

## Memo

**Date:** September 3, 2025

**To:** Agency Payroll and Human Resources Staff

**From:** Mary Muellner, Co-Director, Statewide Payroll Services  
Katie Karow, Co-Director, Statewide Payroll Services

### **RE: Payroll-Related Changes for 2025-2027 AFSCME and MAPE Agreements**

For agencies with employees in the American Federation of State, County & Municipal Employees (AFSCME) MultiUnit and Minnesota Association of Professional Employees (MAPE) bargaining units, this memo includes payroll changes in the 2025-2027 agreements.

Agencies should take appropriate action to compensate employees accordingly. MMB will be implementing General Salary Adjustments during the weekend of September 12. Additional communications will be coming soon with instructions for HR and Payroll agency staff.

**PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF**

#### **Updated Resources**

The [2025-2027 agreements and summaries](#) will be available on MMB's website.

#### **AFSCME MultiUnit**

The following payroll changes are effective **August 27, 2025**:

- All salary ranges and rates shall be increased by 1.5% effective July 1, 2025, and by 1.75% effective July 1, 2026.
- The Incentives and Pay Equity Adjustment Pilots are no longer included in the main contract though some agencies may continue these programs under their supplemental language. As a result, the following earnings codes may no longer be used:
  - **ICV** – Initial Appointment Incentive
  - **REF** – Referral Payment
  - **INC** – Other Incentive Pay

Agencies with supplemental language allowing incentives must work with Statewide Payroll Services to set up new earnings codes and limits for their AFSCME employees to receive the incentives.

- Student Loan Reimbursement language is now part of the main contract and is no longer a pilot.
- All employees will accrue sick leave beginning at ¼ hour worked.
- Employees will receive full sick leave accruals at 78 hours worked.
- Employees will receive full vacation accruals at 78 hours worked.

- New hires or employee moving to a vacation eligible position will receive a 40-hour vacation credit.
  - Use the Leave Setup / Update page to enter the 40-hour credit.
  - The "credit" is an advance of hours, which are re-paid as the employee accrues.
- The compensatory bank maximum hours have increased from 200 to 240 hours. At the Appointing Authority's discretion, the maximum may be limited to a lower number of hours.
- Effective July 1, 2026, employees may convert their compensatory time up to two times per fiscal year. The total number of hours converted in a fiscal year remains unchanged at 150 hours.
- There is a change to Paid Parental Leave (PPL) eligibility. If an employee is covered by Minnesota Paid Leave, then the employee **is not** eligible for PPL.
- New Pilot - \$100 penalty pay for an employee who works mandated overtime that is not in compliance with Article 6 – Overtime, Section 4. Distribution. The penalty pay is processed as a grievance payment.

## MAPE

The following payroll changes are effective **August 27, 2025**:

- All salary ranges and rates shall be increased by 1.5% effective July 1, 2025, and by 1.75% effective July 1, 2026.
- The Incentives, Bilingual/Multilingual/Sign Language Differential, Recruiting, Employee Referral, Pay Equity Adjustments, and Phased Retirement Pilots are no longer included in the main contract though some agencies may continue these programs under their supplemental language. As a result, the following earnings codes may no longer be used:
  - **ICV** – Initial Appointment Incentive
  - **REF** – Referral Payment
  - **INC** – Other Incentive Pay
  - **L10** – Language Differential @ 1.00
  - **L50** – Language Differential @ 50.00
  - **PRA** – Phased Retirement

Agencies with supplemental language allowing incentives must work with Statewide Payroll Services to set up new earnings codes and limits for their MAPE employees to receive the incentives.

- All employees will accrue sick leave beginning at ¼ hour worked.
- The state-paid deferred compensation match has increased from \$250 to \$500.
- Progression increases now occur on an employee's anniversary date.
- Telework agreement changes require 21 days' notice if changing or cancelling the agreement.
- Chaplain housing allowance has increased to \$30,000.

## Questions?

Agency Payroll, HR or Accounting staff should contact Jody Dahl with Statewide Payroll Services at 651-201-8206 or [by email](#) if there are questions.