

Date: February 26, 2013

To: HR Directors/Designees/SEMA4 HR Users

From: Laurie Hansen, Enterprise Human Resources Division
Minnesota Management and Budget

Phone: 651/259-3620

Subject: Salary Adjustments: AFSCME, AFSCME Unit 8, MAPE, MMA, SRSEA,
Commissioner's Plan, Commissioner's Plan Medical Specialists' Addendum, and
Managerial Plan

The salary provisions of the newly approved contracts and plans are being implemented in two phases:

Phase 1: Contracts – AFSCME, AFSCME Unit 8, MAPE, MMA, SRSEA

Phase 2: Plans – Commissioner's Plan, Commissioner's Plan Medical Specialists' Addendum, and
Managerial Plan

This memo provides details and instructions for agency Human Resources offices. Please read this memo in its entirety prior to entering any transactions, as it provides a comprehensive set of instructions, including critical timelines. Statewide Payroll Services will be sending payroll-specific information and instructions in a separate memo.

Contracts/Plans Eligibility for Increases

To be eligible for the increases provided for in the contracts and plans, employees must be covered by the contract or plan the day prior to the effective dates of the general increase and performance increases and also be employed on the effective date of the contracts/plans (February 20, 2013). Employees who separated on or before February 20, 2013, are not eligible for pay increases.

Individuals who meet the eligibility requirements defined above but separate from state service after February 20, 2013, are still eligible for the increases described in this memo. Agencies will need to process these pay increases manually.

Phase 1: 2% General Salary Adjustment, effective 1/2/2013: AFSCME, AFSCME Unit 8, MAPE, MMA, and SRSEA

Over the weekend of March 16 – 17, 2013, Minnesota Management & Budget will update job records with the 2% general wage adjustment for employees covered by AFSCME, AFSCME Unit 8, MAPE, MMA, and SRSEA, and for insufficient-work time employees in related job classes. A row will be inserted with an effective date of 1/2/2013 and PAY/GEN as the action/reason. Rows with effective

dates greater than 1/2/2013 will also be updated. The new rates of pay will display in SEMA4 on Monday, March 18, 2013.

A standard report reflecting employees' new rates of pay will be available in Document Direct for your review. HP7041, *Mass Update Before and After Values for Salary*, will be available on Monday, March 18, 2013. Please review the information on this report and contact your SEMA4 HR Services Specialist immediately if you have any questions or concerns about the data.

This mass update will adjust employee permanent rates of pay only. Agencies are responsible for calculating and adjusting the rates of pay for the following exceptions:

- Work-out-of-class pay rates
- trainee pay rates

Agencies will receive a separate set of instructions and a report of employees on work out of class to assist them in this process. MMB will send this memo and report to agencies the week of March 18, 2013.

Agencies are also responsible for updating the rates of pay for trainees if the general adjustment is allowed by the trainee plan. Use action/reason code PAY/STN (Salary Adjustment for Trainees) for this increase. MMB will send a listing of employees in training assignments to affected agencies the week of March 18, 2013, to assist them in this process.

Agencies must evaluate the impact of HR transactions entered after the mass update has been run. If a row entered after the mass update has an effective date prior to 1/2/2013, agencies must make sure that data changes on that row are also reflected on the 1/2/2013 general adjustment row and on any subsequent rows updated by the mass update. Do not enter additional rows; use Correction mode to make the changes, and if necessary, include a job comment.

Retroactive pay for Phase 1, from January 2, 2013, through March 12, 2013, will be processed during the pay period ending March 26, 2013, and paid on the April 5 paycheck. Statewide Payroll Services will provide detailed processing instructions in an upcoming bulletin.

Phase 2: Performance-Based Increases and 2% General Salary Adjustment: Commissioner's Plan, Commissioner's Plan Medical Specialists' Addendum, and Managerial Plan

IMPORTANT NOTE: The order and timelines associated with the entry of these transactions is critical. It is necessary to insert these rows in the correct chronological order, as defined in this memo. Also, it is critical that any subsequent rows reflect the appropriate rate of pay.

The plans include provisions allowing employees to receive:

- Performance-based increases effective 1/4/2012 (up to 3.5%)
- The 2% general adjustment, effective 1/2/2013:
 - Across the board for Commissioner's Plan
 - Conditional based on performance for Medical Specialists' and Managerial Plans
- Performance-based increases effective 1/2/2013 (up to 3.5%)

- **Commissioner's Plan**

Step 1: Performance-Based Increases effective 1/4/2012:

Agencies are responsible for evaluating eligibility and subsequently updating the rates of pay for Commissioner's Plan employees' performance-based increases (up to 3.5%). These rows must be entered no later than Monday, March 25, 2013. The effective date of these performance-based increases will be 1/4/2012 with an action/reason code of PAY/PRF (Performance Increase). An employee may only be granted a salary increase if s/he has achieved satisfactory performance.

Step 2: 2% General Adjustment effective 1/2/2013:

Over the weekend of March 30-31, 2013, Minnesota Management & Budget will update job records with the 2% general wage adjustment for employees covered by the Commissioner's Plan. A row will be inserted with an effective date of 1/2/2013 and PAY/GEN as the action/reason. Rows with effective dates greater than 1/2/2013 will also be updated. The new rates of pay will display in SEMA4 on Monday, April 1, 2013.

A standard report reflecting employees' new rates of pay will be available in Document Direct for your review. HP7041, *Mass Update Before and After Values for Salary*, will be available on Monday, April 1, 2013. Please review the information on this report and contact your SEMA4 HR Services Specialist immediately if you have any questions or concerns about the data.

This mass update will adjust employee permanent rates of pay only. Agencies are responsible for calculating and adjusting the rates of pay for the following exceptions:

- Work-out-of-class pay rates
- trainee pay rates

Agencies will receive a separate set of instructions and a report of employees on work out of class to assist them in this process. MMB will send this memo and report to agencies the week of April 1, 2013.

Agencies are also responsible for updating the rates of pay for trainees if the general adjustment is allowed by the trainee plan. Use action/reason code PAY/STN (Salary Adjustment for Trainees) for this increase. MMB will send a listing of employees in training assignments to affected agencies the week of April 1, 2013, to assist them in this process.

Step 3: Performance-Based Increases effective 1/2/2013:

Agencies are responsible for evaluating eligibility and subsequently updating the rates of pay for Commissioner's Plan employees' performance-based increases. In order for the pay increase to be reflected on the April 19 paycheck, updates for this performance-based increase must be entered:

- no sooner than Monday, April 1, 2013, and
- no later than Monday, April 8, 2013.

The effective date of these performance-based increases will be 1/2/2013 with an action/reason code PAY/PRF (Performance Increase). An employee may only be granted a salary increase if s/he has achieved satisfactory performance.

- **Managerial Plan and Medical Specialists**

Step 1: Performance-Based Increases effective 1/4/2012:

Agencies are responsible for evaluating eligibility and subsequently updating the rates of pay for employees covered by the Managerial Plan and Medical Specialists' Addendum. These rows must be entered no later than Monday, March 25, 2013. The effective date of these performance-based increases will be 1/4/2012 with an action/reason code PAY/PRF (Performance Increase). An employee may only be granted a salary increase if s/he has achieved satisfactory performance.

Step 2: 2% General Adjustment – Conditional, based on performance:

Agencies are responsible for evaluating eligibility and subsequently updating the rates of pay accordingly. Agencies must insert a row with an effective date of 1/2/2013 and PAY/PRF as the action/reason. Include a comment to note that this is the general adjustment. An employee may only be granted a salary increase if s/he has achieved satisfactory performance.

In order for the pay increase to be reflected on the April 19 paycheck, updates for the 2% general adjustment must be entered:

- no sooner than Monday, April 1, 2013, and
- no later than Monday, April 8, 2013.

IMPORTANT NOTE: The January 2, 2013, general adjustment and January 2, 2013 performance-based increases (Step 3 below) **MUST** be entered and saved separately on two unique rows. **DO NOT COMBINE PERCENTAGE INCREASES ON THE SAME ROW.**

For example, an employee is eligible for a 2% general adjustment and a 3.5% performance-based increase, both effective 1/2/2013. These increases must be entered on two separate sequenced rows with the 2% general adjustment first and the 3.5% performance-based increase second.

Step 3: Performance-Based Increases effective 1/2/2013:

Agencies are responsible for evaluating eligibility and subsequently updating the rates of pay accordingly. Agencies must add/sequence a row with an effective date of 1/2/2013 and PAY/PRF as the action/reason. The sequence number on this row will be 1. Include a comment to indicate that this row is for the performance-based increase. Rows with effective dates greater than 1/2/2013 will also need to be updated/corrected. An employee may only be granted a salary increase if s/he has achieved satisfactory performance.

In order for the pay increase to be reflected on the April 19 paycheck, updates for the performance-based increases must be entered:

- no sooner than Monday, April 1, 2013, and,
- no later than Monday, April 8, 2013

Retroactive pay for Phase 2, from January 4, 2012, through March 26, 2013, will be processed during the pay period ending April 9, 2013, and paid on the April 19 paycheck. Statewide Payroll Services will provide detailed processing instructions in an upcoming bulletin.

If you have any questions regarding the implementation of these salary adjustments, please feel free to contact your SEMA4 HR Services Specialist:

Diana Evensen at 651/259-3641 or Diana.Evensen@state.mn.us

Lorie Huerta at 651/259-3631 or Lorie.Huerta@state.mn.us

Mary O'Connor at 651/259-3633 or Mary.OConnor@state.mn.us

Please refer to the timeline illustration on the following page.

SEMA4 Salary Adjustment Timeline

March 2013	
March 17	Phase 1 Mass Update (2% general adjustment, effective 1/2/2013) for AFSCME, AFSCME Unit 8, MAPE, MMA, & SRSEA.
March 18 - March 25	Agencies enter performance-based increases (PAY/PRF) effective 1/4/2012 for Commissioner's Plan, Managerial Plan, and Medical Specialists.
March 18 - March 25	Agencies enter rate increases for Work Out of Class and Trainee assignments. Further instructions regarding Work Out of Class transactions and Trainee assignments will be provided.
March 18 - March 22	Agencies review and approve mass retro payments for AFSCME, AFSCME Unit 8, MAPE, MMA, & SRSEA.
March 31	Phase 2 Mass Update (2% General Adjustment, effective 1/2/2013) for Commissioner's Plan.
April 2013	
April 1 - April 8	Agencies enter performance-based increases (PAY/PRF) effective 1/2/2013 for Commissioner's Plan.
April 1 - April 8	Agencies enter 2% general adjustment (PAY/PRF) effective 1/2/2013 (Sequence 0) for Managerial Plan and Medical Specialists.
April 1 - April 8	Agencies enter performance-based increases (PAY/PRF) effective 1/2/2013 (Sequence 1) for Managerial Plan and Medical Specialists.
April 1 - April 8	Agencies enter rate increases for Work Out of Class and Trainee assignments. Further instructions regarding Work Out of Class transactions and Trainee assignments will be provided.
April 5	Paycheck includes 2% general adjustment and retroactive pay for AFSCME, AFSCME Unit 8, MAPE, MMA, & SRSEA.
April 19	Paycheck includes 2% general adjustment, performance increases and retroactive pay for Commissioner's Plan, Managerial Plan, and Medical Specialists.