Date: June 16, 2016

To: HR Directors/Designees/SEMA4 HR Users

From: Edwin Hudson, Deputy Commissioner

Subject: Salary Adjustments for the 2015-2017 biennium – Year 2: AFSCME Council 5, AFSCME Unit 208, AFSCME Unit 25, MAPE, MLEA, MMA, MNA, SRSEA, Commissioner’s Plan, Commissioner’s Plan Medical Specialists’ Addendum, and Managerial Plan

Minnesota Management and Budget (MMB) will implement the Year 2 salary provisions of these contracts and plans over the weekend of June 24, 2016. This memo provides instructions and critical timelines for agency Human Resources offices.

2.5% Year 2 General Salary Adjustment, effective July 1, 2016

Over the weekend of June 24, 2016, MMB will process a mass update to apply the 2.5% general wage adjustment to the job records of employees covered by the following contracts and plans (and for “insufficient work time employees” in related job classes):

- AFSCME Council 5
- AFSCME Unit 208
- AFSCME Unit 25
- MAPE
- MLEA
- MMA
- MNA
- SRSEA
- Commissioner’s Plan

MMB will insert a SEMA4 job row with an effective date of 7/1/2016 and Pay Rate Change / GEN as the action / reason. MMB will update rows with effective dates greater than 7/1/2016. The new rates of pay will display in SEMA4 on June 27, 2016.

This adjustment also includes employees whose rate of pay exceeds the range maximum for their class.

On June 27, 2016, report HP7041, Mass Update Before and After Values for Salary, will be available in DocumentDirect. This report reflects employees’ 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 a list of employees on work-out-of-class assignments the week of June 27, 2016.

Agencies must also update the rates of pay for trainees if the general adjustment is allowed by the trainee plan. MMB will send agencies separate instructions and a list of employees in training assignments the week of June 27, 2016.

**Appointments after July 1, 2016**
Employees who are appointed to positions covered by these contracts and plans after July 1, 2016 will also receive the 2.5% general adjustment. However, this mass update will not add a 7/1/2016 general adjustment row (Pay Rate Change / GEN) because the employee was not yet appointed to the position on that date. The general adjustment mass update will be applied on rows with effective dates equal to and greater than the date of the appointment.

**Separated employees**
Employees who have a future-dated separation effective after July 1, 2016 will receive the July 1 general adjustment. However, the rate of pay on the separation row will not be updated. Agencies must manually update this row with the 7/1/2016 rate of pay.

**Managerial Plan and Medical Specialists’ Addendum – Conditional based on performance**
Employees covered by these plans are eligible for the 2.5% general salary increase effective July 1, 2016 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 7/1/2016 and PAY / 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.

This increase is also available to employees whose rate of pay exceeds the range maximum for their class.

In order for these pay increases to be reflected on the July 22, 2016 paycheck, enter the 2.5% general adjustment no sooner than Monday, June 27, 2016 and no later than Friday, July 8, 2016.

**Separated employees**
For employees who receive a 7/1/2016 general adjustment and have a future-dated separation row, remember to update the rate of pay on that row with the July 1, 2016 rate.
Agency Heads
Managers whose salaries are set in statute (for example, agency heads), are not eligible for these general salary increases.

Questions?
If you have any questions regarding the implementation of these salary adjustments, please contact your SEMA4 HR Services Specialist:
- 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
- Bill Ziegler at 651-259-3761 or William.K.Ziegler@state.mn.us

SEMA4 Salary Adjustment Timeline – Year 2

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>06/24/2016</td>
<td>Mass Update (2.5% general adjustment, effective 7/1/2016) for employees covered by these contracts and plans:</td>
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<tr>
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<td>- AFSCME Council 5</td>
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<td>- Commissioner’s Plan</td>
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<tr>
<td>06/27/2016 – 07/08/2016</td>
<td>Agencies enter a 2.5% general adjustment (PAY/PRF) effective 7/1/2016 for employees covered by the Managerial Plan and Commissioner’s Plan Medical Specialists’ Addendum who achieved satisfactory performance.</td>
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<tr>
<td>06/27/2016 – 07/08/2016</td>
<td>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.</td>
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<td>07/22/2016</td>
<td>Paycheck reflects a 2.5% general adjustment for employees covered by AFSCME Council 5, AFSCME Unit 208, AFSCME Unit 25, MAPE, MLEA, MMA, MNA, SRSEA, Commissioner’s Plan, Commissioner’s Plan Medical Specialists’ Addendum, and Managerial Plan.</td>
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