements for candidates

(a) **Graduation requirements.** To graduate from the Program as a “Certified Public Manager”, a candidate shall complete all of the following graduation requirements within 5 years after enrollment in the program:

- (1) Attend 300 hours of management training courses. At least 200 of these hours shall be in Human Resource Development courses prescribed by the Administrator and specified in the information booklet described in 530:10-17-112. The remaining hours shall be in management-related elective courses;
- (2) Pass four written exams on the topics covered in the required coursework;
- (3) Complete ~~four~~ three project papers relating to the candidate’s job and the courses taken; and
- (4) Pay the Program fees described in 530:10-17-115 in full before graduation.

530:10-17-115. Program fees

~~(a) State agencies and agency employees.~~

~~(1) The fee for participation shall be \$1,080.00 \$1,300.00 for candidates entering the Program on and after July 1, 1996 2006.~~

~~(2) The nominating state agency shall pay \$1,000.00 \$1,200.00 in two equal installments of \$500.00 \$600.00, payable in 2 fiscal years. The fee covers the cost of all required coursework, including course materials and instructor fees.~~

~~(3) The state agency employee shall pay \$80.00 \$100.00; \$10.00 for each of the four examinations and \$20.00 for each of the four three projects required for completion of the Program at the time the candidate sits for an examination or completes a project.~~

~~(b) Organizations and organization employees.~~

~~(1) The fee for participation shall be \$1,380.00 \$1,600.00 for candidates entering the Program on and after July 1, 1996 2006.~~

~~(2) The nominating organization shall pay \$1,300.00 \$1,500.00 in two equal installments of \$650.00 \$750.00, payable in 2 fiscal years. The fee covers the cost of all required coursework, including course materials and instructor fees.~~

~~(3) **THE ORGANIZATION EMPLOYEE SHALL PAY \$80.00 \$100.00; \$10.00 FOR EACH OF THE FOUR EXAMINATIONS AND \$20.00 FOR EACH OF THE FOUR THREE PROJECTS REQUIRED FOR COMPLETION OF THE**~~

PROGRAM AT THE TIME THE CANDIDATE SITS FOR AN EXAMINATION OR COMPLETES A PROJECT.

(a) The fee for participation shall be established by the Administrator pursuant to 74:840-1.6A(10).

(b) Should the fee structure change during the course of an employee's participation in the program, fees shall remain consistent with the fee assessed at the time of enrollment.

PART 13. PERSONNEL PROFESSIONALS TRAINING AND CERTIFICATION

530:10-17-138. Personnel professionals training fees

~~(a) The fee for participation shall be \$240.00 for employees entering the personnel professionals certification training on or after July 15, 1996.~~

~~(b) The state agency of each participating employee shall pay the \$240.00 to the Office within the fiscal year of enrollment. The fee covers the cost of all required coursework, including course materials, examination, and instructor fees.~~

The fee for participation shall be established by the Administrator pursuant to 74:840-1.6A(10).

APPENDIX A. SALARY SCHEDULE [REVOKED]

APPENDIX A. PAY BAND SCHEDULE

APPENDIX A. PAY BAND SCHEDULE [NEW EMER. EFF. 07/01/06]

PAY BAND	MINIMUM	MIDPOINT	MAXIMUM
A	\$12,483*	\$16,367	\$20,459
B	\$12,865	\$17,153	\$21,441
C	\$13,610	\$18,147	\$22,684
D	\$14,673	\$19,564	\$24,455
E	\$16,141	\$21,521	\$26,901
F	\$17,754	\$23,672	\$29,590
G	\$19,531	\$26,041	\$32,551
H	\$21,484	\$28,645	\$35,806
I	\$23,792	\$31,722	\$39,653
J	\$26,156	\$34,874	\$43,593
K	\$28,590	\$38,120	\$47,650
L	\$31,448	\$41,931	\$52,414
M	\$34,907	\$46,543	\$58,179
N	\$38,748	\$51,664	\$64,580
O	\$43,397	\$57,862	\$72,328
P	\$49,039	\$65,385	\$81,731
Q	\$55,415	\$73,886	\$92,358
R	\$62,618	\$83,490	\$104,363

*Adjusted for state minimum wage of \$6.00/hour

**TITLE 530. OFFICE OF PERSONNEL MANAGEMENT
CHAPTER 15. VOLUNTARY PAYROLL DEDUCTION
SUBCHAPTER 1. GENERAL PROVISIONS**

530:15-1-1. Purpose

The rules in this Chapter provide procedures for implementation of voluntary payroll deductions for employee association dues, employee association foundation contributions, payments to credit unions, banks, or savings associations, payments to supplemental insurance and retirement plans, payments to a college savings account, and subscriptions to Oklahoma Today magazine, as authorized for state employees by Section 7.10 of Title 62 of the Oklahoma Statutes. Other types of voluntary payroll deductions (such as those for salary adjustment agreements under subsection B(3) of Section 7.10, U.S. Savings Bonds or charitable gifts) are not addressed by the rules in this Chapter.

530:15-1-2. Definitions

The following words and terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"Administrator" means the chief administrative officer of the Office of Personnel Management, an officer of the State of Oklahoma appointed by the Governor pursuant to Section 840-1.6A of Title 74 of the **Oklahoma Statutes**, and authorized to establish procedures for administration of voluntary payroll deductions by Section 7.10. The term, as used in this Chapter, includes employees of the Office of Personnel Management to whom the Administrator has lawfully delegated authority to act on his or her behalf.

"Appointing Authority" means the chief administrative officer of an agency. As the term is used in the Voluntary Payroll Deduction Rules, the term includes employees of an agency to whom the Appointing Authority has lawfully delegated authority to act on his or her behalf.

"Complaint" means a grievance with respect to any matter relevant to the Administrator's duties under Section 7.10.

"Complainant" means a person or an organization that has submitted a complaint.

"Declaratory ruling" means an explanation of a rule or order and its applicability to a particular matter.

"Dues-paying" means, with respect to a member of an employee association, the member is either currently paying dues or has provided a valid authorization to have such dues withheld from pay and remitted to the association. [62:7.10(B)(4)]

"Employee association" means a formal and continuing affiliation of state employees with the principle objective of speaking for and benefiting their interests as employees, in which membership is restricted to state employees but unrestricted as to the geographic location of their duty stations, and which has at least 1,000 dues-paying members. An employee organization also falls within this definition.

"Member" means:

- (A) with respect to a credit union, a shareholder; and
- (B) with respect to a bank or savings association, an account holder; and,
- (C) with respect to an employee association, a person who has sought and been granted recognition as one of those within the field of membership as defined by the association's governing instruments.

"Participation" means the total number of state employees reported to the Office of Personnel Management for which amounts withheld from pay for a given month were remitted pursuant to employee authorization to a single billing unit as identified by its Federal Employer (Tax) Identification Number.

"Party" means any person, employee association, credit union, bank, savings association or insurance organization that is the subject of, or requests, action by the Administrator in connection with any matter relevant to the Administrator's duties under Section 7.10.

"Product vendor" means any of the following entities approved for state employees' voluntary payroll deduction:

- (A) an entity offering a supplemental retirement plan with a minimum participation of **500** state employees;
- (B) a private insurance organization with a minimum participation of **500** state employees for supplemental life, accident, or health insurance;
- (C) a private insurance organization with a minimum participation of **500** state employees for legal services;
- (D) the Oklahoma Tourism and Recreation Department as publisher of Oklahoma Today magazine.

"Provided for by the State" means:

- (A) for insurance purposes, the basic health, life, dental, or disability plan or any other such insurance a state agency is authorized to provide for its employees as evidenced by financial participation in those policies or a group policy(s) the agency has negotiated as a basic employment benefit; and
- (B) for retirement purposes, any state retirement system, deferred compensation program (commonly referred to as deferred annuities), or other retirement plan(s) a state agency is authorized to provide for its employees as evidenced by financial participation in those plans.

"Section 7.10" means Section 7.10 of Title 62 of the **Oklahoma Statutes**.

"State agency" means any office, department, board, commission, or institution of the State of Oklahoma."

"State employee" means any employee of a state agency.

"Supplemental" means:

- (A) for insurance purposes, life, accident (including income continuation during disability), legal, and health insurance policies not provided for by the State; and
- (B) for retirement purposes, plans that provide retirement income benefits and are not provided for by the State. In recognition of the powers conferred upon state institutions of higher education by Section 3905 of Title 70 of the **Oklahoma Statutes**, the Administrator will follow such institutions' decisions as to whether an insurance policy or retirement plan is a basic or a supplemental employee benefit.

530:15-1-9. Forms

The following form has been adopted by the Administrator for use in administering Section 7.10: Form VPD-1 "Request for Approval or Renewal of Payroll Deduction Status." This form is to be used by employee associations, credit unions, banks, savings associations and insurance/retirement plan organizations to request initial approval or continuation of payroll deduction status.

**Title 530. OFFICE OF PERSONNEL MANAGEMENT
CHAPTER 20. OKLAHOMA STATE EMPLOYEES' DIRECT DEPOSIT**

SUBCHAPTER 1. GENERAL POLICIES AND PROCEDURES

530:20-1-2. Definitions

The following words and terms, when used in this Chapter, shall have the following meaning unless the context clearly indicates otherwise:

"**Act**" means the Oklahoma State Employees' Direct Deposit Act, Section 292.10 et seq. of Title 74 of the Oklahoma Statutes.

"**Administrator**" means the Administrator of the Office of Personnel Management.

"**Automatic Deposit Transmittal form**" means a form voluntarily completed by a state employee to provide enrollment or termination information for the direct deposit system and to authorize the use of electronic funds transfer for payroll warrants.

"**Banking day**" means a day on which a bank is open to the public for carrying on substantially all of its banking functions [12A:4-104].

"**Day**" means a calendar day.

"**Direct deposit system**" shall mean a method of electronically transferring a payroll [warrant] for an eligible employee whereby the employee agrees to an electronic transfer of any payroll [warrant] to a financial institution [74:292.11(1)].

"**Electronic funds transfer**" means transferring an employee's net pay directly into the employee's financial institution account electronically rather than issuing pay warrants.

"**Employee**" means any person in the classified, unclassified or exempt service of any employer [74:292.11(2)].

"**Employer**" shall mean any state agency, board, commission, department, institution, authority, officer, bureau, council, office, the *Oklahoma State Regents for Higher Education* or any institution under the authority of the *State Regents for Higher Education*, or other entity created by the *Oklahoma Constitution*. "Employer" shall not include any school district or political subdivision of this state [74:292.11(3)].

~~"OPM" means the Office of Personnel Management.~~

~~"OSF" means the Office of State Finance;.~~

"**Participant**" means a person who is participating in the direct deposit system.

(a) Employees hired after December 31, 2004, shall participate in the direct deposit system. At the time the employee enters on duty, the employee shall identify a financial institution that will serve as a personal depository agent for the employee [74:292.12(A)(1)].

(b) Employees hired before December 31, 2004, shall participate in the direct deposit system. No later than June 30, 2007, each employee hired before December 31, 2004, who is not a participant in the direct deposit system, shall identify a financial institution that will serve as a personal depository agent for the employee [74:292.12(A)(2)].

530:20-1-4. Exceptions to participation

(a) An employer may waive participation in the direct deposit system for temporary, seasonal or student employees.

(b) An employee may submit a written application to his employer that identifies extraordinary needs or circumstances that would prevent the employee from participating in the direct deposit system. If deemed appropriate, the employer may waive participation in the direct deposit system for that employee. The employer may require periodic review of the extraordinary needs and circumstances of its employees granted exceptions to determine whether or not continued exemption is warranted.

530:20-1-14. Forms and instructions

(a) The automatic deposit transmittal ~~form is a voluntary agreement that shall be used by an~~ the employee if the employee elects to authorize:

- (1) deposit of his or her payroll warrant in a specified checking or savings account in the financial institution of his or her choice through electronic funds transfer;
- (2) the specified financial institution to make a credit entry to the specified account;
- (3) the state of Oklahoma to direct the financial institution to return any moneys that are deposited in the employee's account to which the employee is not entitled;
- (4) changes in his or her enrollment information;
- (5) termination of the direct deposit of his or her payroll warrant; and
- ~~(6) the agreement to remain in full force and effect until the employee gives 30 days notice to end the direct deposit agreement.~~

(b) The automatic deposit transmittal form contains spaces for the employee to:

- (1) provide personal data to facilitate his or her personal banking needs;
- (2) sign and date the agreement.

~~(c) The automatic deposit transmittal form also contains instructions for its completion and selected information from the Act and the rules in this Subchapter. This includes:~~

- ~~(1) directions to attach a voided check or other official document from the employee's financial institution;~~
- ~~(2) mailing instructions;~~
- ~~(3) detailed instructions for completing the form;~~
- ~~(4) notice of the procedure to confirm the account number provided by the employee;~~
- ~~(5) instructions to follow if the employee experiences problems with direct deposit.~~

530:20-1-16. Procedures for direct deposit enrollment and changes

(a) **Procedures for employees under the OSF Office of State Finance payroll accounting system.** To authorize direct deposit, employees under the OSF Office of State Finance payroll accounting system, or its successor, shall file a properly completed automatic deposit transmittal form ~~with OPM~~. An employee shall file this form ~~at least~~ **30** days before the desired effective date of the first electronic funds transfer, change or termination. The employee shall attach the form to an official document from the financial institution. (For example, an employee may attach a blank check with the word "VOID" printed across it.) The official document shall show the financial institution's routing number and employee's deposit account number. ~~OPM does not accept deposit slips.~~

(b) **Procedures for employees not under the ~~OSF~~ Office of State Finance payroll accounting system.** ~~Several employers (state agencies) do not pay employees through OSF. Grand River Dam Authority and Oklahoma Turnpike Authority are examples of agencies that operate their own payroll accounting systems.~~ Employees of ~~these~~ agencies not under the Office of State Finance payroll accounting system shall complete and submit automatic deposit transmittal forms according to the instructions of their employers.

(c) An instruction manual may be obtained from the Office of Personnel Management.

SUBCHAPTER 3. OPM ADMINISTRATIVE POLICIES AND PROCEDURES

530:20-3-7. Confidential records; inspection and release of open records

(a) State employees supply personal information to ~~OPM~~ the Office of Personnel Management or other state employers to facilitate their personal banking needs under the Act. Public disclosure of this information would be a clearly unwarranted invasion of the employees' personal privacy under Section 24A.7 (A)(2) of Title 51 of the Oklahoma Statutes. Therefore, the Administrator shall not release that information for public inspection.

(b) *State employee home addresses, state employee home telephone numbers, and state employee social security numbers shall not be open to public inspection or disclosure [74:841.6A].*

(c) Section 530:1-1-14 contains other general standards and procedures for inspecting and copying ~~OPM~~ Office of Personnel Management records.