

Office Memorandum

Date: February 13, 2020

To: HR Directors and Designees, SEMA4 HR and Payroll Users

From: Kristin Batson, Acting Deputy Commissioner

Subject: Salary Adjustments for the 2019 - 2021 biennium – Year 1: AFSCME Unit 8 and SRSEA

Minnesota Management and Budget (MMB) will implement the Year 1 salary provisions of the AFSCME Unit 8 and SRSEA contracts over the weekend of February 22, 2020. This memo provides instructions and critical timelines for agency Human Resources offices. This salary update will affect employees in the following state agencies:

- Department of Corrections
- Department of Human Services
- Minnesota State Academies
- Perpich Center for Arts Education

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:

- AFSCME Unit 8
- SRSEA

Over the weekend of February 22, 2020, 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, February 24, 2020.

Pay rates over the maximum

Employees with a rate code of OFFOMD or OFFOMT:

- 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.

AFSCME Unit 8 step reassignment, effective January 1, 2020 (Dept. of Corrections Only)

On the same weekend, for employees covered by AFSCME Unit 8, MMB will process a step reassignment by inserting a SEMA4 job row with an effective date of **1/1/2020** and **Position Change / MUR** as the action / reason. MMB will update rows with effective dates greater than 1/1/2020 and include a Job Data comment to indicate the rate of pay has been updated by the range reassignment process. This process also creates position rows with reason code MUR, effective **1/1/2020**. For more information, see the Attachment at the end of this memo.

Mass update reports available Monday, February 24, 2020

On Monday, February 24, 2020, the following reports will be available in DocumentDirect:

- HP7041, *Mass Update Before and After Values for Salary*
- HP7041, *Mass Update Before and After Values for Range Reassignment (AFSCME Unit 8 only)*
- HP7042, *Position Mass Update Before and After Values for Range Reassignment (AFSCME Unit 8 only)*

These reports reflect employees' old and new rates of pay. Please review these reports for accuracy.

Work-out-of-class and trainee pay rates for AFSCME Unit 8

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 February 24, 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.

Employees covered by AFSCME Unit 8 with new appointments effective after 1/1/2020 will not receive a 1/1/2020 Position Change / MUR row. However, the mass update program will update the appointment row and any subsequent rows, to reflect the step reassignment.

Separated employees

- Employees who are separated (with an Inactive HR status) on February 22, 2020 will not be included in the general adjustment mass update.
- Employees who have a future-dated separation effective after February 22, 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 02/22/2020 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 step reassignment for employees covered by AFSCME Unit 8), 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 02/22/2020 (the date the salary mass update was run for active status employees) have to make a written request to their HR office by **03/13/2022** to receive the general adjustment.

Employee Wage Change Notice

To help agencies meet the Employee Wage Change Notice requirements regarding these salary mass updates, a template communication to employees is included in the February 12 memo to agency heads and HR directors with the Subject line, “AFSCME Unit 8 and State Residential Schools Education Association Implementation”. Send this communication to employees by March 9.

Attention: Department of Corrections must also send the following additional notice in a separate communication to employees whose classification is on AFSCME compensation grid 8 by March 9:

Dear Employees,

You received a communication about the 7/1/2019 salary update. Because the basis of your pay rate is on AFSCME compensation grid 8, we’re notifying you that the grid was revised in the agreement dated 2019 – 2021, retroactive to January 1, 2020. View the full 2019 – 2021 contract on the [Minnesota Management and Budget Labor Relations webpage](#).

SEMA4 Salary Adjustment Timeline

Date	Event
Weekend of 02/22/2020	Mass salary update (2.25% general adjustment, effective 7/1/2019) for employees covered by AFSCME Unit 8 and SRSEA. Step reassignment for employees covered by AFSCME Unit 8, effective 1/1/2020. See the Attachment for more information about the AFSCME Unit 8 step reassignment.
02/24/2020 – 02/28/2020	Agencies review report HP7041, <i>Mass Update Before and After Values for Salary</i> in DocumentDirect. AFSCME Unit 8 only: <ul style="list-style-type: none"> • HP7041, <i>Mass Update Before and After Values for Range Reassignment</i> • HP7042, <i>Position Mass Update Before and After Values for Range Reassignment</i>
02/24/2020 – 02/28/2020	Agencies enter rate increases for work-out-of-class and trainee assignments. MMB will provide further instructions and a list of employees.
By 03/09/2020	Communications that satisfy Employee Wage Change Notice: <ul style="list-style-type: none"> • Agencies send communication using the template included in the February 12 memo to agency heads and HR directors. • Agencies with employees in AFSCME compensation grid 8 send an additional communication.
03/13/2020	Paycheck reflects a 2.25% general adjustment for employees covered by AFSCME Unit 8 and SRSEA.

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
- Judi Kaper at 651-259-3649 or Judi.Kaper@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](#).

Attachment

Attachment - Changes to AFSCME Grid 8 (Department of Corrections Only)

Effective January 1, 2020:

Corrections Officer 1

- The grid was modified as follows: The first four steps of range 1 are removed, requiring the step on each employee’s Job record to be reassigned, effective 1/1/2020. MMB will create and update Job records accordingly in a mass update the weekend of February 22, 2020. The maximum step for the job code associated with AFSCME grid 8 range 1 will be reduced by four.
- Step reassignment: Employees remain on the same range, but steps are reassigned as shown in the following illustration. Employees on old steps 1, 2, 3, 4 and 5 go to new step 1. All subsequent steps are reduced by four.

Illustration of Range 1

Old Step (7/1/2019 - 12/31/2019)	1	2	3	4	5	6	7
Old comp rate	18.30	18.87	19.40	19.97	20.55	21.10	21.73
New Step (1/1/2020)	1	2	3				
New comp rate	20.55	21.10	21.73				

Example 1: On December 31, 2019, Employee A was at step 1 of range 1 at a rate of \$18.30 per hour. Beginning January 1, 2020, the employee’s step is reassigned to range 1 step 1 at a rate of \$20.55 per hour.

Example 2: On December 31, 2019, Employee B was at step 5 of range 1 at a rate of \$20.55 per hour. Beginning January 1, 2020, the employee’s step is reassigned to range 1 step 1 at a rate of \$20.55 per hour.

Example 3: On December 31, 2019, Employee C was at step 7 of range 1 at a rate of \$21.73 per hour. Beginning January 1, 2020, the employee’s step is reassigned to range 1 step 3 at a rate of \$21.73 per hour.

Corrections Officer 2

- The grid was modified as follows: The first two steps of range 2 are removed, and two steps are added to the top, requiring the step on each employee’s Job record to be reassigned, effective 1/1/2020. MMB will create and update Job records accordingly in a mass update the weekend of February 22, 2020.
- Step reassignment: Employees remain on the same ranges, but steps are reassigned as shown in the following illustration. Employees on old steps 1, 2, and 3 go to new step 1. All subsequent steps are reduced by two.

Illustration of Range 2

Old Step (7/1/2019 - 12/31/2019)	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Old comp rate	19.97	20.55	21.10	21.73	22.33	23.02	23.62	24.32	25.05	25.78	26.56	27.30	28.08	28.87
New Step (1/1/2020)	1	2	3	4	5	6	7	8	9	10	11	12	13	14
New comp rate	21.10	21.73	22.33	23.02	23.62	24.32	25.05	25.78	26.56	27.30	28.08	28.87	29.65	30.49

Example 4: On December 31, 2019, Employee D was at step 1 of range 2 at a rate of \$19.97 per hour. Beginning January 1, 2020, the employee’s step is reassigned to range 2 step 1 at a rate of \$21.10 per hour.

Example 5: On December 31, 2019, Employee E was at step 3 of range 2 at a rate of \$21.10 per hour. Beginning January 1, 2020, the employee’s step is reassigned to range 2 step 1 at a rate of \$21.10 per hour.

Example 6: On December 31, 2019, Employee F was at step 8 of range 2 at a rate of \$24.32 per hour. Beginning January 1, 2020, the employee’s step is reassigned to range 2 step 6 at a rate of \$24.32 per hour.

Corrections Officer 3 and Corrections Canine Officer

- The grid was modified as follows: The first two steps of **Range 3** are removed, and two steps are added to the top, requiring the step on each employee’s Job record to be reassigned, effective 1/1/2020. MMB will create and update Job records accordingly in a mass update the weekend of February 22, 2020.
- Step reassignment: Employees remain on the same ranges, but steps are reassigned as shown in the following illustration. Employees on old steps 1, 2, and 3 go to new step 1. All subsequent steps are reduced by two.

Illustration of Range 3

Old Step (7/1/2019 - 12/31/2019)	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Old comp rate	23.02	23.62	24.32	25.05	25.78	26.56	27.30	28.08	28.87	29.65	30.49	31.38	32.24	33.15
New Step (1/1/2020)	1	2	3	4	5	6	7	8	9	10	11	12	13	14
New comp rate	24.32	25.05	25.78	26.56	27.30	28.08	28.87	29.65	30.49	31.38	32.24	33.15	34.06	35.00

Example 4: On December 31, 2019, Employee G was at step 1 of range 3 at a rate of \$23.02 per hour. Beginning January 1, 2020, the employee’s step is reassigned to range 3 step 1 at a rate of \$24.32 per hour.

Example 5: On December 31, 2019, Employee H was at step 3 of range 3 at a rate of \$24.32 per hour. Beginning January 1, 2020, the employee’s step is reassigned to range 3 step 1 at a rate of \$24.32 per hour.

Example 6: On December 31, 2019, Employee I was at step 8 of range 3 at a rate of \$28.08 per hour. Beginning January 1, 2020, the employee’s step is reassigned to range 3 step 6 at a rate of \$28.08 per hour.

Progression Increases for Corrections Officer 2, Correction Officer 3, and Corrections Canine Officer

Agencies are responsible for processing progression (step) increases for employees on grid 8, (Ranges 2 and 3) as follows.:

- **From Annual to 6 Month Progression:**

Employees who were on Step 4 or Step 5 prior to January 1, 2020 will be moved to Steps 2 and 3, effective 1/1/2020 (via the mass update)

- Employees who were at the old steps 4 or 5 and move to steps 2 or 3 but have less than six months of service at the old steps as of 1/1/2020, will be eligible for a progression when they reach 6 months of service and their performance is satisfactory.

No action needed at this time; wait until these employees reach six months of service.

- Employees who move to the new steps 2 and 3 and have been at the old steps 4 or 5 for six months or greater as of 1/1/2020 become immediately eligible for a progression increase if their performance is satisfactory. This progression is a delayed increase due to the step reassignment.

Action Needed: Enter a sequenced row with an effective date of 1/1/2020, and an action / reason of Pay Rate Change / PRG. **Include a comment on this row stating, "Employee is eligible for this delayed progression due to the grid 8 step reassignment".**

- **Employees at the top of range 2 or range 3 prior to January 1, 2020**

Employees who were at step 14 of range 2 or range 3 will be moved to Step 12 effective 1/1/2020 (via the mass update).

- Employees who were at the old step 14 and move to step 12 but have less than one year of service at the old step as of 1/1/2020, will be eligible for a progression when they reach one year of service and their performance is satisfactory.

No action needed at this time; wait until these employees reach one year of service.

- Employees who move to the new step 12 and have been at the old step 14 for a year or more as of 1/1/2020 become immediately eligible for a progression increase if their performance is satisfactory. This progression is a delayed increase due to the step reassignment.

Action Needed: Enter a sequenced row with an effective date of 1/1/2020, and an action / reason of Pay Rate Change / PRG. **Include a comment on this row stating, "Employee is eligible for this delayed progression due to the grid 8 step reassignment".**

NOTE: Due to the step reassignment and subsequent changes, agency payroll staff may need to adjust the mass retroactive pay. The mass retroactive pay earnings may be adjusted prior to approving any retroactive pay in review or adjusted in mass time entry. Please refer to the payroll memo, ***Retroactive Wage Adjustments for AFSCME Unit 208 and SRSEA.***