

Memo

Date: February 24, 2026

To: Agency Payroll, Human Resources, and Accounting Staff

From: Katie Karow, Director, Statewide Payroll Services

RE: Retroactive Wage Adjustments for 2025-2027 SRSEA Agreement and Nonrepresented Employees Compensation Plan (formerly known as Commissioner’s Plan)

This memo provides retroactive wage adjustments processing information for employees covered by the 2025-2027 State Residential Schools Education Association (SRSEA) agreement and Nonrepresented Employees Compensation Plan.

Retroactive wage adjustment information

The retroactive adjustment period is July 1, 2025, through February 24, 2026.

Note: Employees covered by the Medical Specialists and Managerial Plan agreements are not included in this mass retroactive wage adjustment, as salary increases under these agreements are discretionary. Agency HR must manually enter any approved general salary adjustments and process individual retroactive payroll transactions for affected employees during the week of March 2-6.

Employees covered by SRSEA agreement and Nonrepresented Employees Compensation Plan receiving a contract increase will have adjustments made under processing ID **B26**.

Retroactive Process ID	Contract Settlement Agreement
B26	State Residential Schools Education Association (SRSEA) Nonrepresented Employees Compensation Plan

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 March 6. Unapproved transactions **will not load** to mass time entry.

Date	Action
February 28-March 1, 2026	Minnesota Management and Budget will adjust the salary rates of employees in these agreements, and for insufficient work time employees in related job classes. There will be a 1.5% salary increase effective 7/1/2025.

March 2, 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.
March 6, 2026	Agencies must complete the review/approval process by this date.
March 10, 2026	Retroactive pay for July 1, 2025, through February 24, 2026, will be processed during the pay period ending 3/10/2026.
March 20, 2026	Retroactive pay for July 1, 2025, through February 24, 2026, will be paid on March 20, 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 March 9-13, 2026, SEMA4 will be available as follows:

- Monday through and 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