

## Office of Personnel Management

### Policy

<b>Policy Title:</b> Compensation for Transferring Employees	<b>Policy Number:</b> 20.03
<b>Citation:</b> Arkansas Code Annotated § 21-5-212	<b>Forms:</b> Employee Master Data Form

### Purpose

Arkansas law establishes guidelines and procedures to assure appropriate compensation is provided to a state employee who transfers to a new job in a different state agency or institution.

### Specific Provisions

Any employee who transfers employment to another state agency or institution shall receive a demotion or promotion as established in law, or if the employee is transferring to a new classification or the same classification at the same grade, the employee's rate of pay will remain the same.

When an employee's current rate of pay is set in dollars in a specific line-item maximum annual salary, the employee may return at the same rate of pay if the rate of pay falls within the grade of the new classification on the appropriate authorized pay plan. The new rate of pay cannot exceed the maximum pay level of the new grade for which the employee is hired, unless the employee is qualified for the career pay level on the career service pay plan.

When transferring employment from one (1) state agency or institution to another, the employee is to receive a lump-sum payment from the original agency or institution for any overtime that has been accrued and not been paid and for any compensatory time accrued that has not been used. The rate for calculating the lump sum shall be based on the higher rate of either the:

- A. Average regular rate of pay received by the employee during the last three (3) years of employment; or
- B. The final regular rate of pay received by the employee.

In most cases, the final, regular rate of pay is the method used for calculating the lump sum payment.

January 13, 2011