Date: February 20, 2014

To: HR Directors/Designees/SEMA4 HR Users

From: Ann O’Brien, Assistant Commissioner
       Minnesota Management and Budget

Phone: 651/259-3636

Subject: Salary Adjustments for the 2013-2015 Biennium: MGEC and SRSEA

The salary provisions of these newly approved contracts and plans will be implemented over the weekend of March 1 – 2, 2014.

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.

3% General Salary Adjustment, effective 7/1/2013

Over the weekend of March 1 – 2, 2014, Minnesota Management & Budget will update job records with the 3% general wage adjustment for employees covered by the following contracts (and for insufficient work time employees in related job classes):

- Minnesota Government Engineers Council (MGEC)
- State Residential Schools Education Association (SRSEA)

A row will be inserted with an effective date of 7/1/2013 and PAY / GEN as the action / reason. Rows with effective dates greater than 7/1/2013 will also be updated. The new rates of pay will display in SEMA4 on Monday, March 3, 2014.

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 3, 2014. 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

An Equal Opportunity Employer
Agencies will receive a separate set of instructions and a report of employees on work-out-of-class assignments to assist them in this process. MMB will send this memo and report to agencies the week of March 3, 2014.

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 3, 2014 to assist them in this process.

Retroactive pay from July 1, 2013, through the pay period ending February 25, 2014, will be processed during the pay period ending March 11, 2014, and paid on the March 21, 2014 paycheck. Statewide Payroll Services will provide detailed processing instructions in an upcoming bulletin.

**Additional Information**

- New Hires or employees with records created after 7/1/2013 will also receive the 3% general adjustment. However, their record will not include a 7/1/2013 general adjustment row. The general adjustment mass update will be applied to all rows with effective dates greater 7/1/2013.

- Employees who separate from state service between 7/1/2013 and 2/28/2014 will not automatically receive the 3% general adjustment. These individuals may request and receive retroactive pay if the request is made to the agency HR office in the same fiscal year that the general adjustment was approved (no later than close of business June 30, 2014). Agencies are responsible for updating the employee job record with the 7/1/2013 general adjustment row and all subsequent rows. Agencies are also responsible for calculating retroactive pay, and recalculating any vacation payoff and severance payments previously made to the employee.

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

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
Syma Sumar at 651/201-8021 or Syma.Sumar@state.mn.us

Please refer to the timeline illustration on the following page.
### SEMA4 Salary Adjustment Timeline

#### March, 2014

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 1 - 2</td>
<td>Mass Update (3% general adjustment, effective 7/1/2013) for:</td>
</tr>
<tr>
<td></td>
<td>• MGEC</td>
</tr>
<tr>
<td></td>
<td>• SRSEA</td>
</tr>
<tr>
<td>March 3 - 7</td>
<td>Agencies enter rate increases for work-out-of-class and trainee assignments. Further instructions regarding work-out-of-class transactions and trainee</td>
</tr>
<tr>
<td></td>
<td>assignments will be provided.</td>
</tr>
<tr>
<td>March 3 - 7</td>
<td>Agencies review and approve mass retro payments for:</td>
</tr>
<tr>
<td></td>
<td>• MGEC</td>
</tr>
<tr>
<td></td>
<td>• SRSEA</td>
</tr>
<tr>
<td>March 21</td>
<td>Paycheck reflects 3% general adjustment and retroactive pay for:</td>
</tr>
<tr>
<td></td>
<td>• MGEC</td>
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<tr>
<td></td>
<td>• SRSEA</td>
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