

Office Memorandum

Date: May 25, 2017
To: HR Directors and Designees, SEMA4 HR and Payroll Users
From: Edwin Hudson, Deputy Commissioner

Subject: Salary Rollback for Minnesota Government Engineering Council Employees is complete

Effective May 23, 2017, the state does not have authorization to pay the rates included in the 2015 - 2017 Minnesota Government Engineering Council (MGEC) contract/arbitration award. Legislative activities have not yet concluded, and we continue to monitor the status of this provision. Depending on the final outcome, MMB will make necessary retroactive adjustments as needed. MMB rolled back the 2015-2017 MGEC pay rates last night and agencies should now review the report referenced below.

Roll back salary for MGEC employees is complete

On Tuesday, Minnesota Management and Budget processed a mass salary update to roll back the Year 1 and Year 2 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 reflect the range and step values from the 7/1/2014 MGEC salary grid.

MMB inserted a SEMA4 job row with an effective date of 5/23/2017 and Pay Rate Change / LFR (Legislative Failure to Ratify) as the action/reason. MMB updated rows with effective dates greater than 5/23/2017. The mass salary update only affected 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*, is now available in DocumentDirect. This report reflects employees’ new rates of pay. Please review this report for accuracy.

Work-Out-of-Class Pay Rates: The mass update rolled back employee permanent rates of pay only. MMB is evaluating and updating work-out-of-class rates and will send agencies a list of employees whose rates are adjusted.

Trainee Pay Rates: MMB is evaluating and updating trainee compensation rates and will send agencies a list of employees whose rates are adjusted.

Paycheck implications

For the May 30, 2017 pay period, the dates May 17 through May 22 will be paid at the rates from the 2015-2017 MGEC contract. The dates May 23 through May 30 will be paid at the rates from the 2013-2015 MGEC contract. Employees will see both rates on their June 9 paycheck.

Questions?

For SEMA4 HR questions, please contact your MMB SEMA4 HR 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

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

SEMA4 Salary Adjustment Timeline

Date	Event
05/23/2017 (complete)	Mass salary update, effective 5/23/2017 for ONSTEP employees covered by MGEC
05/24/2017 – 05/26/2017	Agencies review report HP7041, <i>Mass Update Before and After Values for Salary</i> in DocumentDirect.
05/24/2017 – 05/26/2017	MMB will update the compensation rates for work-out-of-class and trainee assignments. MMB will provide agencies a list of these employees.
06/09/2017	Paycheck reflects the rolled back rates for employees covered by MGEC.