

## Office Memorandum

**Date:** June 1, 2017

**To:** Deputy Commissioners, HR Directors and Designees, SEMA4 HR and Payroll Users

**From:** Edwin Hudson, Deputy Commissioner

**Subject:** Salary Reinstatement for Minnesota Government Engineering Council Employees

The 2017 Legislature ratified the 2015-2017 Minnesota Government Engineering Council (MGEC) contract arbitration award. On Monday, June 5, MMB will reinstate the MGEC pay rates that were in place prior to the May 23, 2017 rollback that was processed after the close of the legislative session.

### Reinstatement of salary for MGEC employees

On Monday June 5, Minnesota Management and Budget will process a mass salary update to reinstate the salary provisions of the 2015 - 2017 Minnesota Government Engineering Council (MGEC) contract for all ONSTEP MGEC covered employees and for “insufficient work time employees” in related job classes. The new rates of pay will reflect the range and step values from the 7/1/2016 MGEC salary grid.

MMB will insert a sequenced SEMA4 job row with an effective date of 5/23/2017 and Pay Rate Change / CRE (Contract Reinstatement) as the action / reason. MMB will also insert rows with effective dates greater than 5/23/2017. The mass salary update will only affect MGEC employees who have an Active HR Status and an ONSTEP compensation rate.

### Agencies should review new rates of pay

**Report:** The report HP7041, *Mass Update Before and After Values for Salary*, will be available in DocumentDirect on Tuesday, June 6. This report will reflect employees’ new rates of pay. Please review this report for accuracy.

Please note: There will be two rows effective May 23, 2017 on employee Job records. The first has a reason code LFR, Legislative Failure to Ratify, which reduced the rate of pay. The second has the reason code CRE, Contract Reinstatement, reinstating the rate of pay to its value prior to May 23, 2017. It is imperative that both rows remain. Do not remove either row.

**Work-Out-of-Class Pay Rates:** The mass update will reinstate employee permanent rates of pay only. MMB will evaluate and update work-out-of-class rates and will send agencies a list of employees whose rates are adjusted.

**Trainee Pay Rates:** MMB will evaluate and update trainee compensation rates and will send agencies a list of employees whose rates are adjusted.

### Paycheck implications

Employees will receive retroactive pay to be made whole for compensable days from May 23 through May 30, which were originally paid at the rates from the 2013-2015 MGEC contract. Employees will receive their retroactive pay on their June 23 paycheck.

Statewide Payroll Services will provide a separate memo to agency staff with instructions regarding retroactive pay processing.

### Questions?

For SEMA4 HR questions, please contact your MMB SEMA4 HR Specialist:

- Judi Kaper at 651-259-3649 or [Judi.Kaper@state.mn.us](mailto:Judi.Kaper@state.mn.us)
- Mary O'Connor at 651-259-3633 or [Mary.OConnor@state.mn.us](mailto:Mary.OConnor@state.mn.us)
- Bill Ziegler at 651-259-3761 or [William.K.Ziegler@state.mn.us](mailto:William.K.Ziegler@state.mn.us)

For questions regarding payroll processing, contact [Statewide Payroll Services](#).

### SEMA4 Salary Adjustment Timeline

Date	Event
06/05/2017	Mass salary update, effective 5/23/2017 for ONSTEP employees covered by MGEC
06/06/2017 – 06/09/2017	Agencies review report HP7041, <i>Mass Update Before and After Values for Salary</i> in DocumentDirect.
06/06/2017 – 06/09/2017	MMB will update the compensation rates for work-out-of-class and trainee assignments. MMB will provide agencies a list of these employees.
06/23/2017	Paycheck reflects the reinstated rates and retroactive pay for employees covered by MGEC.