



Office Memorandum

Date: December 30, 2013

To: HR Directors & Designees/SEMA4 Users

From: Ann O'Brien, Assistant Commissioner,
Enterprise HR, MMB

Jeff Moe, SEMA4 HR Business Analyst, MMB

Subject: Salary Adjustments: Commissioner's Plan, Medical Specialists' Addendum to the Commissioner's Plan, and Managerial Plan

This memo provides details and instructions for processing performance-based increases effective **January 1, 2014** for employees covered by:

- Commissioner's Plan
- Medical Specialists' Addendum to the Commissioner's Plan
- Managerial Plan

Please read this memo in its entirety prior to entering any transactions, as it provides a comprehensive set of instructions, including critical timelines.

These plans include provisions allowing employees to receive performance-based increases effective **1/1/2014** of up to 3.5%. Agencies are responsible for evaluating eligibility and subsequently updating the rates of pay accordingly. **Employees whose current rate of pay is at or above the range maximum for their job class are *not* eligible for these performance-based increases.** In addition, an employee may only be granted a salary increase if he/she has met or exceeded performance standards or objectives.

Enter these performance-based increases the week of **January 6-10, 2014**, in order for the pay increases to be reflected on the January 24, 2014 paycheck.

Note: During the week of January 6, agencies will receive separate instructions and a list of employees in work out of class or trainee assignments.

Commissioner's Plan Performance-Based Increase Effective 1/1/2014

For eligible employees, agencies must add a row with an effective date of **1/1/2014** and action / reason **Pay Rate Change / PRF** (Increase Based on Performance). Rows with effective dates greater than 1/1/2014 also need to be corrected.

Managerial Plan and Medical Specialists’ Addendum to the Commissioner’s Plan Performance-Based Increase Effective 1/1/2014

Salary increases under the Managerial Plan and Medical Specialists’ Addendum to the Commissioner’s Plan may be in the form of an adjustment to the base salary rate, a lump sum, or a combination of both, but must not result in a base salary rate above the range maximum for the employee’s job class.

For eligible employees, agencies must add a row with an effective date of **1/1/2014** and action / reason **Pay Rate Change / PRF** (Increase Based on Performance). Include a comment to indicate that this row is for the performance-based increase. Rows with effective dates greater than 1/1/2014 also need to be corrected.

Note: Salary increases are calculated using the employee’s hourly rate not the annual rate.

If the salary increase includes a lump sum payment, coordinate with your agency payroll staff. Mass Time Entry earn code INS – Contract/Plan Lump Sum should be used when processing payroll for the PPE January 14, 2014. If you have any questions regarding processing lump sum payments in SEMA4, contact Statewide Payroll Services.

The lump sum option is not available for Commissioner’s Plan employees.

Questions / Timeline

If you have any questions, please feel free to contact your SEMA4 HR Services Specialist:

- Lorie Huerta at Lorie.Huerta@state.mn.us or 651/259-3631
- Mary O’Connor at Mary.OConnor@state.mn.us or 651/259-3633
- Syma Sumar at Syma.Sumar@state.mn.us or 651/201-8021

Please refer to the timeline illustration below.

January 2014	
January 6-10	Agencies enter performance-based increases (Pay Rate Change/PRF) effective 1/1/2014 for eligible employees covered by Commissioner’s Plan, Medical Specialists’ Addendum, and Managerial Plan.
January 6-10	Agencies enter rate increases for work out of class and trainee assignments. Further instructions will be provided.
January 13-16	Agency payroll staff enter any applicable lump sum payments for employees covered by the Managerial Plan or the Medical Specialists’ Addendum to the Commissioner’s Plan.
January 24	Paycheck includes performance-based increase for Commissioner’s Plan, Medical Specialists, and Managerial Plan.