



Office Memorandum

Date: March 11, 2013

To: Agency Payroll, HR and Accounting Staff

From: Mary Muellner, Director
Statewide Payroll Services

Subject: Special Wage Adjustment Processing for Commissioner's Plan, Managerial Plan, and Medical Specialists' Addendum

This memo outlines the special procedures for processing individual retroactive wage adjustments for employees covered by the following compensation plan agreements:

- Commissioner's Plan
- Commissioner's Plan, Medical Specialists' Addendum
- Managerial Plan

Agencies are responsible for evaluating eligibility and subsequently updating the rates of pay for employees covered by the Commissioner's Plan, Managerial Plan and Medical Specialists' Addendum. Agencies have the option of granting employees performance-based increases effective January 4, 2012 and performance-based increases effective January 2, 2013 *in addition to* the 2% general wage adjustment (effective January 2, 2013). The 2% general adjustment will be processed by MMB as an across the board increase for Commissioner's Plan employees. The 2% general adjustment for Managerial plan and Medical Specialist employees will be processed by agencies if the employee has achieved satisfactory performance. Refer to the HR bulletin regarding [Salary Adjustments](#) dated February 26, 2013 for additional details.

Because multiple increases are possible and the timeframe for these increases overlap, Minnesota Management and Budget will **not** be processing mass retroactive pay adjustments for employees covered by these plans. Agency Payroll staff will need to enter individual retroactive pay adjustments for all employees covered by these agreements.

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TIMELINE

The timeline below outlines the special procedures for processing the salary provisions of the newly approved **Plans** (Commissioner’s Plan, Managerial Plan and Medical Specialists’ Addendum). It also includes the processing timeline of the newly approved **Contracts** (AFSCME, AFSCME Unit 8, MAPE, MMA, and SRSEA) to help agencies identify when tasks need to be completed.

Dates and Responsible Staff	Tasks and Information
March 16 – March 17 <ul style="list-style-type: none"> • Contracts • MMB 	Mass General Wage Adjustment and Retroactive Pay Calculation <ul style="list-style-type: none"> • On the weekend of March 16 -17, 2013, Minnesota Management and Budget will perform the following mass updates for employees covered by AFSCME, AFSCME Unit 8, MAPE, MMA, and SRSEA: <ul style="list-style-type: none"> ○ 2% general wage adjustment effective January 2, 2013 ○ Retro pay calculation for January 2, 2013 through March 12, 2013 • 2% general wage adjustment will appear on April 5, 2013 paychecks. NOTE: It is possible that retroactive pay will not be calculated until Monday evening, March 18, 2013.
March 18 – March 22 <ul style="list-style-type: none"> • Contracts • Agency Payroll staff 	Review and Approve Mass Retros for employees covered by AFSCME, AFSCME Unit 8, MAPE, MMA, and SRSEA <ul style="list-style-type: none"> • Review all non-approved retroactive pay transactions, adjust the retroactive pay as needed, and mark them as <i>approved</i>. • Process special situations such as missing active employees, separated employees, employees on leave or layoff, work-out-of-class, and trainees. • We suggest agencies review a small sampling of system-approved retroactive pay amounts for reasonableness. • Retroactive pay for January 2, 2013 through March 12, 2013 will be processed during the pay period ending March 26, 2013 and paid on April 5, 2013 paychecks.
March 18 – March 25 <ul style="list-style-type: none"> • Plans • Agency HR staff 	Enter January 2012 Performance Increases for employees covered by Commissioner's Plan, Managerial Plan, and Medical Specialists' Addendum <ul style="list-style-type: none"> • Update rates of pay on job records for eligible employees receiving performance-based increases (PAY/PRF) effective January 4, 2012. • These increases must be entered in SEMA4 by the end of the day on Monday, March 25, 2013. • January 4, 2012 increases in the rates of pay processed during the pay period ending March 26, 2013 will appear on April 5, 2013 paychecks. This will not include retroactive pay. • DO NOT enter individual retroactive pay at this time!
March 30 – April 1 <ul style="list-style-type: none"> • Plans • MMB 	Mass Updates of Pay Grids and General Wage Adjustment <ul style="list-style-type: none"> • On the weekend of March 30 – 31, 2013, Minnesota Management and Budget will make the following salary-related adjustments effective January 2, 2013: <ul style="list-style-type: none"> ○ Commissioner’s Plan, Managerial Plan and Medical Specialists’ Addendum pay grids will be updated. ○ 2% general wage adjustment for employees covered by the Commissioner’s Plan only. • Commissioner’s Plan 2% general wage adjustment will appear on April 19, 2013 paychecks.

Dates and Responsible Staff	Tasks and Information
<p>April 1 – April 8</p> <ul style="list-style-type: none"> • Plans • Agency HR staff 	<p>Enter General Wage Adjustment Increases for employees covered by the Managerial Plan and Medical Specialists’ Addendum and Enter January 2013 Performance Increases for employees covered by the Commissioner’s Plan, Managerial Plan, and Medical Specialists’ Addendum.</p> <ul style="list-style-type: none"> • For employees covered by the Managerial Plan and Medical Specialists’ Addendum: enter 2% general wage adjustment increases (PAY/PRF) effective January 2, 2013. • For employees covered by Commissioner’s Plan, Managerial Plan, and Medical Specialists’ Addendum: update rates of pay on job records for eligible employees receiving performance increases (PAY/PRF) effective January 2, 2013. • Inform agency Payroll staff as changes to each department ID are completed, so they may begin processing individual retroactive pay transactions for employees in each department ID. • These increases will appear on April 19 paychecks.
<p>April 1 – April xx*</p> <ul style="list-style-type: none"> • Plans • Agency Payroll staff <p>* April xx = The date Mass Time Entry is processed (April 9 – April 11)</p>	<p>Enter Individual Retroactive Pay Adjustments</p> <ul style="list-style-type: none"> • Enter individual retroactive pay adjustments for employees covered by Commissioner’s Plan, Managerial Plan, and Medical Specialists’ Addendum. • Wait until HR staff have informed you that increases and adjustments for a department ID have been processed before entering individual retro pay for employees in that department ID. Employees may have multiple increases, so waiting to do the individual retro ONLY ONCE minimizes extra work by eliminating the need to manually compute corrections to the subsequent retros. • Individual retroactive pay for January 4, 2012 through March 26, 2013 will be processed during the pay period ending April 9, 2013 and paid on April 19 paychecks. • NOTE: All individual retroactive pay transactions must be completed before Mass Time Entry is processed. Individual retroactive pay transactions cannot be processed as a current period adjustment. Because of this limitation, we recommend that all HR transactions and individual retroactive pay transactions be grouped by department ID.
<p>April 5 Paychecks</p>	<p>For employees covered by AFSCME, AFSCME Unit 8, MAPE, MMA, and SRSEA:</p> <ul style="list-style-type: none"> • 2% general wage adjustment will appear. • Retroactive pay for January 2, 2013 through March 12, 2013 will be paid. <p>For employees covered by Commissioner’s Plan, Managerial Plan, and Medical Specialists’ Addendum:</p> <ul style="list-style-type: none"> • January 4, 2012 performance increases will appear. This will not include retroactive pay.
<p>April 19 Paychecks</p>	<p>For employees covered by Commissioner’s Plan, Managerial Plan, and Medical Specialists’ Addendum:</p> <ul style="list-style-type: none"> • 2% general wage adjustment will appear. • January 2, 2013 performance increases will appear. • Retroactive pay for January 4, 2012 through March 26, 2013 will be paid.

TOOLS

HELP

Agencies should use the Individual RetroPay Build and Trans pages to process the retroactive payment for each employee. We recommend using SEMA4 Help to assist you. In the Index, type and select *Individual Retroactive Pay*. Then select *Process an Individual Retroactive Pay Adjustment - Steps*. Review the step-by-step instructions.

REPORTS

- PFHR7041, *Mass Update Before and After Values for Salary* (Document Direct/InfoPac ID HP7041)

MASS UPDATE: COMMISSIONER'S PLAN GENERAL WAGE ADJUSTMENT

The mass update on the weekend of March 30 – 31, 2013 will include a 2% general wage adjustment effective January 2, 2013 for employees covered by the Commissioner's Plan only.

For employees covered by the Managerial Plan and Medical Specialists' Addendum, on April 1 – April 8 agency HR staff will enter performance-based 2% general wage adjustment increases (PAY/PRF) effective January 2, 2013.

BEFORE AND AFTER SALARY RATES

The PFHR7041, *Mass Update Before and After Values for Salary* (Document Direct/InfoPac ID HP7041), will be available on Monday, April 1, 2013. Employees are sorted by agency, HR processing unit, and department ID. This report lists each employee's rate of pay before and after the mass update.

INDIVIDUAL RETROACTIVE PAY ADJUSTMENTS

Individual retroactive pay adjustments should be processed for all eligible employees covered by the Commissioner's Plan, Managerial Plan, and Medical Specialists' Addendum. Retroactive pay will cover January 4, 2012 performance increases, 2% general wage adjustments effective January 2, 2013, and January 2, 2013 performance increases.

PROCESSING INDIVIDUAL RETROACTIVE ADJUSTMENTS

After ALL salary increases have been entered for a department ID, agency Payroll staff should use the Individual RetroPay Build and Trans pages to enter the retroactive payment for each employee in the department ID. The paths for these pages are: Payroll > Retroactive Pay > Individual RetroPay Build and Payroll > Retroactive Pay > Individual RetroPay Trans. There are four main steps to the process.

1. Build Individual Retroactive Pay Records
 - On the Individual RetroPay Build page, in the Begin Date field enter the pay period end date of the first pay period for which you are processing the retroactive adjustment.
 - For employees with a January 4, 2012 performance increase the Begin Date will be 01/17/2012.
 - Employees who are receiving a 2% general wage adjustment and not receiving a January 4, 2012 performance increase will have a Begin Date of 01/15/2013.
 - On the Individual RetroPay Build page, in the End Date field enter the pay period end date of the last pay period for which you are processing the retroactive adjustment: 03/26/2013.

2. Calculate the Individual Retroactive Pay Amount
 - On the Individual RetroPay Trans page, calculate, review and, if necessary, correct the retroactive amount for each employee in the department ID and Save.
3. Load the Individual Retroactive Pay to Mass Time Entry.
4. When all employees receiving Individual Retroactive Pay within the department ID have been loaded, check the Department RetroPay Status to ensure all the Individual RetroPay transactions have a Load MTE status. The path for this page is: Payroll > Retroactive Pay > Department RetroPay Status.

MASS TIME ENTRY

All individual retroactive pay adjustments must be loaded to mass time entry for the pay period ending April 9, 2013. All individual retroactive pay transactions must be completed before Mass Time Entry is processed. Individual retroactive pay transactions cannot be processed as a current period adjustment. Because of this limitation, we recommend that all HR transactions and individual retroactive pay transactions be grouped by department ID. The deadline for processing Mass Time Entry remains close of business, April 11.

SPECIAL SITUATIONS

SEPARATED EMPLOYEES

Employees who separated from state service on or before the plans were effective (February 20, 2013) are **not** eligible for retroactive pay. Employees who separated from state service from February 21, 2013 through April 9, 2013, are eligible for retroactive pay.

Agencies should use the Individual RetroPay Build and Trans pages to enter the retroactive payment for each employee. The calculation should include all payoffs, including payment(s) to Health Care Saving Plan accounts. Note: The retroactive pay will be paid to the employee. No retroactive payments will be made to the Health Care Savings Plan.

EMPLOYEES ON LEAVE OR LAYOFF

Employees who went on leave or layoff after January 2, 2013, are eligible for retroactive pay. Process individual retroactive pay in the same manner as for other employees.

WORK-OUT-OF-CLASS / TRAINEE

Agencies are responsible for updating the rates of pay for employees on work-out-of-class and trainees if the 2% general wage adjustment is allowed by the plan. Agency Payroll staff must check with agency HR staff to determine if there are any affected employees or trainees. After agency HR staff updates the work-out-of-class and trainee pay rates, agency Payroll staff will need to enter individual retroactive pay adjustments for the employees on work-out-of-class and trainees.

OFF-CYCLE CHECKS

Starting the week of April 1, 2013, off-cycle checks that include pay January 4, 2012 through March 26, 2013, will use the new rate(s) of pay. This should be taken into account when calculating the correct amount of retroactive pay for an employee.

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ASSISTANCE AND SEMA4 HOURS

SEMA4 HOURS

SEMA4 will be available as follows: Monday through Thursday, 7:00 a.m. through 7:00 p.m. and Friday 7:00 a.m. through 5:00 p.m.

ASSISTANCE

For questions regarding pay rates, contact SEMA4 HR Services. For questions regarding earn codes, current period adjustments and payroll processing, contact Statewide Payroll Services.

PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF