

Office Memorandum

Date: May 26, 2020
To: HR Directors and Designees, SEMA4 HR and Payroll Users
From: Kristin Batson, Deputy Commissioner
Subject: Salary Adjustments for the 2019 - 2021 biennium – Year 1: MGEC, MNA, Commissioner’s Plan, Commissioner’s Plan Medical Specialists’ Addendum, Managerial Plan

Minnesota Management and Budget (MMB) will implement the Year 1 salary provisions of these contracts and plans over the weekend of May 29, 2020.

Year 1 General Adjustment, effective July 1, 2019

MMB will apply a 2.25% general wage adjustment to the job records of employees covered by the following contracts, and for “insufficient work time employees” in related job classes:

- Commissioner’s Plan
- MGEC (Minnesota Government Engineering Council)
- MNA (Minnesota Nurses Association)

Over the weekend of May 29, MMB will insert a SEMA4 job row with an effective date of **7/1/2019** and **Pay Rate Change / GEN** as the action / reason. MMB will update rows with effective dates greater than 7/1/2019 and include a Job Data comment to indicate the rate of pay has been updated by the mass salary update. The new rates of pay will display in SEMA4 on Monday, June 1, 2020.

Pay rates over the maximum

- Employees with a rate code of **OFFOMD** (due to demotion with salary above the maximum) or **OFFOMT** (due to a transfer with salary above the maximum):
 - Employees whose rate of pay exceeded the maximum for their job class on 6/30/2019, but falls within the range on 7/1/2019, will be placed at the new range maximum step for the job class and the rate code will be changed to ONSTEP.
 - Employees whose rate of pay exceeded the maximum for their job class on 6/30/2019, and continues to exceed the maximum on 7/1/2019, will not receive an update.
- Employees with a rate code of **OFFOMR** (due to a reallocation demotion) will receive the full 2.25% increase.

Managerial Plan and Commissioner’s Plan Medical Specialists’ Addendum

Employees covered by these plans are eligible for the 2.25% general salary increase effective July 1, 2019 if they have achieved performance standards or objectives. General salary increases for employees covered by the Managerial Plan and Medical Specialists’ Addendum are **not** included in the mass salary update. Agencies are responsible for evaluating eligibility and updating the rates of pay accordingly.

For employees who are receiving this increase, insert a row with an effective date of 7/1/2019 and Pay Rate Change / PRF (Increase based on Performance) as the action / reason. Include a comment to note that this is the general adjustment. Update any subsequent rows accordingly and include a comment.

Pay Rates Over the Maximum for Managers or Medical Specialists

- Employees with a rate code of **OFFOMD** (due to demotion with salary above the maximum) or **OFFOMT** (due to a transfer with salary above the maximum):
 - If the rate of pay exceeded the maximum on 6/30/2019, but falls within the range for the class on 7/1/2019, the employee is eligible for an increase up to the new range maximum for the job class. Change the compensation rate code on the new row to OFFRNG.
 - If the rate of pay exceeded the maximum on 6/30/2019 and continues to exceed the maximum on 7/1/2019, the employee is not eligible for an increase.
- If the rate of pay exceeded the maximum on 6/30/2019 with a compensation rate code of OFFOMR (due to a reallocation demotion), the employee is eligible for the full 2.25% increase.

Agency Heads: Managers whose salaries are set in statute (for example, agency heads), are not eligible for these general salary increases.

Mass update report available Monday, June 1, 2020

On Monday, June 1, 2020, report HP7041, *Mass Update Before and After Values for Salary*, will be available in Document Direct. This report reflects employees' old and new rates of pay. Please review this report for accuracy.

Work-out-of-class and trainee pay rates

The mass update will increase employee permanent rates of pay only. Agencies must calculate and enter the rates of pay for work-out-of-class and trainee assignments.

MMB will send agencies separate instructions and lists of employees the week of June 1, 2020.

New appointments

Employees with new appointments effective after 7/1/2019 will not receive a 7/1/2019 Pay Rate Change / GEN row. However, the mass update program will update the appointment row and any subsequent rows, to reflect the increase.

Separated employees

- Employees who are separated (with an Inactive HR status) on May 29, 2020, will not be included in the general adjustment mass update.
- Employees who have a future-dated separation effective after May 29, 2020 will receive the general adjustment. However, the rate of pay on the separation row will not be updated. Agencies must manually update the future separation row with the new rate of pay.

Employees who separated from state service between 7/1/2019 and 05/29/2020 must make a written request to their HR office in order to receive the general adjustment. Agencies are responsible for updating the job records with the 7/1/2019 general adjustment row, and any subsequent rows. Agencies are also responsible for calculating retroactive pay and recalculating any vacation payoffs and severance payments previously made to the employee. Employees who separated from state service between 7/1/2019 and 05/29/2020 (the date the salary mass update

is run for active status employees) must make a written request to their HR office by **06/19/2022** to receive the general adjustment.

Employee Wage Change Notice

Information will be forthcoming regarding employee wage change notices.

SEMA4 Salary Adjustment Timeline

Date	Event
Weekend of 05/29/2020	Mass salary update (2.25% general adjustment, effective 7/1/2019) for employees covered by <ul style="list-style-type: none"> • Commissioner’s Plan • MGEC (Minnesota Government Engineering Council) • MNA (Minnesota Nurses Association)
06/01/2020 through 06/05/2020	Agencies review report HP7041, <i>Mass Update Before and After Values for Salary</i> in DocumentDirect.
06/01/2020 through 06/05/2020	Agencies enter rate increases for work-out-of-class and trainee assignments. MMB will provide further instructions and a list of employees.
06/01/2020 through 06/05/2020	Agencies enter performance-based increases for Medical Specialists’ Addendum and Managerial Plan employees.
06/19/2020	Paycheck reflects a 2.25% general adjustment or performance-based increase for employees covered by Commissioner’s Plan, MGEC, MNA, Medical Specialists’ Addendum, and Managerial Plan.

Questions?

For SEMA4 HR questions, please contact your MMB SEMA4 HR Specialist:

- Shantia (Tia) Hutchinson at 651-201-8220 or Shantia.Hutchinson@state.mn.us
- Mary O’Connor at 651-259-3633 or Mary.OConnor@state.mn.us

For questions regarding payroll processing, contact [Statewide Payroll Services](#).