

Memo

Date: January 8, 2026

To: Agency Payroll, Human Resources, and Accounting Staff

From: Katie Karow, Director, Statewide Payroll Services

RE: Retroactive Wage Adjustments for 2025-2027 for Minnesota Government Engineering Agreement

This memo provides retroactive wage adjustments processing information for employees covered by the 2025-2027 Minnesota Government Engineering Agreement (MGEC) agreement.

Retroactive wage adjustment information

The retroactive adjustment period is July 1, 2025, through January 13, 2026.

Minnesota Government Engineering Agreement (MGEC) employees receiving a contract increase will have adjustments made under processing ID **A26**.

Retroactive Process ID	Contract Settlement Agreement
A26	Minnesota Government Engineering Agreement (MGEC)

Processing Timeline

The following table outlines specific action steps agencies are required to take to process retroactive wage adjustments. Agencies **must** complete their review and approval of retroactive pay transactions by January 23. Unapproved transactions **will not load** to mass time entry.

Date	Action
January 17-18 2026	Minnesota Management and Budget will adjust the salary rates of employees in this agreement, and for insufficient work time employees in related job classes. There will be a 1.5% salary increase effective July 1, 2025.
January 20, 2026	Agencies begin to review/approve retroactive pay transactions. Agencies must review all non-approved retroactive pay transactions. Adjust the retroactive pay as needed and mark them <i>approved</i> before they can be loaded to mass time entry. In addition, we suggest agencies review a small sampling of system-approved retroactive pay amounts for reasonableness.

January 23, 2026	Agencies must complete the review/approval process by this date.
January 27, 2026	Retroactive pay for July 1, 2025, through January 13, 2026, will be processed during the pay period ending January 27, 2026.
February 6, 2026	Retroactive pay for July 1, 2025, through January 13, 2026, will be paid on February 6, 2026, paychecks.

SEMA4 Help Resources

- Agencies are encouraged to utilize the following reports:
 - [FIHR1060, Report of Non-Approved Mass Retro Pay Transactions \(Standard Report Viewer/InfoPac ID HP1060\)](#)
 - [FIHR1070, Detail Report of Mass Retro Pay Transactions in Review \(Standard Report Viewer/InfoPac ID 1070\)](#)
 - [FIHR1071, Detail Report of All Mass Retro Pay Transactions \(Standard Report Viewer/InfoPac ID 1071\)](#)
 - [PDHR7063, Mass Update Before and After Values for Salary \(Standard Report Viewer/InfoPac ID 7041\)](#)
 - [FIHU0626, Mass Retro Detail Download \(On-Demand\)](#)
- For Retroactive wage adjustment information, refer to [Mass Retroactive Pay Adjustments - Reference](#).
- Special situations, such as work-out-of-class, trainee assignments, or missing active employees, will require manual processing. For SEMA4 Help instructions, in the index, type and select Individual Retroactive Pay. Then select, [Process and Individual Retroactive Pay Adjustment - Steps](#).

SEMA4 Hours

During the week of January 26-30, 2026, SEMA4 will be available as follows:

- Monday through Thursday 7:00 a.m. through 9:00 p.m.
- Friday 7:00 a.m. through 5:00 p.m.

Contact

- Contact [SEMA4 HR Services](#) with pay rate questions.
- Contact [Statewide Payroll Services](#) with mass retroactive pay calculation questions.

PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF