



AUHR 7.03 DEMOTION

Description

A demotion occurs when an employee is placed in a position in another class with a lower maximum salary rate than the position in which the employee previously held status. It is not considered a voluntary demotion when an employee is appointed to a lower classification through a competitive process.

Demotions may be:

1. involuntary, by the appointing authority for cause; or
2. voluntary, upon written request by the employee to retain employment when layoff is imminent or for reasons other than discipline.

Employees who demote to a position in which they previously held status and completed a probationary period will not be required to serve a new probationary period. Employees who demote to a position in which they did not previously hold status will be required to serve a new probationary period. See [Administrative Rule on Compensation](#) regarding anniversary date.

Process For Voluntary Demotion

Any voluntary demotion requires approval of the appropriate hiring manager and the City Auditor or designee.

An employee may be granted a voluntary demotion provided the following criteria are met:

1. The employee has attained regular status in their current classification; and
2. A vacancy exists; and
3. The employee meets the qualifications of the position; and
4. There is no one on the layoff list for the targeted position; and
5. There are no qualified injured workers available for the targeted position; and
6. The Auditor determines that no impediments to independence are presented by the employee's voluntary demotion.

An employee must submit a written request for a voluntary demotion to the Management Services. The demotion request *must* first have the approval of the appointing manager concerned.

When it is determined that there are no disciplinary issues or other mitigating circumstances involved, the City Auditor, or designee, may approve the request.

Salary Upon Demotion

[See Administrative Rule on Compensation.](#)

Seniority Upon Demotion

Seniority in the higher classification will be frozen effective the date seniority is established in the lower class. Seniority, if not otherwise established in the lower class, shall commence on the effective date of the demotion.

A voluntary demotion that is the result of a fiscal emergency shall *not* cause seniority in the higher class to be frozen for purposes of layoff.

Reinstatement Following a Voluntary Demotion

Any employee who has taken a voluntary demotion that was not the result of a layoff, has attained permanent status in the requested classification, and is still qualified to perform the work may be reinstated within three years from the date the employee voluntarily demoted at the request and discretion of the division manager and with approval by the City Auditor or a designee. The following requirements must also be met:

1. The request is made within three (3) years from the date the employee obtained a voluntary demotion;
2. There are no employees on the layoff list for the classification the person would be reinstated to; and
3. There are no qualified injured workers available for the targeted classification.

Employees being reinstated to a position they previously held status in and completed a probationary period will not be required to serve another probationary period. The salary rate for employees reinstated from a voluntary demotion shall be at the same position in the salary range as when the employee last served in the classification or at the position in the salary range that affords them the least reduction in pay from their current position. Their anniversary date is the date of reinstatement.

Demotion for Physical or Mental Inability to Perform

When an employee becomes physically or mentally unable to perform the essential duties of their position even with reasonable accommodation, the employee may be given status and appointed to a vacant position in a class carrying the same or a lower compensation without previously acquiring status in the lower class. The employee must meet the qualifications and be able to perform the duties of the position as determined by the Management Services.

The City Auditor or a designee and the appointing manager must approve all demotions for inability to perform due to disability.

Human Resources Rule Information and History

Questions about this administrative rule may be directed to the [Management Services Division](#) of the Auditor's Office.

Adopted by the City Auditor December 11, 2017.

Adapted from City of Portland Human Resources Administrative Rule 7.03 Demotion.

Adopted by Council March 6, 2002, Ordinance No. 176302.

Last revised April 25, 2016.